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Securities Code: 2897
June 6, 2016

To our shareholders:

1-1, 4-chome, Nishinakajima, Yodogawa-ku, Osaka
NISSIN FOODS HOLDINGS CO., LTD.
Koki Ando, President & Representative Director, CEO

Notice of the 68th Ordinary General Meeting of Shareholders

First and foremost, we at NISSIN FOODS HOLDINGS CO., LTD. would like to express our deepest sympathies to all those who have been affected by the 2016 Kumamoto Earthquake. We hope that recovery will proceed quickly.

You are cordially invited to attend the 68th Ordinary General Meeting of Shareholders of NISSIN FOODS HOLDINGS CO., LTD. (the “Company”) to be held as stated below.

If you are unable to attend the meeting, you can exercise your voting rights in writing (mail) or by the electromagnetic method (the Internet). Please review the Reference Documents for the General Meeting of Shareholders as described hereinafter, and exercise your voting rights by either of the methods stated on the next page no later than 5:40 p.m. on Monday, June 27, 2016.

1. **Date and time:** Tuesday, June 28, 2016, at 10:00 a.m.
2. **Place:** Hotel New Otani Osaka, 2nd floor, the “Hō”
4-1, 1-chome, Shiromi, Chuo-ku, Osaka
3. **Agenda:**
 - Matters to be reported:**
 1. Business Report, Consolidated Financial Statements, and Reports of Audit on the Consolidated Financial Statements by Financial Auditor and Audit & Supervisory Board for the 68th fiscal year from April 1, 2015 to March 31, 2016
 2. Non-consolidated Financial Statements for the 68th fiscal year from April 1, 2015 to March 31, 2016
 - Matters to be resolved:**
 - Proposal 1:** Appropriation of Surplus
 - Proposal 2:** Election of Eight (8) Directors
 - Proposal 3:** Election of One (1) Alternate Audit & Supervisory Board Member
 - Proposal 4:** Revision of Remuneration for Outside Directors
 - Proposal 5:** Renewal of the Countermeasures to the Large-Scale Acquisition of the Company’s Shares (Takeover Defense Measures)

4. Matters prescribed for convocation

Exercise of Voting Rights by Proxy

A shareholder may exercise his/her voting rights by designating one proxy who is another shareholder holding voting rights of the Company to attend the meeting. Please note, however, that the proxy will be required to present documentary proof of the proxy’s authority and documentation to confirm the shareholder who delegated the right (for example, enclosed voting card) to the receptionist on the day of the meeting.

Methods of Exercise of Voting Rights

[Exercise of Voting Rights by Mail]

Please indicate your approval or disapproval for each proposal on the enclosed voting card and return it to us by mail so that it arrives by **5:40 p.m. on Monday, June 27, 2016**.

[Exercise of Voting Rights via the Internet]

Please access the “voting right exercise website” designated by the Company (<http://www.it-soukai.com/>) with the “voting code” and “password” provided on the enclosed voting card, follow the instructions on the screen and enter your approval or disapproval for each proposal by **5:40 p.m. on Monday, June 27, 2016**.

Concerning exercise of voting rights via the Internet, please refer to “Guidance for Exercise of Voting Rights via the Internet” on page 3.

In the event of duplicate votes by the voting card and via the Internet, the Internet vote shall be treated as valid.

The Company participates in the electronic voting platform for institutional investors operated by ICJ, Inc.

- If attending the meeting in person, please present the enclosed voting card to the receptionist.
The reception will start at 9:00 a.m.
- Please bring this Notice of Ordinary General Meeting of Shareholders to conserve resources on the day of the General Meeting of Shareholders.
- Because “Items Regarding Stock Acquisition Rights of the Company,” “Systems and Policy of the Company,” “Basic Policy on Control of the Company,” “Notes to Consolidated Financial Statements” and “Notes to Non-consolidated Financial Statements,” which must be provided at the time of providing this Notice, are reported on the Company’s website (<http://nissin.com/>), in accordance with the provisions of laws and regulations and Article 17 of the Company’s Articles of Incorporation, they are not provided in the attached documents to this Notice.
Consequently, the documents attached to this Notice consist of part of the Business Report, the Consolidated and Non-consolidated Financial Statements that were audited by the Financial Auditor and Audit & Supervisory Board Members in preparing audit reports.
- Any amendment to the Company’s Reference Documents for the General Meeting of Shareholders, the Business Report, and the Consolidated and Non-consolidated Financial Statements will be published on the Company’s website (<http://nissin.com/>). The amendments in these documents will be available in Japanese only.

Guidance for Exercise of Voting Rights via the Internet

1. Exercise of Voting Rights via the Internet

- (1) In lieu of voting by mail, it is possible to exercise your voting rights through the “voting right exercise website” designated by the Company (the URL below). For those interested, please log in using the “voting code” and “password” written on the right side of the enclosed voting card and follow the instructions on the screen to enter your vote.

To ensure security, you are requested to change the password when executing the first log-in.

<http://www.it-soukai.com/>

- (2) The deadline for exercising voting rights is 5:40 p.m. on Monday, June 27, 2016, and you need to complete entering your vote by then. We kindly ask that you exercise your voting rights as soon as possible.
- (3) In the event of duplicate votes by the voting card and via the Internet, the Internet vote shall be treated as valid. In the event of more than one vote via the Internet, the most recent vote shall be treated as valid.
- (4) Your passwords (including your chosen password) will only be valid for this General Meeting of Shareholders. A new password will be issued for the next General Meeting of Shareholders.
- (5) Please note that any costs relating to connection to the Internet will be the burden of the shareholder.

Notes:

- Passwords are used to verify the identity of the person exercising his/her rights as a shareholder. The Company’s staff will never ask you to disclose your password.
- The website will be locked if an incorrect password is entered after a certain number of tries. If the website is locked, please follow the instructions on the screen.
- Although it has been confirmed that the “voting right exercise website” operates normally in the ordinary Internet-connected devices, you may experience some difficulties in accessing the website depending on the device you use.

2. Contact Information for Inquiries

For inquiries, please contact the transfer agent, **Stock Transfer Agency Department, Mizuho Trust & Banking Co., Ltd.**

- (1) Dedicated line for inquiries on the operation of the “voting right exercise website”
[Toll-free in Japan only] 0120-768-524 (9:00 a.m. to 9:00 p.m. on weekdays)
- (2) Inquiries on share handling matters other than above
[Toll-free in Japan only] 0120-288-324 (9:00 a.m. to 5:00 p.m. on weekdays)

[Reference]

Institutional investors may use the electronic voting platform operated by ICJ, Inc.

Business Report (From April 1, 2015 to March 31, 2016)

1. Items Regarding Current Conditions of the Nissin Foods Group

(1) Business progress and results

During the fiscal year ended March 31, 2016, the Japanese economy remained at a stalemate, mainly reflecting a sense of stagnation in consumer spending, although employment and income conditions were improving. The business environment continued to be uncertain, with a growing risk of downward pressure on the Japanese economy caused by a downturn in the economies of China and other emerging Asian countries and resource-rich countries.

In this environment, the Nissin Foods Group (the “Group”) made efforts to ensure the penetration of revised prices and enhance its brand value through the effective launch of new products and the renewal of its products based on accurate product development and marketing according to targets set after the price revision of domestic products implemented in the previous fiscal year.

With regard to food safety, we position it as the Group’s most important management issue and work to further strengthen the quality control system.

The Group also pursued a global strategy focusing on emerging countries with high growth potential, and worked to build a robust corporate base to enable an immediate response to changes in the management environment with an aim for the maximization of its group-wide synergy.

As a result, concerning the business results in the fiscal year under review, net sales was ¥468,084 million, up 8.5% year on year. With respect to profits, operating income was ¥26,399 million, up 8.6% year on year, ordinary income was ¥30,733 million, down 6.8% year on year, and net income attributable to owners of parent was ¥26,884 million, up 45.3% year on year.

(Net sales by reportable segment for the fiscal year under review)

Reportable segments	Net sales by segment (Millions of yen)	Year on year change (%)
Nissin Food Products	223,612	+3.6
Myojo Foods	41,609	+6.2
Chilled and frozen foods	59,810	+5.6
The Americas	48,280	+35.1
China	40,883	+18.5
Others	53,888	+8.3
Total	468,084	+8.5

The following is an overview of performance by reportable segment

i) Nissin Food Products

The sales of Nissin Food Products increased year on year due to a rise in the sales of cup-type instant noodles.

In cup-type instant noodles, the Cup Noodle series, which was renewed in April 2015 based on the concept of “Plentiful ingredients!”, sold favorably, and the newly released Cup Noodle Light Plus, which is low in calories but includes added vegetables and food fiber, contributed to the increased sales. The Nissin-no-Donbei series, whose quality was rediscovered, particularly by young people, as “10-minute Donbei,” among others, became a popular topic due to a web promotion played out at the end of 2015, and also sold well. In bag-type instant noodle products, sales of the long-selling product Demae Ichcho, which was renewed by adding toasted sesame seeds to the sesame chili oil, increased.

As a result, net sales in the Nissin Food Products segment was ¥223,612 million, up 3.6% year on year.

ii) Myojo Foods

Looking at sales of Myojo Foods, in bag-type noodles, sales of the Myojo Charumera series grew. In cup-type noodles, sales of the Myojo Ipppeichan Yomise No Yakisoba, which celebrated its 20th anniversary in February 2015, kept growing favorably.

As a result, net sales in the Myojo Foods segment was ¥41,609 million, up 6.2% year on year.

iii) Chilled and frozen foods

Sales of Nissin Chilled Foods increased year on year, with the significant sales growth of the ramen series led by its core brand, Gyoretsu-no-Dekiru-Mise-no-Ramen. In the Yakisoba series, sales of Futomen Yakisoba, which features hearty thick noodles and rich liquid sauce, remained solid. Sales of the Hiyashi Chuka series (cold noodles) as a regularly consumed summer food product also increased year on year.

Nissin Frozen Foods saw increased sales, mainly led by pasta products and ramen products, both of which are packed with precooked ingredients. In pasta products, the NISSIN Mochitto Nama Pasta series, whose sticky texture has been well received, showed healthy sales. In ramen products, the NISSIN GooTa series centered on the Rajao Tan Tan Men sold well, and sales of NISSIN Chuka Shirunashi Tan Tan Men Omori increased significantly, up by 80% from the previous year. In yakisoba products, the NISSIN Chuka Shanghai Yakisoba contributed to increased sales.

As a result, net sales in the Chilled and frozen foods segment was ¥59,810 million, up 5.6% year on year.

iv) The Americas

In the Americas, the Group aimed to become less susceptible to the effects of price competition in the U.S. and Mexico. In the U.S., it is working to introduce high value-added products that meet market demand and to ensure the sales and operating income of existing brands. In Mexico, while the previous fiscal year saw the sales volume decline due to the impact of higher retail prices as a result of the tax legislation reform, sales recovered this fiscal year to increase year on year. In addition, Nissin Foods do Brasil Ltda. (formerly “Nissin-Ajinomoto Alimentos Ltda.”), which has become a consolidated subsidiary from the third quarter of the fiscal year under review, contributed to its sales increase. The overall segment sales and operating income increased.

As a result, net sales in the Americas segment was ¥48,280 million, up 35.1% year on year.

v) China

In China, the Group is working to expand its sales area in mainland China (the north, northeast, and southwest areas) as well as strengthen its Cup Noodles brand. The Group also implemented price revisions mainly in the south area from September 2015, and has been working to achieve their penetration. The newly introduced Big Cup Noodles and Made-in-Hong Kong Demae Ichcho showed healthy sales, and segment sales increased year on year.

As a result, net sales in the China segment was ¥40,883 million, up 18.5% year on year.

vi) Others

Net sales in the Others segment was ¥53,888 million, up 8.3% year on year, reflecting a steady performance in sales of Gorotto Granola series of NISSIN CISCO CO., LTD., Tokachi Nomu Yogurt and Pilkul of NISSIN YORK CO., LTD.

(2) Status of important capital investment and financing

Capital investment in the fiscal year ended March 31, 2016, was carried out with a focus on a newly established factory at Myojo Foods, the construction of a new factory to meet the enhancement of the product supply system in China, as well as construction to meet production, establishment of a new line with the goal of improving production ability, and construction for the new production method at Nissin Food Products. As a result, the total amount of the capital investment of the Group was ¥32,785 million. The finances required for this were primarily allocated from internal funds.

(3) Company Initiatives

The Japanese economy is expected to head toward a moderate recovery, thanks partly to the effects of various policies amid continued improvements in the employment and income situations. However, the outlook is expected to be uncertain, given concerns such as weaker-than-expected consumer confidence, business confidence, and increasing uncertainty surrounding overseas economies.

In this environment, the Group will thoroughly pursue “earning power centered on core businesses” and “corporate value in the capital market” based on the Medium-Term Management Plan 2021 for five years starting from the fiscal year ending March 31, 2017 to March 31, 2021.

Positioning food safety as its most important management issue, the Group will further strengthen its quality control system and conduct leading-edge studies for food safety in the Kyurito Building of the Global Food Safety Institute that was established in August 2015.

With respect to CSR activities, the Group will continue to make efforts to build a trusted corporate group by cooperating with the United Nations World Food Programme (Japan Association for the World Food Programme) and promoting the Hyakufukushi Project in which we will conduct a total of 100 CSR activities for 50 years from 2008 and sports support activities, among other things.

The Company will also promote sustainable growth and improve its corporate value over the medium- to long-term by conducting corporate governance-conscious management based on a proper understanding and practice of the Corporate Governance Code, which began to be applied to companies listed on the Tokyo Stock Exchange.

(4) Trends in financial position and gain and loss

Items	65th fiscal year ended March 2013	66th fiscal year ended March 2014	67th fiscal year ended March 2015	68th fiscal year ended March 2016 (fiscal year under review)
Net sales (Millions of yen)	382,793	417,620	431,575	468,084
Ordinary income (Millions of yen)	30,964	34,840	32,980	30,733
Net income attributable to owners of parent (Millions of yen)	18,855	19,268	18,505	26,884
Total assets (Millions of yen)	446,132	479,469	512,743	553,068
Total equity (Millions of yen)	315,026	342,300	369,852	371,688
Net income per share (Yen)	171.12	174.83	167.88	245.52
Total equity per share (Yen)	2,782.25	3,018.82	3,282.02	3,332.94

(Notes) 1. Net income per share is calculated using the total average number of shares issued during the fiscal year. Total equity per share is calculated using the total number of shares issued at the end of the fiscal year.

2. Net income per share and total equity per share are calculated using the total number of shares issued (excluding treasury stock).

(5) Major parent company and subsidiaries (As of March 31, 2016)

i) Major parent company

No items to report.

ii) Major subsidiaries

Company name	Capital stock	Ratio of capital contribution by the Company			Major business
		Direct	Indirect	Total	
NISSIN FOOD PRODUCTS CO., LTD.	¥5,000 million	100%	–	100%	Manufacture and sale of instant noodles
MYOJO FOODS CO., LTD.	¥3,143 million	100%	–	100%	Manufacture and sale of instant noodles
NISSIN CHILLED FOODS CO., LTD.	¥100 million	100%	–	100%	Manufacture and sale of chilled foods
NISSIN FROZEN FOODS CO., LTD.	¥100 million	100%	–	100%	Manufacture and sale of frozen foods
NISSIN CISCO CO., LTD.	¥2,600 million	100%	–	100%	Manufacture and sale of cereal foods and confectionery etc.
NISSIN YORK CO., LTD.	¥870 million	100%	–	100%	Manufacture and sale of dairy products etc.
NISSIN ASSET MANAGEMENT CO., LTD.	¥50 million	100%	–	100%	Real estate leasing and management
Sapporo Nissin Co., Ltd.	¥250 million	–	100%	100%	Manufacture and sale of instant noodles
Nissin Plastics Co., Ltd.	¥450 million	–	100%	100%	Manufacture and sale of containers
NISSIN F.D. FOODS CO., LTD.	¥100 million	–	100%	100%	Manufacture and sale of ingredients for instant noodles
Kagawa Nissin Food Products Co., Ltd.	¥100 million	–	100%	100%	Manufacture and sale of ingredients for instant noodles
Nissin Enterprise Corporation	¥300 million	–	100%	100%	Warehousing and distribution business
AJINIHON CO., LTD.	¥95 million	–	48%	48%	Manufacture and sale of soup
NISHINIHON MYOJO CO., LTD.	¥90 million	–	100%	100%	Manufacture and sale of instant noodles
UNI-STAR CO., LTD.	¥150 million	–	100%	100%	Manufacture and sale of soup
HIGASHINIHON MYOJO CO., LTD.	¥90 million	–	100%	100%	Manufacture and sale of instant noodles
Saitama Nissin Food Products Co., Ltd.	¥30 million	–	100%	100%	Manufacture and sale of chilled foods and frozen foods
SAGAMI FRESH CO., LTD. (Note 1)	¥400 million	–	100%	100%	Manufacture and sale of chilled foods
Shikoku Nissin Food Products Co., Ltd.	¥98 million	–	100%	100%	Manufacture and sale of frozen foods
Takamatsu Nissin Food Products Co., Ltd.	¥80 million	–	100%	100%	Manufacture and sale of frozen foods
Mie Nissin Food Products Co., Ltd.	¥100 million	–	100%	100%	Manufacture and sale of frozen foods
Circle Liners Co., Ltd.	¥50 million	–	100%	100%	Warehousing and distribution business
NICKY FOODS CO., LTD.	¥60 million	–	100%	100%	Manufacture and sale of frozen foods
UJI KAIHATSU DEVELOPMENT CO., LTD.	¥100 million	98%	0%	98%	Operation of golf course
NISSIN NETCOM CO., LTD.	¥24 million	100%	–	100%	Management of real estate Management of restaurants
BonChi Co., Ltd. (Note 2)	¥160 million	50%	–	50%	Production and sales of Japanese rice crackers and snacks
NISSIN FOODS (U.S.A.) CO., INC.	US\$149,706 thousand	94%	–	94%	Manufacture and sale of instant noodles

Company name	Capital stock	Ratio of capital contribution by the Company			Major business
		Direct	Indirect	Total	
MYOJO U.S.A., INC.	US\$5,000 thousand	96%	–	96%	Manufacture and sale of chilled foods
NISSIN FOODS DE MEXICO S.A. DE C.V.	MXN215,191 thousand	100%	–	100%	Manufacture and sale of instant noodles
NISSIN FOODS DE COLOMBIA S.A.S.	COP5,748,377 thousand	100%	–	100%	Sale of instant noodles
NISSIN TECHNOLOGY ALIMENTOS DO BRASIL LTDA. (Note 3)	BRL1,038,577 thousand	100%	–	100%	Technical support for manufacture of foods
NISSIN FOODS DO BRASIL LTDA. (Note 2)	BRL12,688 thousand	50%	50%	100%	Manufacture and sale of instant noodles
NISSIN FOODS CO., LTD.	HK\$2,030,685 thousand	99%	–	99%	Manufacture and sale of instant noodles Regional headquarters for China
WINNER FOOD PRODUCTS LTD.	HK\$29,975 thousand	–	99%	99%	Manufacture and sale of instant noodles and frozen foods
NISSIN FOODS (HK) MANAGEMENT CO., LTD.	HK\$200	–	99%	99%	Intragroup administrative operation support
NISSIN FOODS (CHINA) HOLDING CO., LTD.	RMB1,443,797 thousand	–	99%	99%	Invest in businesses in China
SHANGHAI NISSIN FOODS CO., LTD.	US\$44,000 thousand	–	99%	99%	Manufacture and sale of instant noodles
GUANGDONG SHUNDE NISSIN FOODS CO., LTD.	HK\$130,000 thousand	–	99%	99%	Manufacture and sale of instant noodles
Dongguan Nissin Packaging Co., Ltd.	RMB147,000 thousand	–	99%	99%	Manufacture of instant noodle packages
Nissin Koikeya Foods (China & HK) Co., Ltd.	HK\$10,000 thousand	–	65%	65%	Sale of confectionery etc.
Fujian Nissin Foods Co., Ltd.	RMB235,000 thousand	–	99%	99%	Manufacture and sale of instant noodles
ZHUHAI GOLDEN COAST WINNER FOOD PRODUCTS LTD.	HK\$84,000 thousand	–	69%	69%	Manufacture and sale of instant noodles
GUANGYOUNGAN FOOD PRODUCTS (SHENZHEN) CO., LTD.	HK\$11,000 thousand	–	99%	99%	Manufacture and sale of frozen foods
ZHEJIANG NISSIN FOODS CO., LTD. (Note 3)	RMB245,000 thousand	–	99%	99%	Manufacture and sale of instant noodles
NISSIN FOODS (H.K.) CO., LTD. (Note 3)	HK\$10,000 thousand	–	99%	99%	Sale of instant noodles
NISSIN FOODS (ASIA) PTE. LTD.	S\$272,959 thousand	100%	–	100%	Regional headquarters for Asia
Nissin Foods Singapore Pte. Ltd. (Note 3)	S\$20,989 thousand	–	66%	66%	Manufacture and sale of instant noodles
INDO NISSIN FOODS PRIVATE LTD.	INR2,650,000 thousand	–	99%	99%	Manufacture and sale of instant noodles
NISSIN FOODS INDIA LTD.	INR500 thousand	–	100%	100%	Sale of instant noodles
Nissin Foods Kft.	HUF1,000,000 thousand	100%	–	100%	Manufacture and sale of instant noodles
Nissin Foods GmbH	€25 thousand	1%	99%	100%	Sale of instant noodles
NISSIN YILDIZ GIDA SANAYI VE TICARET A.S.	TRY99,625 thousand	50%	–	50%	Manufacture and sale of instant noodles
NISSIN FOODS VIETNAM CO., LTD.	US\$54,330 thousand	–	100%	100%	Manufacture and sale of instant noodles
NISSIN FOODS (THAILAND) CO., LTD.	THB2,618,672 thousand	–	66%	66%	Manufacture and sale of instant noodles

(Notes) 1. MYOJO FRESH CO., LTD. changed its company name to SAGAMI FRESH CO., LTD. as of October 1, 2015.

2. While BonChi Co., Ltd. and NISSIN FOODS DO BRASIL LTDA. (formerly NISSIN-AJINOMOTO ALIMENTOS LTDA.) were formerly associates accounted for using the equity method, they are included within the scope of consolidation after becoming subsidiaries due to the additional acquisition of shares and equity interest.

3. From the fiscal year under review, ZHEJIANG NISSIN FOODS CO., LTD., NISSIN FOODS (H.K.) CO., LTD., and Nissin Foods Singapore Pte. Ltd., which have been newly established, are included within the scope of consolidation. NISSIN TECHNOLOGY ALIMENTOS DO BRASIL LTDA. is included within the scope of consolidation because of increases in the significance.
4. There are no wholly owned subsidiaries as defined in Article 118, Item 4 of the Ordinance for Enforcement of the Companies Act as of the end of the fiscal year under review.
5. As of October 1, 2015, due to being merged into the Company by an absorption-type merger, NISSIN BUSINESS SUPPORT CO., LTD., which was a consolidated subsidiary, was excluded from the scope of consolidation.

(6) Status of important business combinations etc.

The companies which have become major subsidiaries during the period are as follows.

Company name	Reason and date of change
NISSIN FOODS DO BRASIL LTDA.	As of October 30, 2015, the Company acquired additional equity interest in NISSIN FOODS DO BRASIL LTDA.
BonChi Co., Ltd.	As of January 29, 2016, the Company acquired additional shares in BonChi Co., Ltd.

The company which has been excluded from major subsidiaries during the period is as follows.

Company name	Reason and date of change
NISSIN BUSINESS SUPPORT CO., LTD.	As of October 1, 2015, NISSIN BUSINESS SUPPORT CO., LTD. was merged into the Company by an absorption-type merger.

(7) Major business (As of March 31, 2016)

The Group is, while centering on the manufacture and sale of instant foods, primarily instant noodles, promoting development toward other food business, distribution business and other related business.

Reportable segments	Main products
Nissin Food Products	Chicken Ramen, Cup Noodle, Nissin-No-Donbei, Nissin Rao, Nissin Yakisoba U.F.O. and others
Myojo Foods	MYOJO CHARUMERA, MYOJO IPPEICHAN, Myojo Hajimeya Teitoshitsumen and others
Chilled and frozen foods	Frozen Nissin Spa-Oh, Tsukemen no Tatsujin, Gyoretsu-no-Dekiru-Mise-no-Ramen and others
The Americas	CUP NOODLES, Top Ramen, CHOW MEIN, NISSIN LAMEN and others
China	Demae Iccho, CUP NOODLES, U.F.O. and others
Others	Cereal foods, confectionery, beverages and others

(8) Principal offices (As of March 31, 2016)

i) The Company

Osaka Head Office: 1-1, 4-chome, Nishinakajima, Yodogawa-ku, Osaka

Tokyo Head Office: 28-1, 6-chome, Shinjuku, Shinjuku-ku, Tokyo

Research Institute: NISSIN Global Innovation Center (Tokyo)
NISSIN Global Food Safety Institute (Tokyo)

* The Osaka Head Office is registered as the Head office, however, operations primarily take place at the Tokyo Head Office.

ii) Subsidiaries

Major domestic subsidiaries: NISSIN FOOD PRODUCTS CO., LTD. (Osaka), MYOJO FOODS CO., LTD. (Tokyo), NISSIN CHILLED FOODS CO.,

LTD. (Osaka), NISSIN FROZEN FOODS CO., LTD. (Osaka), NISSIN CISCO CO., LTD. (Osaka), NISSIN YORK CO., LTD. (Tokyo), NISSIN ASSET MANAGEMENT CO., LTD. (Tokyo), Sapporo Nissin Co., Ltd. (Hokkaido), Nissin Plastics Co., Ltd. (Shiga), NISSIN F.D. FOODS CO., LTD. (Okayama), Kagawa Nissin Food Products Co., Ltd. (Kagawa), Nissin Enterprise Corporation (Osaka), AJINIHON CO., LTD. (Hiroshima), NISHINIHON MYOJO CO., LTD. (Hyogo), UNI-STAR CO., LTD. (Saitama), HIGASHINIHON MYOJO CO., LTD. (Saitama), Saitama Nissin Food Products Co., Ltd. (Saitama), SAGAMI FRESH CO., LTD. (Kanagawa), Shikoku Nissin Food Products Co., Ltd. (Kagawa), Takamatsu Nissin Food Products Co., Ltd. (Kagawa), Mie Nissin Food Products Co., Ltd. (Mie), Circle Liners Co., Ltd. (Kagawa), NICKY FOODS CO., LTD. (Osaka), UJI KAIHATSU DEVELOPMENT CO., LTD. (Kyoto), NISSIN NETCOM CO., LTD. (Osaka), BonChi Co., Ltd. (Osaka; Note 1)

Major overseas subsidiaries:

NISSIN FOODS (U.S.A.) CO., INC. (U.S.A.), MYOJO U.S.A., INC. (U.S.A.), NISSIN FOODS DE MEXICO S.A. DE C.V. (Mexico), NISSIN FOODS DE COLOMBIA S.A.S. (Colombia), NISSIN TECHNOLOGY ALIMENTOS DO BRASIL LTDA. (Brazil; Note 1), NISSIN FOODS DO BRASIL LTDA. (Brazil; Note 1), NISSIN FOODS CO., LTD. (China), WINNER FOOD PRODUCTS LTD. (China), NISSIN FOODS (HK) MANAGEMENT CO., LTD. (China), NISSIN FOODS (CHINA) HOLDING CO., LTD. (China), SHANGHAI NISSIN FOODS CO., LTD. (China), GUANGDONG SHUNDE NISSIN FOODS CO., LTD. (China), Dongguan Nissin Packaging Co., Ltd. (China), Nissin Koikeya Foods (China & HK) Co., Ltd. (China), Fujian Nissin Foods Co., Ltd. (China), ZHUHAI GOLDEN COAST WINNER FOOD PRODUCTS LTD. (China), GUANGYOUNGAN FOOD PRODUCTS (SHENZHEN) CO., LTD. (China), ZHEJIANG NISSIN FOODS CO., LTD. (China; Note 1), NISSIN FOODS (H.K.) CO., LTD. (China; Note 1), NISSIN FOODS (ASIA) PTE. LTD. (Singapore), Nissin Foods Singapore Pte. Ltd. (Singapore; Note 1), INDO NISSIN FOODS PRIVATE LTD. (India), NISSIN FOODS INDIA LTD. (India), Nissin Foods Kft. (Hungary), Nissin Foods GmbH (Germany), NISSIN YILDIZ GIDA SANAYI VE TICARET A.S. (Turkey), NISSIN FOODS VIETNAM CO., LTD. (Vietnam), NISSIN FOODS (THAILAND) CO., LTD. (Thailand)

(Notes) 1. As states in “(5) Major parent company and subsidiaries,” these subsidiaries are included in the scope of consolidation from the fiscal year under review.

2. As states in “(5) Major parent company and subsidiaries,” NISSIN BUSINESS SUPPORT CO., LTD. (Osaka) is excluded from the scope of consolidation.

(9) Status of employees (As of March 31, 2016)**i) The Group**

Number of employees	Change from the previous fiscal year-end
11,200	Increase of 2,433

(Note) The number of employees indicates the number of regular employees, and the annual average number of temporary employees is 5,163.

ii) The Company

Number of employees	Change from the previous fiscal year-end	Average age	Average service years
681	Increase of 85	39.3	11.9

(Note) The number of employees indicates the number of regular employees.

(10) Major creditors (As of March 31, 2016)

Creditors	Borrowings outstanding (Millions of yen)
Mizuho Bank, Ltd.	11,432
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	6,413
Sumitomo Mitsui Banking Corporation	5,544
Japan Finance Corporation	4,682
Mizuho Trust & Banking Co., Ltd.	2,532

2. Items Regarding Shares of the Company (As of March 31, 2016)

(1) Total number of shares authorized to be issued 500,000,000

(2) Total number of shares issued 117,463,685

(Note) Total number of shares issued includes 9,438,151 shares of treasury stock held as of the end of the fiscal year under review.

(3) Number of shares making up one unit 100

(4) Number of shareholders 51,861

(5) Major shareholders (Top 10 shareholders):

Name of shareholders	Number of shares held (Hundred shares)	Holding ratio (%)
Ando Foundation	79,043	7.32
Mitsubishi Corp.	78,000	7.22
ITOCHU Corp.	54,000	5.00
State Street Bank and Trust Company	44,450	4.11
Ando International Y.K.	39,455	3.65
Mizuho Bank, Ltd.	33,750	3.12
Japan Trustee Services Bank, Ltd. (Account in Trust)	30,800	2.85
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	26,285	2.43
The Master Trust Bank of Japan, Ltd. (Account in Trust)	25,600	2.37
ONO PHARMACEUTICAL CO., LTD.	24,604	2.28

(Note) Holding ratio is calculated with total number of shares issued, excluding treasury stock (94,381 hundred shares), as the denominator.

3. Items Regarding the Company's Officers

(1) Names etc. of Directors and Audit & Supervisory Board Members (As of March 31, 2016)

Position	Name	Responsibilities in the Company and significant concurrent positions at other organizations
*President	Koki Ando	CEO (Chief Executive Officer) President & Representative Director of UJI KAIHATSU DEVELOPMENT CO., LTD. Chairman of the Ando Foundation Chairman of Japan Association for the World Food Programme Chairman of the Japan Instant Food Industry Association
*Executive Vice President	Susumu Nakagawa	COO (Chief Operating Officer)
*Senior Managing Director	Noritaka Ando	CMO (Chief Marketing Officer) President & Representative Director of NISSIN FOOD PRODUCTS CO., LTD. Vice Chairman of the Ando Foundation
Managing Director	Akihide Matsuo	President & Representative Director of MYOJO FOODS CO., LTD.
Managing Director	Tsunao Kijima	CSO (Chief Strategic Officer)
Director	Mitsuru Tanaka	CDO (Chief Development Officer) Head of NISSIN Global Innovation Center
Director	Yukio Yokoyama	CFO (Chief Financial Officer)
Director	Yoshinori Miura	CBO (Chief Business Officer) Chairperson & Representative Director of NISSIN FOOD PRODUCTS CO., LTD.
Director	Kiyotaka Ando	Chief Representative, China President of NISSIN FOODS CO., LTD. Director & President of Nissin Koikeya Foods (China & HK) Co., Ltd. Director of the Ando Foundation
Director	Ken Kobayashi	President and Chief Executive Officer of Mitsubishi Corporation
Director	Masahiro Okafuji	President & Chief Executive Officer of ITOCHU Corporation
Director	Yoko Ishikura	Independent Director
Director	Isao Karube	Independent Director
Audit & Supervisory Board Member (Full-time)	Hideki Hattori	
Audit & Supervisory Board Member (Full-time)	Kazuo Kanamori	Independent Audit & Supervisory Board Member
Audit & Supervisory Board Member	Hiroshi Takano	Independent Audit & Supervisory Board Member, Lawyer
Audit & Supervisory Board Member	Chisugi Mukai	Independent Audit & Supervisory Board Member, Lawyer

1. An asterisk (*) indicates that the person is a representative director.
2. Directors Mr. Ken Kobayashi, Mr. Masahiro Okafuji, Ms. Yoko Ishikura, and Mr. Isao Karube are Outside Directors.
3. Audit & Supervisory Board Member (Full-time) Mr. Kazuo Kanamori, Audit & Supervisory Board Members Mr. Hiroshi Takano and Mr. Chisugi Mukai are Outside Audit & Supervisory Board Members.
4. The Company notified the Tokyo Stock Exchange of Directors Ms. Yoko Ishikura and Mr. Isao Karube, Audit & Supervisory Board Members Mr. Kazuo Kanamori, Mr. Hiroshi Takano, and Mr. Chisugi Mukai as Independent Director / Independent Audit & Supervisory Board Member under the provisions of the said exchange.
5. Director Mr. Isao Karube was elected as Director at the 67th Ordinary General Meeting of Shareholders held on June 25, 2015.
6. Audit & Supervisory Board Member Mr. Chisugi Mukai was elected as Audit & Supervisory Board Member at the 67th Ordinary General Meeting of Shareholders held on June 25, 2015.
7. In regard to Director Ms. Yoko Ishikura, as that name is well known, her name is shown as above, regardless the fact that her legal name is Ms. Yoko Kurita.

8. Audit & Supervisory Board Member (Full-time) Mr. Kazuo Kanamori possesses considerable knowledge of financial and accounting matters gained through abundant experience in financial institutions.
9. Officers who resigned during the fiscal year under review

Name	Date of retirement	Reason for retirement	Position, responsibilities and significant concurrent positions at time of resignation
Toru Horinouchi	June 25, 2015	Expiration	Audit & Supervisory Board Member

10. On April 1, 2016, the following transfers were carried out.

Position	Name	New responsibilities and significant concurrent positions	Former positions and duties, and significant concurrent positions
Senior Managing Director	Noritaka Ando	President & Representative Director of NISSIN FOOD PRODUCTS CO., LTD.	CMO (Chief Marketing Officer) President & Representative Director of NISSIN FOOD PRODUCTS CO., LTD.
Managing Director	Tsunao Kijima	In charge of U.S.A	CSO (Chief Strategic Officer)
Director	Mitsuru Tanaka	CDO (Chief Development Officer) Head of NISSIN Global Innovation Center Head of NISSIN Global Food Safety Institute	CDO (Chief Development Officer) Head of NISSIN Global Innovation Center
Director	Ken Kobayashi	Representative Director, Chairman of the Board of Mitsubishi Corporation	Member of the Board, President of Mitsubishi Corporation

(2) Amount of remuneration for Directors and Audit & Supervisory Board Members

Title	Number of payees	Amount of remuneration (Millions of yen)	Stock option (Millions of yen)	Total (Millions of yen)
Director (of which Outside Directors)	13 (4)	533 (37)	262 -	795 (37)
Audit & Supervisory Board Member (of which Outside Audit & Supervisory Board Members)	5 (4)	42 (34)	- -	42 (34)
Total (of which Outside Directors and Outside Audit & Supervisory Board Members)	18 (8)	576 (71)	262 -	838 (71)

- (Notes) 1. The maximum amount of remuneration for Directors and Audit & Supervisory Board Members by resolution of the General Meeting of Shareholders (not including employee equivalent salaries paid to Director who is also employee) is not exceeding ¥700 million per year (by resolution of the 66th Ordinary General Meeting of Shareholders held on June 26, 2014) for Director, and not exceeding ¥60 million per year for Audit & Supervisory Board Member (by resolution of the 47th Ordinary General Meeting of Shareholders held on June 29, 1995).
2. The maximum amount of remuneration-type stock options for Director by resolution of the General Meeting of Shareholders is not exceeding ¥500 million per year (by resolution of the 60th Ordinary General Meeting of Shareholders held on June 27, 2008).
3. The above includes remuneration for one (1) Audit & Supervisory Board Member who retired at the conclusion of the 67th Ordinary General Meeting of Shareholders held on June 25, 2015.
4. The above remuneration for Outside Directors and Outside Audit & Supervisory Board Members includes remuneration of ¥9 million which Outside Directors and Outside Audit & Supervisory Board Members received at the Company's subsidiaries.
5. At the Ordinary General Meeting of Shareholders held on June 27, 2008, the Company resolved to abolish the Retirement Benefits Plan for Officers. For Directors and Audit & Supervisory Board Members who remained in office after that point, the Company also resolved to pay Retirement Benefits to each officer at the time of their retirement, corresponding to their terms of office prior to the abolishment of the plan. Accordingly, in addition to the above, ¥5 million was paid to one (1) Audit & Supervisory Board Member who retired during the period.

(3) Policy on determining the amount of remuneration and other payments for Directors and Audit & Supervisory Board Members and calculation method thereof

Remuneration for Director consists of the “basic remuneration” paid according to position and role importance of the Director, and the “remuneration-type stock options” for the purpose of increasing motivation and incentives toward the contribution to sustained improvement of business performance and enhancement of corporate value over the medium- to long-term within the scope of the total amount resolved by the General Meeting of Shareholders. However, in view of the nature of the duties, the remuneration for Outside Director is not linked to business performance and consists only of “basic remuneration” paid according to the position.

The procedures for the above are decided by the Board of Directors after the appropriateness of said procedures is deliberated and verified by the Management Advisory Committee, an advisory organ of the Board of Directors, the majority of which are Independent Outside Directors and Independent Outside Audit & Supervisory Board Members.

Furthermore, although remuneration for Audit & Supervisory Board Member is determined through discussions with the Audit & Supervisory Board Member, in view of the nature of auditing service, remuneration for Audit & Supervisory Board Member is not linked to business performance and consists only of “basic remuneration” paid according to the position.

(4) Matters regarding the Outside Directors and Outside Audit & Supervisory Board Members

i) Relationship between the Company and the companies where Outside Directors assume significant concurrent positions

Outside Director Mr. Ken Kobayashi is Member of the Board, President of Mitsubishi Corporation, and Outside Director Mr. Masahiro Okafuji is President of ITOCHU Corporation. The Group sells products to both companies and purchases materials from the same. The transactions are regular transactions for either of the cases, and there are no direct special interests between the Company and the Outside Directors as individuals.

ii) Primary activities of the Outside Directors and Outside Audit & Supervisory Board Members

Title	Name	Primary activities
Director	Ken Kobayashi	Attended 8 out of 10 Board of Directors meetings held during the fiscal year under review, and provided input on overall corporate management in Japan and overseas based on his abundant experience as a corporate manager from a neutral and objective standpoint as an outside director.
Director	Masahiro Okafuji	Attended 6 out of 10 Board of Directors meetings held during the fiscal year under review, and provided input on overall corporate management in Japan and overseas based on his abundant experience as a corporate manager from a neutral and objective standpoint as an outside director.
Director	Yoko Ishikura	Attended all 10 Board of Directors meetings held during the fiscal year under review, and provided input on overall corporate management in Japan and overseas based on her abundant experience as an international corporate strategy expert from a neutral and objective standpoint as an outside director.
Director	Isao Karube	Attended all 7 out of 10 Board of Directors meetings held during the fiscal year under review after assuming the position of a Director, and provided input on overall corporate management based on his experience in advanced research, extensive experience of international affairs, and management experience as a president of a university, from a neutral and objective standpoint as an outside director.
Audit & Supervisory Board Member (Full-time)	Kazuo Kanamori	Attended all 10 Board of Directors meetings and all 10 Audit & Supervisory Board meetings held during the fiscal year under review, and actively provided input in those meetings to monitor and inspect company management from an objective standpoint which was cultivated through his experience in working at banks.

Title	Name	Primary activities
Audit & Supervisory Board Member	Hiroshi Takano	Attended all 10 Board of Directors meetings and all 10 Audit & Supervisory Board meetings held during the fiscal year under review, and actively provided input in those meetings mainly from a standpoint as a legal expert.
Audit & Supervisory Board Member	Chisugi Mukai	Attended all 7 out of 10 Board of Directors meetings and all 7 out of 10 Audit & Supervisory Board meetings held during the fiscal year under review after assuming the position of an Audit & Supervisory Board Member, and actively provided input in those meetings mainly from a standpoint as a legal expert.

iii) Summary of contents of agreements limiting liability with Outside Directors and Outside Audit & Supervisory Board Members

The Company has revised the Articles of Incorporation through the 58th Ordinary General Meeting of Shareholders held on June 29, 2006 and has established a provision in regard to the agreements limiting liability with Outside Directors and Outside Audit & Supervisory Board Members (not including Mr. Kazuo Kanamori, Audit & Supervisory Board Member (Full-time)). Summary of contents of the agreements limiting liability is as follows:

A. Agreements limiting liability with Outside Directors

If Outside Director, after entering into this agreement as Director, neglects his/her duties and cause damages to the Company, and is in good faith and is not grossly negligent in performing his/her duties, pursuant to Article 423, Paragraph 1 of the Companies Act, Outside Director shall be liable for the damages to the Company to the extent of the minimum liability amount pursuant to Article 425, Paragraph 1 of the said Act or ¥12 million, whichever is higher. The Company shall exempt Outside Director from the portion exceeding such liability amount for the damages.

B. Agreements limiting liability with Outside Audit & Supervisory Board Members

If Outside Audit & Supervisory Board Member, after entering into this agreement as Audit & Supervisory Board Member, neglects his/her duties and cause damages to the Company, and is in good faith and is not grossly negligent in performing his/her duties, pursuant to Article 423, Paragraph 1 of the Companies Act, Outside Audit & Supervisory Board Member shall be liable for the damages to the Company to the extent of the minimum liability amount pursuant to Article 425, Paragraph 1 of the said Act or ¥10 million, whichever is higher. The Company shall exempt Outside Audit & Supervisory Board Member from the portion exceeding such liability amount for the damages.

4. Status of Financial Auditor

(1) **Name of the financial auditor** Deloitte Touche Tohmatsu LLC

(2) **Remuneration for the financial auditor for the fiscal year under review**

i) Remuneration payable by the Company to the financial auditor for the fiscal year under review

The amount of remuneration and other amounts in regard to services defined under Article 2, Paragraph 1 of the Certified Public Accountants Act (Act No. 103 of 1948)

¥53 million

ii) Total amount of cash and other economic benefits payable by the Company and its consolidated subsidiaries to the financial auditor

¥101 million

(Notes) 1. In the audit agreement between the Company, its consolidated subsidiaries and the financial auditor, remuneration amount in regard to audit pursuant to the Companies Act and the remuneration amount in regard to audit pursuant to the Financial Instruments and Exchange Act are not categorized. As it also cannot be categorized in essence, the amounts shown in i) and ii) represent the total amount of these remuneration amounts.

2. As a result of conducting the necessary verification on the appropriateness of the contents of the audit plan of the financial auditor, the status of performance of the financial audit, and the grounds for calculating remuneration, etc., the Audit & Supervisory Board resolved that it is appropriate to approve the amount of remuneration, etc. for the financial auditor.

(3) Status of audit at consolidated subsidiaries

Among the Company's consolidated subsidiaries, some of the overseas subsidiaries are audited by other certified public accountants or audit firms (including those who have equivalent certificates in foreign countries) other than the Company's financial auditor.

(4) Details of non-auditing services

The Company seeks advice in regard to transition to International Financial Reporting Standards (IFRS) and the like, and pays fees to Deloitte Touche Tohmatsu LLC for the advices received. Such are services other than ones defined under Article 2, Paragraph 1 of the Certified Public Accountants Act.

(5) Policy on decision for dismissal or non-reappointment of the financial auditor

Other than the Company's convenience, if an event occurs in which serious hindrance is caused to the Company's auditing services, in such situations where the financial auditor conflicts with or does not comply with the Companies Act, the Certified Public Accountants Act and the like, or has received a disposition such as suspension of auditing services from the supervising authority, the Audit & Supervisory Board shall consider to dismiss or not reappoint the financial auditor concerned based on the facts. If dismissal or non-reappointment is judged appropriate, the Audit & Supervisory Board will resolve the dismissal or non-reappointment of the financial auditor, and the Board of Directors, based on the resolution concerned, shall submit the relevant proposal to the General Meeting of Shareholders.

(6) Overview of the agreements limiting liability with financial auditor

Agreements limiting liability have not been concluded between the financial auditor and the Company.

5. Policy Relating to the Decision of Dividends of Surplus

The Company constantly endeavors to increase the Group's earning potential, recognizing growth in the corporate value and the provision of appropriate shareholder returns as the most important management priorities. Our basic policy is to provide continuous and stable returns to shareholders while taking consolidated business results and future capital requirements into consideration.

With respect to the use of internal reserves, we will provide for capital needs, such as capital investments, R&D spending, and M&A, for the purpose of further increasing corporate value, and will efficiently invest surplus funds with risks taken into account.

Based on the above policy, with respect to future dividends to shareholders, we will endeavor to have a payout ratio of around 40%.

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- (Notes) 1. Amounts and number of shares presented in this business report less than one full unit have been rounded down.
However, in respect of net income per share, total equity per share, and percentages, figures have been rounded to the nearest unit.
2. Consumption tax is not included in stated amounts.

Consolidated Financial Statements

Consolidated Balance Sheets (As of March 31, 2016)

(Millions of yen)

Account Title	Amount	Account Title	Amount
Assets		Liabilities	
Current assets	190,923	Current liabilities	130,885
Cash and deposits	87,110	Notes and accounts payable-trade	51,324
Notes and accounts receivable-trade	61,391	Short-term borrowings	18,457
Marketable securities	3,804	Accrued payables	31,301
Merchandise and finished goods	12,444	Lease liabilities within one year	188
Raw materials and supplies	14,724	Accrued income taxes	7,262
Deferred tax assets	5,657	Other	22,351
Other	6,138	Long-term liabilities	50,494
Less: Allowance for doubtful receivables	(347)	Long-term debt	13,041
Fixed assets	362,145	Lease liabilities beyond one year	456
Property, plant and equipment	168,886	Asset retirement obligations	55
Buildings and structures	52,867	Deferred tax liabilities	24,021
Machinery, equipment and vehicles	44,885	Deferred tax liabilities on land revaluation	2,081
Tools and fixtures	3,818	Liability for retirement benefits	7,987
Land	52,694	Other	2,850
Leased assets	1,003	Total liabilities	181,380
Construction in progress	12,071	Equity	
Other	1,544	Shareholders' equity	331,267
Intangible fixed assets	42,290	Common stock	25,122
Goodwill	28,549	Capital surplus	48,177
Other	13,740	Retained earnings	293,803
Investments and other assets	150,968	Treasury stock, at cost	(35,836)
Investments in securities	145,246	Accumulated other comprehensive income	28,774
Investments in capital	783	Unrealized gain (loss) on available-for-sale securities	43,172
Long-term loans	1,235	Deferred gain (loss) on derivatives under hedge accounting	(261)
Deferred tax assets	792	Land revaluation reserve	(6,379)
Net defined benefit asset	202	Foreign currency translation adjustments	(4,576)
Other	3,082	Defined retirement benefit plans	(3,178)
Less: Allowance for doubtful receivables	(374)	Stock acquisition rights	1,859
		Non-controlling interests	9,786
		Total equity	371,688
Total assets	553,068	Total liabilities and equity	553,068

Consolidated Statements of Income (Year ended March 31, 2016)

(Millions of yen)

Account Title	Amount	
Net sales		468,084
Cost of sales		260,496
Gross profit		207,587
Selling, general and administrative expenses		181,188
Operating income		26,399
Non-operating income		
Interest income	932	
Dividend income	1,411	
Gain on sales of securities	802	
Equity in earnings of associates	2,781	
Other	875	6,803
Non-operating expenses		
Interest expense	343	
Foreign exchange loss	1,384	
Loss on investments in partnership	394	
Other	348	2,470
Ordinary income		30,733
Extraordinary gains		
Gain on sales of fixed assets	228	
Gain on sales of investments in securities	5,128	
Gain on step acquisitions	6,640	
Gain on bargain purchase	206	
Other	608	12,811
Extraordinary losses		
Loss on sales of fixed assets	35	
Loss on disposal of fixed assets	358	
Impairment losses	1,093	
Loss on valuation of investments in capital of subsidiaries and affiliates	628	
Bad debt expenses	734	
Loss on sales of investments in capital	1,316	
Loss on change in accounting for retirement benefits	736	
Other	1,663	6,566
Income before income taxes		36,978
Income taxes - current	11,211	
Income taxes - deferred	(1,120)	10,091
Net income		26,887
Net income attributable to non-controlling interests		2
Net income attributable to owners of parent		26,884

Consolidated Statement of Changes in Equity (Year ended March 31, 2016)

(Millions of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of the year	25,122	48,417	273,319	(21,684)	325,175
Total increase (decrease) during the year					
Cash dividends paid			(8,267)		(8,267)
Net income attributable to owners of parent			26,884		26,884
Acquisition of treasury stock				(14,180)	(14,180)
Sales of treasury stock		4		28	33
Reversal of land revaluation reserve			686		686
Change in scope of consolidation			22		22
Adjustments due to change in accounting period of consolidated subsidiaries			1,157		1,157
Change in ownership interest of parent due to transactions with non-controlling interests		(244)			(244)
Net changes of items other than shareholders' equity					-
Total increase (decrease) during the year	-	(239)	20,483	(14,151)	6,091
Balance at the end of the year	25,122	48,177	293,803	(35,836)	331,267

	Accumulated other comprehensive income						Stock acquisition rights	Non-controlling interests	Total equity
	Unrealized gain (loss) on available-for-sale securities	Deferred gain (loss) on derivatives under hedge accounting	Land revaluation reserve	Foreign currency translation adjustments	Defined retirement benefit plans	Total accumulated other comprehensive income			
Balance at the beginning of the year	35,102	57	(5,739)	6,016	1,169	36,608	1,518	6,551	369,852
Total increase (decrease) during the year									
Cash dividends paid									(8,267)
Net income attributable to owners of parent									26,884
Acquisition of treasury stock									(14,180)
Sales of treasury stock									33
Reversal of land revaluation reserve									686
Change in scope of consolidation									22
Adjustments due to change in accounting period of consolidated subsidiaries									1,157
Change in ownership interest of parent due to transactions with non-controlling interests									(244)
Net changes of items other than shareholders' equity	8,069	(319)	(640)	(10,593)	(4,348)	(7,833)	341	3,235	(4,255)
Total increase (decrease) during the year	8,069	(319)	(640)	(10,593)	(4,348)	(7,833)	341	3,235	1,836
Balance at the end of the year	43,172	(261)	(6,379)	(4,576)	(3,178)	28,774	1,859	9,786	371,688

(Note) Monetary amounts in this table are shown rounded down to the nearest unit.

Non-consolidated Financial Statements

Balance Sheets (As of March 31, 2016)

(Millions of yen)

Account Title	Amount	Account Title	Amount
Assets		Liabilities	
Current assets	76,768	Current liabilities	132,070
Cash and deposits	41,157	Notes payable-trade	169
Accounts receivable-trade	24,972	Accounts payable-trade	32,355
Marketable securities	3,400	Short-term borrowings	15,000
Raw materials and supplies	2,357	Lease liabilities within one year	16
Prepaid expenses	258	Accrued payables	4,343
Deferred tax assets	658	Accrued expenses	1,469
Short-term loans receivable	195	Deposits received	77,187
Accounts receivable-other	587	Unearned revenue	114
Income taxes receivable	619	Other	1,414
Other	2,607	Long-term liabilities	17,495
Less: Allowance for doubtful receivables	(46)	Lease liabilities beyond one year	20
Fixed assets	328,921	Deferred tax liabilities	14,476
Property, plant and equipment	18,031	Deferred tax liabilities on land revaluation	519
Buildings	7,552	Provision for retirement benefits	245
Structures	712	Other	2,233
Machinery and equipment	465	Total liabilities	149,565
Vehicles	0	Equity	
Tools and fixtures	1,091	Shareholders' equity	219,282
Land	7,676	Common stock	25,122
Leased assets	33	Capital surplus	48,376
Construction in progress	499	Legal capital surplus	48,370
Intangible fixed assets	5,231	Other capital surplus	5
Trademark right	2	Retained earnings	181,620
Software	4,683	Legal retained earnings	6,280
Other	545	Other retained earnings	175,339
Investments and other assets	305,657	Reserve for reduction entry of land	2,572
Investments in securities	106,604	Reserve for improvement of facilities	200
Shares of subsidiaries and associates	163,441	Reserve for overseas market development	200
Investments in capital of subsidiaries and associates	34,746	Reserve for product development	300
Other	867	General reserve	160,300
Less: Allowance for doubtful receivables	(1)	Retained earnings brought forward	11,767
		Less: Treasury stock, at cost	(35,836)
		Valuation and translation adjustments	34,981
		Unrealized gain (loss) on available-for-sale securities	41,738
		Deferred gain (loss) on derivatives under hedge accounting	(261)
		Land revaluation reserve	(6,495)
		Stock acquisition rights	1,859
		Total equity	256,123
Total assets	405,689	Total liabilities and equity	405,689

Statements of Income (Year ended March 31, 2016)

(Millions of yen)

Account Title	Amount	
Net sales		
Revenue from management support services	16,933	
Dividend income from subsidiaries and associates	9,369	
Other sales	11,665	37,968
Cost of sales		10,877
Gross profit		27,090
Selling, general and administrative expenses		18,922
Operating income		8,167
Non-operating income		
Interest income	110	
Interest income on securities	6	
Dividend income	1,328	
Gain on sales of securities	802	
Other	162	2,410
Non-operating expenses		
Interest expense	54	
Foreign exchange loss	1,166	
Loss on investments in partnership	394	
Other	30	1,644
Ordinary income		8,933
Extraordinary gains		
Gain on sales of fixed assets	184	
Gain on sales of investments in securities	4,685	
Other	141	5,012
Extraordinary losses		
Loss on disposal of fixed assets	7	
Loss on valuation of stocks of subsidiaries and affiliates	2,827	
Loss on valuation of investments in capital of subsidiaries and affiliates	628	
Other	286	3,749
Income before income taxes		10,196
Income taxes - current	1,924	
Income taxes - deferred	(114)	1,809
Net income		8,386

Statement of Changes in Equity (Year ended March 31, 2016)

(Millions of yen)

	Shareholders' equity									
	Common stock	Capital surplus		Legal retained earnings	Retained earnings					
		Legal capital surplus	Other capital surplus		Reserve for reduction entry of land	Reserve for improvement of facilities	Reserve for overseas market development	Reserve for product development	General reserve	Retained earnings brought forward
Balance at the beginning of the year	25,122	48,370	0	6,280	2,509	200	200	300	160,300	11,027
Total increase (decrease) during the year										
Cash dividends paid										(8,267)
Net income										8,386
Acquisition of treasury stock										
Sales of treasury stock			4							
Reversal of land revaluation reserve										683
Adjustment to reserve due to change in tax rate					62					(62)
Net changes of items other than shareholders' equity										
Total increase (decrease) during the year	-	-	4	-	62	-	-	-	-	739
Balance at the end of the year	25,122	48,370	5	6,280	2,572	200	200	300	160,300	11,767

	Shareholders' equity		Valuation and translation adjustments				Stock acquisition rights	Total equity
	Treasury stock	Total shareholders' equity	Unrealized gain (loss) on available-for-sale securities	Deferred gain (loss) on derivatives under hedge accounting	Land revaluation reserve	Total Valuation and translation adjustments		
Balance at the beginning of the year	(21,684)	232,627	33,216	57	(5,836)	27,436	1,518	261,582
Total increase (decrease) during the year								
Cash dividends paid		(8,267)						(8,267)
Net income		8,386						8,386
Acquisition of treasury stock	(14,180)	(14,180)						(14,180)
Sales of treasury stock	28	33						33
Reversal of land revaluation reserve		683						683
Adjustment to reserve due to change in tax rate		–						–
Net changes of items other than shareholders' equity		–	8,522	(319)	(658)	7,544	341	7,886
Total increase (decrease) during the year	(14,151)	(13,344)	8,522	(319)	(658)	7,544	341	(5,458)
Balance at the end of the year	(35,836)	219,282	41,738	(261)	(6,495)	34,981	1,859	256,123

(Note) Monetary amounts in this table are shown rounded down to the nearest unit.

Audit Reports

Audit Report of Financial Auditor on Consolidated Financial Statements (COPY)

(Translation)

INDEPENDENT AUDITORS' REPORT

May 12, 2016

To the Board of Directors of
NISSIN FOODS HOLDINGS CO., LTD.

Deloitte Touche Tohmatsu LLC

Designated Limited Liability Partner,
Engagement Partner,
Certified Public Accountant: Masaru Takahashi
Designated Limited Liability Partner,
Engagement Partner,
Certified Public Accountant: Ichiro Sakamoto
Designated Limited Liability Partner,
Engagement Partner,
Certified Public Accountant: Seiji Koguchi

Pursuant to the fourth paragraph of Article 444 of the Companies Act, we have audited the consolidated financial statements of NISSIN FOODS HOLDINGS CO., LTD. and its consolidated subsidiaries for the fiscal year from April 1, 2015 to March 31, 2016, namely, the consolidated balance sheet, the consolidated statements of income and consolidated statement of changes in equity, and the notes to consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in conformity with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion from an independent perspective on these consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures are, upon the auditor's judgment, selected and implemented based on the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, though expressing an opinion on the effectiveness of the internal control is not the purpose of an audit. An audit also includes evaluating the overall presentation of the consolidated financial statements, including evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Audit Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of NISSIN FOODS HOLDINGS CO., LTD. and its consolidated subsidiaries as of March 31, 2016, and the results of their operations for the year then ended in conformity with accounting principles generally accepted in Japan.

Interest

Our firm and the engagement partners do not have any interest in the Company for which disclosure is required under the provisions of the Certified Public Accountants Act.

Audit Report of Financial Auditor on Financial Statements (COPY)

(Translation)

INDEPENDENT AUDITORS' REPORT

May 12, 2016

To the Board of Directors of
NISSIN FOODS HOLDINGS CO., LTD.

Deloitte Touche Tohmatsu LLC

Designated Limited Liability Partner,
Engagement Partner,
Certified Public Accountant: Masaru Takahashi

Designated Limited Liability Partner,
Engagement Partner,
Certified Public Accountant: Ichiro Sakamoto

Designated Limited Liability Partner,
Engagement Partner,
Certified Public Accountant: Seiji Koguchi

Pursuant to the first item, second paragraph of Article 436 of the Companies Act, we have audited the financial statements of NISSIN FOODS HOLDINGS CO., LTD. for the 68th fiscal year from April 1, 2015 to March 31, 2016, namely, the balance sheet, the statements of income and statement of changes in equity, the notes to financial statements, and the accompanying supplemental schedules.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements and the accompanying supplemental schedules in conformity with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements and the accompanying supplemental schedules based on our audit. We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and the accompanying supplemental schedules are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements and the accompanying supplemental schedules. The procedures are, upon the auditor's judgment, selected and implemented, based on the assessment of the risks of material misstatement of the financial statements and the accompanying supplemental schedules, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the preparation and fair presentation of the financial statements and the accompanying supplemental schedules in order to design audit procedures that are appropriate in the circumstances, though expressing an opinion on the effectiveness of the internal control is not the purpose of an audit. An audit also includes evaluating the overall presentation of the financial statements and the accompanying supplemental schedules, including evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Audit Opinion

In our opinion, the financial statements and the accompanying supplemental schedules referred to above present fairly, in all material respects, the financial position of NISSIN FOODS HOLDINGS CO., LTD. as of March 31, 2016, and the results of its operations for the year then ended in conformity with accounting principles generally accepted in Japan.

Interest

Our firm and the engagement partners do not have any interest in the Company for which disclosure is required under the provisions of the Certified Public Accountants Act.

Audit Report of Audit & Supervisory Board on Financial Statements (COPY)

(Translation)

Audit Report

With respect to the Directors' performance of their duties during the 68th business year (from April 1, 2015 to March 31, 2016), the Audit & Supervisory Board has prepared this audit report, as the agreed opinion of all the Audit & Supervisory Board Members formed as a result of their deliberations, based on the audit reports prepared by each Audit & Supervisory Board Member, and hereby reports as follows:

1. Method and Contents of Audit by Audit & Supervisory Board Members and the Audit & Supervisory Board

- (1) The Audit & Supervisory Board has established the audit policies, assignment of duties, etc., and received a report from each Audit & Supervisory Board Member regarding the status of implementation of their audits and results thereof. In addition, the Audit & Supervisory Board has received reports from the Directors etc. and the financial auditor regarding the status of performance of their duties, and requested explanations as necessary.
- (2) In conformity with the Audit & Supervisory Board Member auditing standards established by the Audit & Supervisory Board, and in accordance with the audit policies and assignment of duties, etc., each Audit & Supervisory Board Member endeavored to facilitate mutual understanding with the Directors, the internal audit office and other employees, etc., endeavored to collect information and maintain and improve the audit environment, and conducted the audit based on the following method.
 - 1) Each Audit & Supervisory Board Member attended the meetings of the Board of Directors and other important meetings, received reports on the status of performance of duties from the Directors and employees, etc. and requested explanations as necessary, inspected important approval/decision documents, and investigated the status of the corporate affairs and assets at the head office and other principal business locations. With respect to the subsidiaries, each Audit & Supervisory Board Member endeavored to facilitate mutual understanding and information exchange with the Directors and Audit & Supervisory Board Members, etc. of each subsidiary and received from subsidiaries reports on their respective businesses as necessary.
 - 2) Each Audit & Supervisory Board Member received reports on a regular basis from the Directors and employees, etc., requested explanations as necessary, and provided opinions, with respect to establishment and operation of the internal control systems which shall be developed and maintained based on the Board of Directors' resolutions regarding the development and maintenance of the systems to ensure that the Directors' performance of their duties mentioned in the business report is complied with applicable laws and regulations and the Articles of Incorporation of the Company and other systems being necessary for ensuring the appropriateness of the corporate affairs of an enterprise consisting of a joint stock company (*kabushiki kaisha*) and its subsidiaries that are set forth in Article 100, Paragraphs 1 and 3 of the Ordinance for Enforcement of the Companies Act.
 - 3) The contents of the basic policies set forth in Article 118, Item 3 (a) of the Ordinance for Enforcement of the Companies Act and undertakings set forth in (b) in the same item, as described in the business report, were also considered in light of the circumstances etc. of deliberations by the Board of Directors and other bodies.
 - 4) Each Audit & Supervisory Board Member monitored and verified whether the financial auditor maintained its independence and properly conducted its audit, received a report from the financial auditor on the status of its performance of duties, and requested explanations as necessary. Each Audit & Supervisory Board Member was notified by the financial auditor that it had established a "system to ensure that the performance of the duties of the financial auditor was properly conducted" (the matters set forth in the items of Article 131 of the Ordinance on Accounting of Companies) in accordance with the "Quality Control Standards for Audits" (Business Accounting Council, October 28, 2005), and requested explanations as necessary.

Based on the above-described methods, we examined the business report and the annexed detailed statements, the financial statements (balance sheet, statements of income, statement of changes in equity, and notes to financial statements) and the annexed detailed statements thereto, as well as the consolidated financial statements (consolidated balance sheet, consolidated statements of income, consolidated statement of changes in equity, and notes to consolidated financial statements), for the business year under consideration.

2. Results of Audit

- (1) Results of Audit of Business Report etc.
 - i) We acknowledge that the business report and the annexed detailed statements thereto fairly present the status of the Company in conformity with the applicable laws and regulations and the Articles of Incorporation of the Company.
 - ii) We acknowledge that no misconduct or material fact constituting a violation of any law or regulation or the Articles of Incorporation of the Company was found with respect to the Directors' performance of their duties.
 - iii) We acknowledge that the Board of Directors' resolutions with respect to the internal control systems are appropriate. We did not find any matter to be mentioned with respect to the contents in the business report and

Directors' performance of their duties concerning the internal control systems.

iv) We did not find any matter to be mentioned with respect to the basic policies, described in the business report, regarding those who control the Company's determination of its financial and business policies. Undertakings set forth in Article 118, item 3 (b) of the Ordinance for Enforcement of the Companies Act of Japan and described in the business report are in line with the basic policies, do not impair the common interests of the Company's shareholders, and are not directed to the purpose of maintaining the status of the officers of the Company.

(2) Results of Audit of Financial Statements and their Annexed Detailed Statements

We acknowledge that the methods and results of audit performed by the financial auditor Deloitte Touche Tohmatsu LLC, are appropriate.

(3) Results of Audit of Consolidated Financial Statements

We acknowledge that the methods and results of audit performed by the financial auditor Deloitte Touche Tohmatsu LLC, are appropriate.

May 13, 2016

Audit & Supervisory Board of NISSIN FOODS HOLDINGS CO., LTD.

Full-time Audit & Supervisory Board Member	Hideki Hattori
Full-time Audit & Supervisory Board Member	
(Outside Audit & Supervisory Board Member)	Kazuo Kanamori
Audit & Supervisory Board Member	
(Outside Audit & Supervisory Board Member)	Hiroshi Takano
Audit & Supervisory Board Member	
(Outside Audit & Supervisory Board Member)	Chisugi Mukai

Reference Documents for the General Meeting of Shareholders

Proposals and references

Proposal 1: Appropriation of Surplus

The Company constantly endeavors to increase the Group’s earning potential, recognizing growth in the corporate value and the provision of appropriate shareholder returns as the most important management priorities. Our basic policy is to provide continuous and stable returns to shareholders while taking consolidated business results and future capital requirements into consideration.

With respect to the use of internal reserves, we will provide for capital needs, such as capital investments, R&D spending, and M&A, for the purpose of further increasing corporate value, and will efficiently invest surplus funds with risks taken into account.

With respect to future dividends to shareholders, we will endeavor to have a consolidated payout ratio of around 40%.

With respect to the year-end dividend, based on the above policy, we propose to appropriate as follows:

Matters relating to the year-end dividend

(1) Type of dividend property	It shall be paid in cash.
(2) Matters and total amount of allocation of dividend property to shareholders	Amount per Company’s common share: ¥40 Total Amount: ¥4,321,021,360 Annual dividend per share will be ¥80 (consolidated payout ratio: 32.6%), combined with the interim dividend (¥40 per share)
(3) Effective date of dividends of surplus	Wednesday, June 29, 2016

Proposal 2: Election of Eight (8) Directors


The terms of office of all thirteen (13) Directors will expire at the conclusion of this Ordinary General Meeting of Shareholders. Therefore, the Company requests to elect eight (8) Directors including one (1) new appointee.

The Company has significantly revised the composition of the Board of Directors with the objectives of sustained the Company's growth and improving its medium- to long-term corporate value, in order to further empower the business decision-making and monitoring of the Board of Directors.

We are moving further ahead with the strengthening of monitoring functions and the speeding up of decision-making of the management by this revision.

In this regard, we propose that the number of Directors originating from within the Company shall be reduced by six (6) persons down to three (3) persons, and the number of Outside Directors shall become five (5) including one (1) new candidate for Outside Director, making a total of eight (8) Directors to be appointed. In the event that this proposal is approved as originally proposed, it is planned that three (3) of the Directors shall be Independent Directors as stipulated by the Tokyo Stock Exchange, and that at least one-third of the Company's Directors shall be Independent Directors.

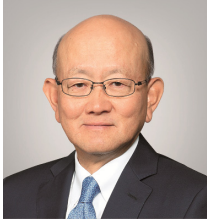
The candidates for Directors are as follows.


No.	Name (Date of birth)	Career summary, positions and responsibilities in the Company and significant concurrent positions at other organizations	Number of the Company's shares held	Special interest in the Company
1	 Koki Ando (Oct. 7, 1947)	Jul. 1973 Joined the Company May 1974 Director, General Manager of Overseas Businesses Division, and General Manager of Development Division of the Company Apr. 1979 Managing Director, Head of Sales Headquarters of the Company Jun. 1981 Representative Director (Current), Senior Managing Director of the Company Jul. 1983 Executive Vice President & Representative Director of the Company Jun. 1985 President (Current) & Representative Director of the Company Jan. 2007 President & Representative Director of Uji Kaihatsu Development Co., Ltd. (Current) Chairman of the Ando Foundation (Current) Oct. 2008 President & Representative Director, CEO (Chief Executive Officer) (Current) of the Company Aug. 2010 Chairman of Japan Association for the World Food Programme (Current) May 2014 Chairman of the Japan Instant Food Industry Association (Current) Significant concurrent positions at other organizations President & Representative Director of Uji Kaihatsu Development Co., Ltd. Chairman of the Ando Foundation Chairman of Japan Association for the World Food Programme Chairman of the Japan Instant Food Industry Association	119,298 shares	Refer to Note 3 under the table below.


No.	Name (Date of birth)	Career summary, positions and responsibilities in the Company and significant concurrent positions at other organizations	Number of the Company's shares held	Special interest in the Company
2	 <p data-bbox="331 1079 529 1146">Noritaka Ando (Jun. 8, 1977)</p>	<p data-bbox="560 315 1123 344">Jun. 2004 Managing Director of the Ando Foundation</p> <p data-bbox="560 353 1123 432">Mar. 2007 Joined the Company, General Manager of Corporate Planning Division of the Company</p> <p data-bbox="560 441 1123 519">Feb. 2008 Executive Officer, General Manager of Corporate Strategy Division of the Company</p> <p data-bbox="560 528 1123 584">Jun. 2008 Director, in charge of Marketing of the Company</p> <p data-bbox="560 593 1123 649">Oct. 2008 Director, CMO (Chief Marketing Officer) of the Company</p> <p data-bbox="560 658 1123 716">Jun. 2010 Senior Managing Director (Current), CMO of the Company</p> <p data-bbox="560 725 1123 781">Executive Vice President & Representative Director of Nissin Food Products Co., Ltd.</p> <p data-bbox="560 790 1123 846">Vice Chairman of the Ando Foundation (Current)</p> <p data-bbox="560 855 1123 934">Apr. 2011 Senior Managing Director, CMO, and Chief Representative, Americas of the Company</p> <p data-bbox="560 943 1123 1021">Apr. 2012 Senior Managing Director, CSO (Chief Strategic Officer), and Head of Regional Headquarters of Asia of the Company</p> <p data-bbox="560 1030 1123 1108">Apr. 2014 Senior Managing Director, CSO, in charge of Marketing, and in charge of Production and Resourcing of the Company</p> <p data-bbox="560 1117 1123 1196">Jun. 2014 Representative Director (Current), Senior Managing Director, CSO, in charge of Marketing, and in charge of SCM of the Company</p> <p data-bbox="560 1205 1123 1283">Apr. 2015 Senior Managing Director & Representative Director, CMO of the Company</p> <p data-bbox="560 1292 1123 1348">President & Representative Director of Nissin Food Products Co., Ltd. (Current)</p> <p data-bbox="560 1357 1123 1435">Apr. 2016 Senior Managing Director & Representative Director of the Company</p> <p data-bbox="560 1444 1123 1500">President & Representative Director of Nissin Food Products Co., Ltd.</p> <p data-bbox="560 1541 1123 1570">Significant concurrent positions at other organizations</p> <p data-bbox="560 1579 1123 1612">President & Representative Director of Nissin Food Products Co., Ltd.</p> <p data-bbox="560 1621 1123 1650">Vice Chairman of the Ando Foundation</p>	31,999 shares	None

No.	Name (Date of birth)	Career summary, positions and responsibilities in the Company and significant concurrent positions at other organizations	Number of the Company's shares held	Special interest in the Company
3	 Yukio Yokoyama (Nov. 16, 1956)	Apr. 1979 Joined Fuji Bank Limited (currently Mizuho Bank, Ltd.) Apr. 2005 General Manager of Shibuya Branch of Mizuho Bank, Ltd. Apr. 2007 Executive Officer, General Manager of Shibuya Branch of Mizuho Bank, Ltd. Apr. 2008 Joined the Company, Executive Officer, General Manager of Finance and Accounting Division of the Company Oct. 2008 Executive Officer, General Manager of Finance and Accounting Division of the Company President & Representative Director of Nissin Asset Management Co., Ltd. Jan. 2010 Executive Officer, CFO (Chief Financial Officer) of the Company (Current) Jun. 2010 Director (Current), CFO of the Company	1,898 shares	None

No.	Name (Date of birth)	Career summary, positions and responsibilities in the Company and significant concurrent positions at other organizations	Number of the Company's shares held	Special interest in the Company
4	 Ken Kobayashi (Feb. 14, 1949)	Jul. 1971 Joined Mitsubishi Corporation Apr. 2003 Senior Vice President, General Manager of Singapore Branch of Mitsubishi Corporation Jun. 2004 Senior Vice President, Division COO of Plant Project Div. of Mitsubishi Corporation Apr. 2006 Senior Vice President, Division COO of Ship, Aerospace & Transportation Systems Div. of Mitsubishi Corporation Apr. 2007 Executive Vice President, Group CEO of Industrial Finance, Logistics & Development Group of Mitsubishi Corporation Jun. 2007 Member of the Board, Executive Vice President, and Group CEO of Industrial Finance, Logistics & Development Group of Mitsubishi Corporation Jun. 2008 Executive Vice President, Group CEO of Industrial Finance, Logistics & Development Group of Mitsubishi Corporation Apr. 2010 Senior Executive Vice President, Executive Assistant to President of Mitsubishi Corporation Jun. 2010 Member of the Board, President of Mitsubishi Corporation Jun. 2011 Director of the Company (Current) Apr. 2016 Representative Director, Chairman of the Board of Mitsubishi Corporation (Current) Significant concurrent positions at other organizations Representative Director, Chairman of the Board of Mitsubishi Corporation	5,108 shares	Refer to Note 3 under the table below.

No.	Name (Date of birth)	Career summary, positions and responsibilities in the Company and significant concurrent positions at other organizations	Number of the Company's shares held	Special interest in the Company
5	 Masahiro Okafuji (Dec. 12, 1949)	Apr. 1974 Joined ITOCHU Corporation Jun. 2002 Executive Officer of ITOCHU Corporation Apr. 2004 Managing Executive Officer of ITOCHU Corporation Jun. 2004 Managing Director of ITOCHU Corporation Apr. 2006 Senior Managing Director of ITOCHU Corporation Apr. 2009 Executive Vice President of ITOCHU Corporation Apr. 2010 President of ITOCHU Corporation (Current) Jun. 2011 Director of the Company (Current) Significant concurrent positions at other organizations President & Chief Executive Officer of ITOCHU Corporation	5,108 shares	Refer to Note 3 under the table below.

No.	Name (Date of birth)	Career summary, positions and responsibilities in the Company and significant concurrent positions at other organizations	Number of the Company's shares held	Special interest in the Company
6	 Yoko Ishikura (Mar. 19, 1949)	Jul. 1985 Manager of Japan branch of McKinsey & Company, Inc. Apr. 2000 Professor of Graduate School of International Corporate Strategy, Hitotsubashi University Apr. 2004 Outside Director of Japan Post Service Co., Ltd. (Part-time) Oct. 2005 Vice President of the Science Council of Japan Jun. 2006 Director of Mitsui O.S.K. Lines, Ltd. Jun. 2010 Director (Current), Independent Director of the Company (Current) Director of Fujitsu Limited Apr. 2011 Professor of Graduate School of Media Design, Keio University Apr. 2012 Professor emerita of Hitotsubashi University (Current) Jun. 2012 Director of LIFENET INSURANCE COMPANY (Current) Jun. 2014 Director of Sojitz Corporation (Current) Jun. 2015 External Director of Shiseido Co., Ltd. (Current)	898 shares	None

No.	Name (Date of birth)	Career summary, positions and responsibilities in the Company and significant concurrent positions at other organizations	Number of the Company's shares held	Special interest in the Company
7	 <p data-bbox="352 1111 512 1173">Isao Karube (Jan. 27, 1942)</p>	<p data-bbox="560 315 1123 371">Aug. 1972 Research Associate of Department of Food Science, University of Illinois, U.S.A.</p> <p data-bbox="560 378 1123 461">Jul. 1980 Associate Professor of Biotechnology, Research Laboratory of Resources Utilization, Tokyo Institute of Technology</p> <p data-bbox="560 468 1123 580">Feb. 1985 Professor of Bioelectronics and Biotechnology, Research Laboratory of Resources Utilization, Tokyo Institute of Technology</p> <p data-bbox="560 586 1123 698">Apr. 1988 Professor of Bioelectronics and Biotechnology, Research Center for Advanced Science and Technology, The University of Tokyo</p> <p data-bbox="560 705 1123 882">Apr. 1999 Director of Center for Collaborative Research, The University of Tokyo Professor of Bioelectronics and Biotechnology, Research Center for Advanced Science and Technology, The University of Tokyo</p> <p data-bbox="560 889 1123 1037">Apr. 2001 Professor of Center for Collaborative Research, The University of Tokyo Professor of Bioelectronics, Research Center for Advanced Science and Technology, The University of Tokyo</p> <p data-bbox="560 1043 1123 1245">Apr. 2002 Professor of Katayanagi Advanced Research Laboratories, Tokyo University of Technology Director of Laboratory of Advanced Bioelectronics, National Institute of Advanced Industrial Science and Technology</p> <p data-bbox="560 1252 1123 1308">Apr. 2003 Dean of school of Bionics, Tokyo University of Technology</p> <p data-bbox="560 1314 1123 1397">Aug. 2003 Director of Research Center of Advanced Bionics, National Institute of Advanced Industrial Science and Technology</p> <p data-bbox="560 1404 1123 1460">Apr. 2005 Vice President of Tokyo University of Technology</p> <p data-bbox="560 1467 1123 1523">Jun. 2008 President of Tokyo University of Technology (Current)</p> <p data-bbox="560 1529 1123 1641">Apr. 2009 Director of Collaborative Research Team Biotechnology Industrialization Center, National Institute of Advanced Industrial Science and Technology</p> <p data-bbox="560 1648 1123 1704">Jun. 2015 Director (Current), Independent Director of the Company (Current)</p>	783 shares	None

No.	Name (Date of birth)	Career summary, positions and responsibilities in the Company and significant concurrent positions at other organizations	Number of the Company's shares held	Special interest in the Company
8	 * Masato Mizuno (May 25, 1943)	Mar. 1966 Joined MIZUNO Corporation May 1978 Director of MIZUNO Corporation Feb. 1980 Managing Director of MIZUNO Corporation Jun. 1983 Executive Managing Director of MIZUNO Corporation May 1984 Executive Vice President of MIZUNO Corporation May 1988 President (CEO) of MIZUNO Corporation Jun. 2006 Chairman of the Board of MIZUNO Corporation Oct. 2012 Corporate Advisor of MIZUNO Corporation Jul. 2014 Chairman of MIZUNO Corporation (Current) Significant concurrent positions at other organizations Director of the Ando Foundation	0 share	None

- (Notes) 1. Asterisk mark (*) specifies a newly appointed Director candidate.
2. In regard to Outside Director candidate Ms. Yoko Ishikura, as that name is well known, her name is shown as above, regardless the fact that her legal name is Ms. Yoko Kurita.
3. The special interests between each Director candidates and the Company are as follows:
- (1) The Company is engaged in building lease with Ando Foundation where Mr. Koki Ando serves as Chairman, and outsources operation of The Momofuku Ando Instant Ramen Museum to the same. The Company outsources its advertising business to Uji Kaihatsu Development Co., Ltd. where Mr. Ando serves as Representative Director. The Company supports events and donates to Japan Association for the World Food Programme where Mr. Ando serves as Chairman.
 - (2) The Company is engaged in transactions including sales of products and procurement of materials with Mitsubishi Corporation where Mr. Ken Kobayashi serves as Representative Director.
 - (3) The Company is engaged in transactions including sales of products and procurement of materials with ITOCHU Corporation where Mr. Masahiro Okafuji serves as Representative Director.
4. Mr. Ken Kobayashi, Mr. Masahiro Okafuji, Ms. Yoko Ishikura, Mr. Isao Karube, and Mr. Masato Mizuno are Outside Director candidates.
5. Special notes in regard to each Outside Director candidate are as follows:
- (1) Reasons for electing as Outside Director
 - i) The Company proposes to elect Mr. Ken Kobayashi as Outside Director candidate as he is regarded for bringing outside views of an expert to the management, in addition to his management acumen and performance in other companies.
 - ii) The Company proposes to elect Mr. Masahiro Okafuji as Outside Director candidate as he is regarded for bringing outside views of an expert to the management, in addition to his management acumen and performance in other companies.
 - iii) The Company proposes to elect Ms. Yoko Ishikura as Outside Director candidate as she is regarded for bringing outside views of an expert to the management, in addition to her many years of experience and knowledge as an expert on international corporate strategy. Although she does not have any direct corporate management experience, we have judged that she will be able to appropriately carry out the duties, as she is well-versed in corporate management through her many years of experience in areas such as international politics and economics, and international corporate strategies.
 - iv) The Company proposes to elect Mr. Isao Karube as Outside Director candidate as he is regarded for bringing outside views of an expert to the management, in addition to his experience and knowledge in regard to advanced study, and his global experience nurtured through the experience of cooperating with many foreign research institutions. Although he does not have any direct corporate management experience, we have judged that he will be able to appropriately carry out the duties, as he has management acumen as President of an university.
 - v) The Company proposes to elect Mr. Masato Mizuno as Outside Director candidate as he is regarded for bringing outside views as an expert to the management, in addition to his management acumen and performance at other companies.

(2) Number of years after Outside Director candidate was appointed as Outside Director

The terms of office of Mr. Ken Kobayashi and Mr. Masahiro Fujioka as Outside Director are both five (5) years, expiring upon the conclusion of this Ordinary General Meeting of Shareholders. The term of office of Ms. Yoko Ishikura as Outside Director is six (6) years, expiring upon the conclusion of this Ordinary General Meeting of Shareholders. The term of office of Mr. Isao Karube as Outside Director is one (1) year, expiring upon the conclusion of this Ordinary General Meeting of Shareholders.

(3) Agreements limiting liability with Outside Director candidates

The Company has entered into an agreement to limit the liability of damages provided for in Article 423, Paragraph 1 of the Companies Act with Outside Director Ms. Yoko Ishikura as of June 29, 2010, with both Outside Director Mr. Ken Kobayashi and Mr. Masahiro Okafuji as of June 29, 2011, and with Outside Director Mr. Isao Karube as of June 25, 2015, respectively. The contents are as stated in “iii) Summary of contents of agreements limiting liability with Outside Directors and Outside Audit & Supervisory Board Members (A)” of the attached documents (page 15) of this Notice of the Ordinary General Meeting of Shareholders.

If the re-election of the four (4) candidates is approved, the Company plans to continue the agreement with the four (4) of them. If Mr. Masato Mizuno is elected as Director, the Company plans to enter into the same agreement limiting liability as of June 28, 2016.

(4) Relationships between Outside Director candidates and Specified Related Business Operators of the Company

- i) Mr. Ken Kobayashi is currently an executive of Mitsubishi Corporation which is a Specified Related Business Operator of the Company and has served as an executive for the said company in the past five (5) years.
- ii) Mr. Masahiro Okafuji is currently an executive of ITOCHU Corporation which is a Specified Related Business Operator of the Company and has served as an executive for the said company in the past five (5) years.

6. The Company has registered Ms. Yoko Ishikura and Mr. Isao Karube as Independent Director pursuant to the provisions of the Tokyo Stock Exchange. If their re-election is approved, the Company plans to register them again as Independent Director.

Furthermore, if Mr. Masato Mizuno is elected as Director, the Company plans to register him as an Independent Director pursuant to the provisions of the Tokyo Stock Exchange.


Proposal 3: Election of One (1) Alternate Audit & Supervisory Board Member

The effective period of appointment of Alternate Audit & Supervisory Board Member Kiyotaka Matsumiya continues until the commencement of this Ordinary General Meeting of Shareholders. Accordingly, we propose that one (1) Alternate Audit & Supervisory Board Member be elected in case the number of Audit & Supervisory Board Members falls below legal stipulations.

The candidate for Alternate Audit & Supervisory Board Member is as follows.

Please note that his appointment may be cancelled by a resolution of the Board of Directors with the consent of the Audit & Supervisory Board after the election at this Ordinary General Meeting of Shareholders and before the position is assumed.

The Audit & Supervisory Board has approved this proposal.

Name (Date of birth)	Career summary and positions in the Company and significant concurrent positions at other organizations	Number of the Company's shares held	Special interest in the Company
 <p>Kiyotaka Matsumiya (Dec. 17, 1945)</p>	<p>Apr. 1978 Admitted to practice law Apr. 1981 Established a law firm Jan. 1996 Appointed as Judicial Commissioner (Current) Jul. 2000 Appointed as Civil Conciliation Commissioner (Current) Apr. 2005 Appointed as Commissioner of Suita City Information Disclosure and Personal Information Protection Review Board (Current)</p>	0 share	None

(Notes) 1. The Company proposes to elect Mr. Kiyotaka Matsumiya as an alternative Outside Audit & Supervisory Board Member candidate.

2. Special notes in regard to the alternative Outside Audit & Supervisory Board Member candidate are as follows:

(1) Reasons for electing as an alternative Outside Audit & Supervisory Board Member candidate

The Company proposes to elect Mr. Kiyotaka Matsumiya as an alternative Outside Audit & Supervisory Board Member candidate in expectation of him offering comments and advice to the Board of Directors and the Audit & Supervisory Board from the point of view of a legal specialist. Although Mr. Matsumiya does not have any direct corporate management experience, we have judged that he will be able to appropriately carry out the duties, as he is well-versed in corporate law as a lawyer, and has sufficient knowledge to lead corporate management.

(2) Agreements limiting liability with an alternative Outside Audit & Supervisory Board Member candidate

If Mr. Kiyotaka Matsumiya is appointed as the Company's Outside Audit & Supervisory Board Member, the Company will enter into an agreement with Mr. Matsumiya to limit the liability of damages provided for in Article 423, Paragraph 1 of the Companies Act. The contents are as stated in "iii) Summary of contents of agreements limiting liability with Outside Directors and Outside Audit & Supervisory Board Members (B)" of the attached documents (page 15) of this Notice of the Ordinary General Meeting of Shareholders.

Proposal 4: Revision of Remuneration for Outside Directors

The Company revised the amount of remuneration for Directors to the current “annual amount within ¥700 million (of which ¥50 million or less for Outside Directors)” at the 66th Ordinary General Meeting of Shareholders held on June 26, 2014.

As stated in Proposal 2, at this time the Company proposes to increase the number of its Outside Directors, in order to further strengthen functions of supervising management, aiming at the Company’s sustainable growth and improved corporate value in the medium- to long-term.

Accordingly, the Company proposes to increase the total amount of remuneration for Outside Directors to “annual amount within ¥700 million (of which ¥100 million or less for Outside Directors),” on the condition that Proposal 2 is approved.

While there are currently thirteen (13) Directors (of which four (4) are Outside Directors), there will be eight (8) Directors (of which five (5) will be Outside Directors) if Proposal 2 is approved.

Proposal 5: Renewal of the Countermeasures to the Large-Scale Acquisition of the Company's Shares (Takeover Defense Measures)

The resolution to introduce the "Countermeasures to the Large-Scale Acquisition of the Company's Shares (Takeover Defense Measures)" was adopted in the meeting of the Board of Directors of the Company held on April 23, 2007 subject to shareholder approval, and these Takeover Defense Measures were approved by shareholders in the Ordinary General Meeting of Shareholders of the Company held on June 28, 2007. Subsequently, a resolution to renew these Takeover Defense Measures, subject to shareholder approval, was adopted in the meeting of the Board of Directors of the Company held on May 24, 2013, and renewal of the Takeover Defense Measures was approved by shareholders in the Ordinary General Meeting of Shareholders of the Company held on June 26, 2013 (the Takeover Defense Measures after this renewal shall hereinafter be referred to as the "Former Plan"). The effective period of the Former Plan shall expire upon the conclusion of the Ordinary General Meeting of Shareholders of the Company to be held in June 2016 (hereinafter referred to as the "Ordinary General Meeting of Shareholders").

The Company, after the renewal of the Former Plan, considered whether to renew the Former Plan from the viewpoint of ensuring and enhancing the Company's corporate value and thus the common interests of shareholders in view of changes in the social and economic circumstances surrounding the Company. As a result, a resolution to renew the Former Plan (the Takeover Defense Measures after this renewal shall hereinafter be referred to as the "Measures") as set out below was resolved in the meeting of the Board of Directors held on May 12, 2016, subject to shareholder approval at the Ordinary General Meeting of Shareholders, and the Company made an announcement to that effect.

Upon presenting the resolution of the Board of Directors of the Company, which decided to continue the Measures, all four Audit & Supervisory Board Members of the Company (three of whom were Outside Audit & Supervisory Board Members) expressed opinions in support of the Measures on the condition that the Measures would be administered appropriately in practice.

The intention of this Proposal is to request the approval of the Measures by a majority of the voting rights of shareholders present at the Ordinary General Meeting of Shareholders in light of the importance of the Measures and with the aim of clarifying that the change and continuation of the Measures are based on the intent of shareholders.

The Measures shall take effect subject to shareholder approval at the Ordinary General Meeting of Shareholders, and the effective period shall be from the conclusion of the Ordinary General Meeting of Shareholders until the conclusion of the ordinary general meeting of shareholders of the Company for the fiscal year ending March 2019 to be held in June 2019; however, if a resolution to abolish the Measures is adopted at the general meeting of shareholders or meeting of the Board of Directors of the Company, the Measures shall be abolished at the time of such resolution even if the effective period has not expired.

As of the present date, there exists no proposal or inquiry from a specific third party for a Large-Scale Acquisition involving the Company's shares.

Regarding the Measures, major changes from the Former Plan are as follows:

- i) A system to confirm the intent of shareholders is introduced as to whether or not to implement a Countermeasure, etc. (A general meeting of shareholders to confirm the intent of shareholders shall be convened if the Board of Directors deems it appropriate after placing the highest value on the recommendation of the Independent Committee);
- ii) Members of the Independent Committee shall be appointed from among Outside Directors and Outside Audit & Supervisory Board Members who are independent of the management executing the Company's operations;
- iii) The upper limit on the response period which the Board of Directors of the Company sets out when it requests additional information from a Large-Scale Acquirer, in addition to the necessary information already provided by the latter, is established;
- iv) It is clarified that if allotment of stock acquisition rights without contribution as a Countermeasure to a Large-Scale Acquisition is implemented, payment of money shall not be assumed in consideration for acquisition of a stock acquisition right owned by a Large-Scale Acquirer;
- v) In addition, changes to words and phrases, adjustments to wordings, etc. are made.

I. Purpose of Measures

The purpose of the Measures is to enable the Company to take proper measures against a Large-Scale Acquisition targeting the Company's shares, such as tender offer, in the event such acquisition would have significant impact on the Company's corporate value or the common interests of shareholders, with the aim of ensuring and enhancing the Company's corporate value and common interests of shareholders.

II. Initiatives for Ensuring and Enhancing the Company's Corporate Value and Common Interests of Shareholders

1. Medium-Term Management Plan

Recognizing four phrases of the founder - "Peace will come to the world when there is enough food," "Create foods to serve society," "Eat wisely for beauty and health," and "Food related jobs are sacred profession" - as enduring founding values, and guided by our Group philosophy, as signified by "EARTH FOOD CREATOR," to contribute to society and the earth by gratifying people everywhere with the pleasures and delights food can provide, the Company will strive to embody them.

<Review of the Medium-Term Management Plan 2016>

Under the previous "Medium-Term Management Plan 2016," the Company, with the theme of "Pursue global status," made aggressive overseas investments emphasizing "expansion" in growth markets and emerging markets in particular.

As a result, while achieving substantial growth in overseas business and the targets for net sales (including those overseas) and net income, the Company did not achieve the targets for operating income and ordinary income (including profit margin), due mainly to upfront investments for expanding group functions, such as system investments, and delays in achieving profitability in regions newly entered and where businesses have been expanded (Asia and EMEA).

The Company will shift to a strategy focusing on profitability, intensively developing businesses through patterns of the Group that were successful in Japan and China particularly in those markets where we can expect to increase profits.

<Targets of the Medium-Term Management Plan 2021 and Strategy to Achieve Targets>

The Company will implement the “Medium-Term Management Plan 2021” (hereinafter referred to as the “Medium-Term Plan”) over the next five years.

In the Medium-Term Plan, the Company set numerical targets focusing on “earning power centered on core businesses” and “corporate value in the capital market” as prerequisites to be acclaimed as one of the global companies.

		FY2016	FY2021	
		Results JGAAP	(Reference) (JGAAP)	Targets IFRS
Earning power centered on core businesses	Net sales	¥468.1 billion	(¥600.0 billion)	¥550.0 billion
	Adjusted operating income*1	¥24.7 billion	(¥40.0 billion)	¥47.5 billion
Corporate value in the capital market	Market capitalization*2	¥570.0 billion		¥1 trillion
	Net income*3	¥26.9 billion		¥33.0 billion
	ROE	7.4%		8% or higher
	Adjusted EPS*4	¥196	CAGR: 10% or higher	¥330
			Payout ratio: average for the period of 40% or higher	

- *1 Adjusted operating income = Operating income ± Impact of retirement benefit accounting
- *2 Market capitalization = Stock price × Number of shares issued (after deduction of treasury stock) as of the end of the period
- *3 Net income = “Net income attributable to owners of parent” as per the Japan Accounting Standards, “Profit attributable to owners of parent” as per International Financial Reporting Standards (IFRS)
- *4 Adjusted EPS = Adjusted NOPAT*5 / Average number of shares issued (after deduction of treasury stock) during the fiscal year
- *5 Adjusted NOPAT = Adjusted operating income + Equity method gains or losses + Amortization of goodwill (including equity method companies) - Net income attributable to non-controlling interests

To achieve the above numerical targets, the Company will implement the following five strategies and strive to pursue the profitability.

(1) Promoting global branding

We intend to improve profitability by accelerating overseas expansion of CUP NOODLES, as a high value-added product that makes the most of our strengths as a company, and by increasing the number of units sold overseas by 50%. We intend to pinpoint the right approach for design, flavor and promotion, based on a clearly defined target market (young people with a certain standard of living), in order to penetrate the market more efficiently and effectively.

(2) Focusing on priority overseas locations

We have earmarked BRICs (Brazil, Russia, India, China) as priority locations from the two key perspectives, based on market appeal (scale of instant noodle market and its growth potential) and opportunities for the Company (strength of business foundations and scope to expand market for cup-type and other value-added products over the short to medium term). We are determined to secure profit growth in these areas.

In China, we are planning to further expand our growing sales area for high-margin CUP NOODLES products. In India, we are focusing on growth in bag-type instant noodle products in urban areas and on stepping up CUP NOODLES sales to the country’s rapidly-growing population of middle-income earners. In Brazil and Russia, we are aiming to build on solid foundations as market leader to expand

the market for value-added cup-type instant noodle products, so that we can secure an even larger market share and increase profits.

(3) Laying stronger foundations for our domestic profit base

In order to establish a business model that will be less susceptible to declining population numbers and other changes in population or consumer composition, we intend to focus more closely on the domestic market, with an emphasis on marketing, and we are also planning to invest in upgrading plants in order to save labor and improve food safety. By conducting these initiatives, we will lay stronger foundations for our instant noodle profit base in Japan, with the aim of becoming a “century brand company.”

(4) Establishing a second pillar that generates revenue and profit

We are stepping up initiatives aimed at developing our confectionery and cereal business into a second primary revenue and profit source, both in Japan and overseas. We intend to grow individual brands even further, strengthen cooperation based on technical synergy between the confectionery and cereal companies, expand overseas operations and make use of M&A to increase sales to around ¥100 billion, including equity method companies. In terms of chilled and frozen foods, and beverages, we are aiming to increase profit growth domestically, based on our efforts to establish brands throughout the previous medium-term period.

(5) Developing and strengthening human resources for global management

Thanks to active investment in strengthening platforms, we have been able to establish a framework to support growth. Looking ahead to the future, we intend to step up human resource development measures within the Group, including running a selection-based in-house university program, promoting diversity, and reinforcing overseas trainee systems. In addition, we are planning to recruit from outside the Group. By combining human resource development measures within the Group and recruitment from outside the Group, we will increase management human resources in an effort to accelerate global management.

<Further initiatives to embody the Group philosophy>

In addition to implementing strategies to achieve medium-term figures, we will take the “cereal foods” that are the starting point of every meal, enhance them with the technical and marketing prowess that we have cultivated through our instant noodle business, and pursue wider possibilities in food.

We strive to be creative and unique in our daily work, and to stand as an “EARTH FOOD CREATOR,” bringing happiness to people across the world through “food” in global areas. This passion imbues us with confidence that the Company will further increase corporate value and common interests of the shareholders.

2. Initiatives for corporate governance

While providing safe and worry-free foods, and promoting businesses to maximize benefits to all stakeholders including shareholders, consumers, employees, business partners, local communities, and residents, the Company recognizes enhanced and strengthened corporate governance as a top priority for management and strive for highly objective and transparent management. To achieve this objective, the Company has already appointed more than one Outside Director and Outside Audit & Supervisory Board Member, and has proactively incorporated the opinions of outside experts in management, thereby endeavoring to invigorate management and make it transparent. At the same time, the Company introduced the executive officer system in June 1998 with the aim of facilitating decision-making and separating management and business execution. Moreover, the Company sincerely adopted the Corporate Governance Code, which was implemented in June 2015, and will implement it as much as possible. As specific initiatives, the Company: (1) newly established and implemented in November

2015 the “Management Advisory Committee,” an advisory organ of the Board of Directors, the majority of which were Independent Outside Directors and Independent Outside Audit & Supervisory Board Members, to ensure transparency and fairness in nomination, remuneration, and governance; and (2) in new systems to be approved by shareholders at the Ordinary General Meeting of Shareholders will sharply decrease the number of Internal Directors from nine to three, and increase Outside Directors from four to five, thereby making them the majority (five of eight), as well as increase Independent Outside Directors from two to three, thereby creating a system in which they account for one-third or more of the total (three of eight). Through these initiatives the Company will make management more transparent and strengthen supervisory functions.

Furthermore, as a Company with an Audit & Supervisory Board, the Company strengthens the system for monitoring the Directors’ execution of duties with three Audit & Supervisory Board Members while, at the same time, further enhancing corporate governance by placing several staff specializing in assisting the operations of Audit & Supervisory Board Members, enhancing the Internal Auditing Office, which improves the efficiency of audits by cooperating with Audit & Supervisory Board Members, and reinforcing the internal control systems, etc.

III. Necessity of Continuation of Measures

To set forth a Group strategy for sustainable growth and improving shareholder value in the medium- to long-term, and to strive for a management that meets shareholder expectations, the Company deems the Measures to be necessary. At present, the Company has not received notice or communication from a specific third party of a Large-Scale Acquisition (as defined in V, Section 1, below). However, since there is always a possibility of an unexpected contingency, it cannot be denied completely that there might be a contingency that damages corporate value and infringes upon the common interests of shareholders.

Specifically, while the Group has strengths in marketing and technological innovation capabilities, depending on the policy and strategy of a Large-Scale Acquirer (as defined in V, Section 1, below) that does not fully understand the Group’s business, the direction of marketing and the continuity of development systems could be lost, the foundations for producing hit products based on the Group’s philosophy including an “EARTH FOOD CREATOR” could be damaged, and medium- to long-term corporate value could be reduced.

Moreover, the Company believes that a constructive dialogue with a Large-Scale Acquirer on the subject of improving medium- to long-term corporate value is possible, and it will also be useful for a Large-Scale Acquirer to secure opportunities and sufficient time for such.

The Company believes that, in the event a Large-Scale Acquisition is conducted by a Large-Scale Acquirer, the final decision on whether or not to accept the Large-Scale Acquisition should be left to the discretion of shareholders.

However, a Large-Scale Acquisition, if it is implemented, could immediately have a material impact on the business and management policies of the Company and involves the possibility of causing significant damage to the Company’s corporate value and common interests of the shareholders. Given the recent capital market conditions and legal systems in Japan, we cannot deny the possibility of a Large-Scale Acquisition of shares in the Company that would cause obvious damage to the Company’s corporate value and common interests of shareholders.

Accordingly, the Company believes that when the Company receives a proposal for a Large-scale Acquisition, the following shall be its responsibility to shareholders: 1) that the Company requests the Large-Scale Acquirer to provide necessary and sufficient information to appropriately assess the effects of the Large-Scale Acquisition on the Company’s corporate value and common interests of shareholders; 2) that the Board of Directors of the Company examines and evaluates the effects of the business and management policies etc. proposed by the Large-Scale Acquirer on the Company’s corporate value and common interests of shareholders and provides results of such examination and evaluation to shareholders to provide a reference for assessment; 3) in some cases, that the Company ensures a process in which the Board of Directors of the Company holds negotiations or discussions with the Large-Scale Acquirer on the Large-Scale Acquisition or the Company’s business and management policies, etc., or proposes an alternative proposal regarding the Company’s business and management policies, etc. to shareholders;

while also preparing countermeasures to the Large-Scale Acquisition to prevent obvious damage to the Company's corporate value and common interests of shareholders.

Moreover, from the perspective of shareholders as well, it is deemed necessary for improving the common interests of shareholders to develop a system where certain rules for a proposal from a Large-Scale Acquirer are established, information provision and enough time for examination are secured, and the Board of Directors conducts the necessary negotiations while, at the same time, asks for a fair judgment from the shareholders.

While the Financial Instruments and Exchange Act takes some measures to regulate abusive acquisitions at present, it may not necessarily function effectively, being unable both to legally secure the provision of information and time for an examination before a tender offer is initiated, and to legally restrict a buy-out in the market. To develop an environment that enables management resources of the Company to be concentrated on the growth strategy without being dispersed, it is necessary for the Company to prepare for any confusion and impairment due to unexpected contingencies by establishing the Measures with a view to implementing a sustainable growth strategy, thus improving medium- to long-term corporate value. The Company believes that establishing the Measures is never aimed at defending the interests of Directors of the Company, but will contribute to maintaining and improving the Group's corporate value and the common interests of shareholders, which are the responsibility of the Directors.

As described above, the Company has decided to continue the Measures as measures to embody such views and set rules as below (hereinafter referred to as the "Large-Scale Acquisition Rules") for procedures for certain information provision etc. which the Large-Scale Acquirer should comply with and regarding the contents of, and the requirements and procedures for implementing, the Countermeasures which the Company may take in the event the Large-Scale Acquirer does not comply with such procedures or if the Large-Scale Acquisition will cause damage to the Company's corporate value and common interests of shareholders.

As of the present date, there exists no proposal or inquiry from a specific third party for a Large-Scale Acquisition involving the Company's shares.

IV. Outline of Large-Scale Acquisition Rules

1. Outline of the Large-Scale Acquisition Rules

The purpose of the Large-Scale Acquisition Rules is to ensure and enhance the Company's corporate value and common interests of shareholders by requesting provision of necessary and sufficient information on the Large-Scale Acquisition to the Large-Scale Acquirer prior to Large-Scale Acquisition and requesting the securing of a time period necessary for the Board of Directors of the Company to scrutinize such information regarding the Large-Scale Acquisition or hold discussions with the Large-Scale Acquirer and consider an alternative proposal etc.

The Large-Scale Acquirer shall be permitted to commence the Large-Scale Acquisition, if the Large-Scale Acquirer provided necessary and sufficient information regarding the Large-Scale Acquisition in accordance with the request from the Board of Directors of the Company and the Independent Committee, which will be established as will be explained hereafter in Section 2, and, if the Board of Directors of the Company secures a reasonable time period for discussion, after such time period has expired.

The Board of Directors of the Company, meanwhile, shall be permitted to implement reasonable countermeasures approved under the Companies Act and other laws and regulations as well as the Company's Articles of Incorporation (hereinafter referred to as the "Countermeasures"), in the event the Large-Scale Acquirer breaches the procedures set forth in the Large-Scale Acquisition Rules, or the Large-Scale Acquisition by the Large-Scale Acquirer may cause significant damage to the Company's corporate value and common interests of shareholders.

2. Establishment of the Independent Committee

The Board of Directors of the Company shall establish the Independent Committee as an organization which appropriately administers the Measures and prevents arbitrary decisions on the part

of the Board of Directors of the Company regarding whether or not to implement the Countermeasures. The Independent Committee shall consist of at least three (3) members selected from among Outside Directors and Outside Audit & Supervisory Board Members who are independent of the management executing the Company's operations, in order to enable fair and neutral judgment. The details of the appointment criteria etc. for the Independent Committee members are given in Attachment 1.

The Board of Directors of the Company shall provide the information received from the Large-Scale Acquirer and results of analysis thereof and an alternative proposal, etc. prepared by the Board of Directors of the Company to the Independent Committee. The Independent Committee, based on inquiry from the Board of Directors of the Company, shall examine such information, information which the Independent Committee considered necessary and obtained independently, as well as opinions, etc. of external specialists, and make recommendations to the Board of Directors of the Company on matters including whether or not to implement the Countermeasures.

Names and career summary of the three (3) persons the Company appointed as the Independent Committee members upon renewal of the Measures are as given in Attachment 2.

V. Details of Large-Scale Acquisition Rules

1. The Large-Scale Acquisition and the Large-Scale Acquirer to which the Large-Scale Acquisition Rules shall be applicable

Large-Scale Acquisition to which the Large-Scale Acquisition Rules shall be applicable (hereinafter referred to as the "Large-Scale Acquisition") are actions that fall under i) or ii) below, except for actions approved by the Board of Directors of the Company as those it considers to contribute to ensuring and enhancement of the Company's corporate value and common interests of shareholders.

- i) As for share certificates etc.¹ of which the Company is the issuer, a tender offer² for which the total of ownership ratio of share certificates etc.³ relating to a tender offer, the ownership ratio of share certificates etc. of a tender offeror⁴ and the ownership ratio of share certificates etc. of specially related party⁵ becomes 20% or more;
- ii) As for share certificates etc.⁶ of which the Company is the issuer, an acquisition or any other action in which the total ownership ratio of share certificates etc.⁷ by a holder⁸ and joint holder(s)⁹ becomes 20% or more.

A party which conducts or attempts to conduct the Large-Scale Acquisition shall hereinafter be referred to as the "Large-Scale Acquirer."

2. Submission of Letter of Intent and Issuance of List of Necessary Information

(1) Submission of a Letter of Intent

The Company shall request that, prior to the commencement of the Large-Scale Acquisition, the Large-Scale Acquirer submit a Letter of Intent (hereinafter referred to as the "Letter of Intent"), in the form to be prescribed by the Company, bearing the Large-Scale Acquirer's name, address or location of the head office, name of representative, domestic contact, incorporation law (in the case of foreign

¹ As defined in Article 27-2, Paragraph 1 of the Financial Instruments and Exchange Act

² As defined in Article 27-2, Paragraph 6 of the Financial Instruments and Exchange Act

³ As defined in Article 27-2, Paragraph 8 of the Financial Instruments and Exchange Act

⁴ As defined in Article 27-3, Paragraph 2 of the Financial Instruments and Exchange Act

⁵ As defined in Article 27-2, Paragraph 7 of the Financial Instruments and Exchange Act (including parties deemed by the Board of Directors of the Company to fall under the specially related party set forth in said paragraph). However, parties set forth in Paragraph 7-1 of said article, exclude parties set forth in Article 3, Paragraph 2 of the Cabinet Office Ordinance regarding disclosure of tender offer for share certificates etc. by parties other than the issuer.

⁶ As defined in Article 27-23, Paragraph 1 of the Financial Instruments and Exchange Act

⁷ As defined in Article 27-23, Paragraph 4 of the Financial Instruments and Exchange Act

⁸ Parties which are included in the category of holder in accordance with Article 27-23, Paragraph 3 of the Financial Instruments and Exchange Act (including parties deemed by the Board of Directors of the Company to fall under such category) are included.

⁹ As defined in Article 27-23, Paragraph 5 of the Financial Instruments and Exchange Act, including parties which are deemed to be joint holders in accordance with Paragraph 6 of said Article.

judicial person) and outline of proposal for the Large-Scale Acquisition and containing a legally binding written pledge on the following matters (hereinafter referred to as the “Written Pledge”) written in Japanese.

- i) The Letter of Intent shall be submitted as a letter of intent in accordance with the Large-Scale Acquisition Rules.
 - ii) The Large-Scale Acquirer shall comply with the Large-Scale Acquisition Rules, and suspend a Large-Scale Acquisition until the end of the Assessment Period of the Board of Directors of the Company (as defined in Section 4 below), or until a resolution is adopted as to whether or not to implement Countermeasures to the Large-Scale Acquisition at a general meeting of shareholders to confirm the intent of shareholders if such a general meeting is to be held.
 - iii) The Large-Scale Acquirer shall sincerely consider withdrawing a proposal for a Large-Scale Acquisition if, based on a recommendation of the Independent Committee, a resolution for implementing Countermeasures is passed at a meeting of the Board of Directors of the Company, or a resolution for implementation is passed at a general meeting of shareholders to confirm the intent of shareholders.
 - iv) The Large-Scale Acquirer has agreed that the Company, when it deems necessary, shall appropriately disclose information on the fact that the Large-Scale Acquirer has submitted the Letter of Intent and other information regarding the Large-Scale Acquisition prior to the disclosure of the outline etc. of the proposal by the Large-Scale Acquirer as set forth in Section 4 below.
 - v) In order to avoid any confusion in the stock markets, the Large-Scale Acquirer shall treat all of the information regarding the Large-Scale Acquisition as confidential (except for information whose disclosure is required by laws and regulations, etc.) until the Board of Directors of the Company discloses the outline etc. of the proposal by the Large-Scale Acquirer as set forth in Section 4 below or the Company, prior to this, discloses information on the Large-Scale Acquisition, whichever is earlier.
- (2) Issuance of the list of necessary information

The Company shall request that the Large-Scale Acquirer provide necessary and sufficient information (hereinafter referred to as the “Necessary Information”) in writing in Japanese for shareholders to make a decision and for the Board of Directors of the Company to form an opinion. The Board of Directors of the Company shall provide the Large-Scale Acquirer with a list of Necessary Information to be initially provided by the Large-Scale Acquirer within ten (10) business days starting from the day following the day the Letter of Intent is received. General items to be contained in the Necessary Information are as listed below.

- i) Overview of the Large-Scale Acquirer and its Group (including brief history, composition of officers, primary business, major shareholders, organization chart of the Group, annual securities reports for the past three years or equivalent documents, and consolidated financial statements)
- ii) Purpose and contents of the Large-Scale Acquisition (including timing of acquisition etc., structure of related transactions, legality of the method of acquisition etc.)
- iii) Holding ratio of share certificates etc. of and the number of share certificates etc. held by the Large-Scale Acquirer
- iv) Basis for calculation of the acquisition price of the Company’s share certificates etc., evidence of availability of the funds necessary for acquisition and the details and terms of fund procurement in the Large-Scale Acquisition
- v) The management policy, management plan, business plan, financial policy, capital policy, dividend policy, numerical targets and the basis of calculation thereof for management and financial statements over the three (3) years after acquisition of control of management of the Company and the Group, as well as candidates for Officers, and their career summary.
- vi) Previous business relations and competitive relationships between the Large-Scale Acquirer and major business partners of the Company

- vii) The roles of the Company within the Large-Scale Acquirer's group after the implementation of the Large-Scale Acquisition
 - viii) The details of changes scheduled to be made after the implementation of the Large-Scale Acquisition in respect of the relationship with the Company's consumers, major business partners, employees, local communities and other interested parties of the Company
 - ix) Information regarding the amount of consideration in the event the Large-Scale Acquisition will be implemented with its consideration paid in assets other than cash.
 - x) A pledge by the representative to the effect that the contents of the documents which contain the Necessary Information provided by the Large-Scale Acquirer are true and accurate in material respects and do not have descriptions that could cause misunderstanding or lack of descriptions about material facts.
3. Request for additional information etc. to the Large-Scale Acquirer and negotiation with the Large-Scale Acquirer

In the event the Letter of Intent and the Necessary Information are received from the Large-Scale Acquirer, the Board of Directors of the Company shall immediately provide such Letter of Intent and Necessary Information to the Independent Committee and closely examine the contents thereof. If the Board of Directors of the Company finds the Letter of Intent or the Necessary Information supplied to be insufficient, the Board of Directors of the Company, in consideration of the recommendation of the Independent Committee, may request that the Large-Scale Acquirer add or amend the Written Pledge contained in the Letter of Intent or supply additional information within a reasonable period which the Board of Directors sets out (The upper limit shall be 60 days starting from the day the Necessary Information is first received.).

The Board of Directors of the Company may hold negotiations with the Large-Scale Acquirer, if the Company deems it necessary and beneficial, on the terms of proposals regarding the Large-Scale Acquisition.

The Board of Directors of the Company shall promptly provide the additional information supplied by the Large-Scale Acquirer and the status and results of negotiation with the Large-Scale Acquirer to the Independent Committee.

The Letter of Intent and the Necessary Information submitted by the Large-Scale Acquirer shall be disclosed, when deemed necessary and appropriate, to the extent deemed necessary and appropriate for shareholders to make a decision.

4. Disclosure, Assessment and Deliberation, etc. on proposal regarding Large-Scale Acquisition

When it is judged by the Board of Directors of the Company, based on the recommendation of the Independent Committee, that the provision of the Letter of Intent and the Necessary Information from the Large-Scale Acquirer has been completed, and if it is deemed to be necessary for decision-making by shareholders, the Board of Directors of the Company shall disclose the outline of the proposal by the Large-Scale Acquirer, the start date and end date of the Assessment Period set forth thereafter, and other matters deemed reasonable by the Board of Directors of the Company to shareholders at a time deemed appropriate.

The Board of Directors of the Company shall set the Assessment Period (hereinafter referred to as the "Assessment Period") of 60 days from the start date, starting on the above-mentioned disclosure date, if the Large-Scale Acquisition falls under a tender offer in which all the share certificates etc. of the Company shall be acquired with the consideration payable fully in cash (Japanese yen); and 90 days from the start date if the Large-Scale Acquisition falls under any other actions. The Board of Directors of the Company shall adequately assess the contents of the Necessary Information supplied from the Large-Scale Acquirer from the viewpoint of ensuring and enhancing the Company's corporate value and common interests of shareholders, and carefully form an opinion as the Board of Directors of the Company on the proposal of the Large-Scale Acquirer.

Additionally, the Board of Directors of the Company may, as needed, conduct negotiations and deliberations with the Large-Scale Acquirer to improve the terms and conditions regarding the Large-Scale Acquisition, or submit its alternative proposal on the Company's business and management policies, etc. to the Independent Committee and shareholders.

Upon conducting the aforementioned assessment and deliberations, the Board of Directors of the Company may seek advice, as needed, from independent third parties (financial advisors, attorneys, certified public accountants, tax accountants, consultants and other experts; hereinafter collectively referred to as the "Advisors etc.") at the Company's expense.

The Board of Directors of the Company may, if it cannot form an opinion regarding the Large-Scale Acquisition within the Assessment Period, extend the Assessment Period within a period of time that the Independent Committee considers reasonable (up to 30 days in principle). However, total of the Assessment Period shall not be over 120 days. If the Board of Directors of the Company adopts a resolution to extend the Assessment Period, it shall disclose the specific period of extension and reasons for such extension.

5. Amendment and Withdrawal of the Proposal Regarding the Large-Scale Acquisition

If the Large-Scale Acquirer proposes a material amendment or change to matters regarding the Large-Scale Acquisition which are contained in the Letter of Intent or the Necessary Information, the Board of Directors of the Company shall continue with the previous procedures based on the Large-Scale Acquisition Rules, if it deems such change to serve the purpose of ensuring and enhancing the Company's corporate value and common interests of shareholders based on the recommendation of the Independent Committee.

However, if the Board of Directors of the Company cannot determine, based on the recommendation of the Independent Committee, that the aforementioned proposal of a material amendment or change would serve the purpose of ensuring and enhancing the Company's corporate value and common interests of shareholders, the previous procedures in respect of the contents of the previous proposal shall be suspended. In such instance, if the Large-Scale Acquirer submits a new Letter of Intent regarding the proposal after amendment or change, the Board of Directors of the Company shall regard it as a new proposal regarding the Large-Scale Acquisition and commence its procedures anew based on the Large-Scale Acquisition Rules.

6. Recommendation of Independent Committee

The Board of Directors of the Company shall establish an Independent Committee as an organization that administers the Large-Scale Acquisition Rules appropriately and prevents arbitrary decision-making by the Board of Directors of the Company.

The Independent Committee shall consist of at least three (3) members, who will be appointed from among Outside Directors and Outside Audit & Supervisory Board Members independent of the management executing operations of the Company, in order to enable fair and neutral decision-making.

The Board of Directors of the Company shall provide the Necessary Information as well as the results of assessment and analysis of the Necessary Information and an alternative proposal, etc. to the Independent Committee. The Independent Committee, based on inquiry from the Board of Directors of the Company, shall refer to the Necessary Information received from the Board of Directors of the Company and the results of assessment and analysis thereof by the Board of Directors of the Company and alternative proposals, etc. to issue recommendations to the Board of Directors of the Company in a timely manner on the following matters: 1) whether the information supplied by the Large-Scale Acquirer is sufficient; 2) whether the Large-Scale Acquirer is complying with the Large-Scale Acquisition Rules; 3) whether the extension of the Assessment Period is deemed necessary and reasonable; 4) whether the amendment or change of the proposal by the Large-Scale Acquirer will contribute to ensuring and enhancing the Company's corporate value and the common interests of shareholders; 5) whether the requirements for implementation of the Countermeasures will be satisfied; 6) whether or not to implement the Countermeasures; 7) whether or not to convene a general meeting of shareholders to confirm the intent of shareholders when implementing the Countermeasures; and 8)

whether the suspension or change to implementation of the Countermeasures is deemed to be necessary and reasonable.

The Independent Committee, upon the aforementioned assessment and consultations, may seek advice at the Company's expense, as needed, from independent third parties (including financial advisors, attorneys, certified public accountants, tax accountants, consultants and other specialists) who are independent of the Board of Directors of the Company.

The Independent Committee, if it deems the contents of the Necessary Information received from the Board of Directors of the Company to be insufficient, may request that the Large-Scale Acquirer, directly or through the Board of Directors of the Company, provide additional information on the Large-Scale Acquirer, the Necessary Information and other information on the Large-Scale Acquisition upon setting a reasonable deadline. Additionally, the Independent Committee may request that the Board of Directors of the Company provide additional information or additional materials if it deems the result of assessment and analysis of the Necessary Information by the Board of Directors of the Company or the contents of the alternative proposal, etc. to be insufficient.

The Board of Directors of the Company shall disclose the contents of the recommendation of the Independent Committee to the extent deemed necessary and appropriate for decision-making by shareholders at a time deemed necessary and appropriate, and compile the opinion of the Board of Directors of the Company and disclose it to shareholders, upon placing the highest value on the recommendation of the Independent Committee.

7. Implementation of Countermeasures

(1) Content of the Countermeasures

If the Large-Scale Acquirer does not comply with the Large-Scale Acquisition Rules, such as the case where the Large-Scale Acquisition is conducted without following the procedures set forth in the Large-Scale Acquisition Rules, or if certain requirements for implementation of the Countermeasures as explained in (2) below are met, the Board of Directors of the Company may adopt a resolution to implement the Countermeasures, such as allotment of stock acquisition rights without contribution.

The outline of allotment of stock acquisition rights without contribution as a specific Countermeasure to the Large-Scale Acquisition is as set out in Attachment 3. The Company may add discriminatory exercise conditions to prohibit the Large-Scale Acquirer and its specially related party, etc. from exercising the stock acquisition rights. Additionally, the Company may file a shelf registration of the stock acquisition rights to enable it to issue stock acquisition rights with mobility and flexibility as a Countermeasure to the Large-Scale Acquisition. The Company does not assume payment of money in consideration for the acquisition of a stock acquisition right owned by the Large-Scale Acquirer.

(2) Requirements for implementation of Countermeasures

The Board of Directors of the Company may adopt a resolution to implement concrete Countermeasures only when the requirements as set out in the following items are satisfied:

i) When the Large-Scale Acquisition Rules are not complied with

The Board of Directors of the Company may adopt a resolution to implement the Countermeasures, upon placing the highest value on the recommendation of the Independent Committee, if the state of breach is not promptly rectified, despite a request to comply with the Large-Scale Acquisition Rules in writing by the Board of Directors of the Company after the Large-Scale Acquirer conducts a Large-Scale Acquisition without submitting the Letter of Intent to the Board of Directors of the Company or otherwise without providing sufficient information stipulated by the Large-Scale Acquisition Rules; or the Large-Scale Acquirer conducts a Large-Scale Acquisition before the end of the Assessment Period of the Board of Directors of the Company, or before a resolution is adopted as to whether or not to implement Countermeasures against the Large-Scale Acquisition at a general meeting of shareholders to confirm the intent of shareholders if such general meeting is to be held; or otherwise the Large-Scale Acquirer does not comply with the Large-Scale Acquisition Rules.

ii) When the Large-Scale Acquisition Rules are complied with

When the Large-Scale Acquirer complies with the Large-Scale Acquisition Rules, even if the Board of Directors of the Company forms an opinion against such Large-Scale Acquisition as a result of the assessment and evaluation of the contents of the Letter of Intent and the Necessary Information, the Board of Directors of the Company shall not, in principle, adopt a resolution to implement the Countermeasures but shall only express a counter opinion to such Large-Scale Acquisition and present an alternative proposal. Shareholders of the Company shall decide whether or not to accept the proposal for the Large-Scale Acquisition, taking into consideration the Necessary Information on the said Large-Scale Acquisition, and opinions thereof and counter proposals of the Board of Directors of the Company.

Provided, however, that even if the Large-Scale Acquirer complies with the Large Scale Acquisition Rules, the Board of Directors of the Company may adopt a resolution to implement reasonable Countermeasures if it judges within the Assessment Period, upon placing the highest value on the Necessary Information and the recommendation of the Independent Committee, that the Large-Scale Acquisition by the Large-Scale Acquirer may cause significant damage to the Company's corporate value and common interests of shareholders.

Specifically, any Large-Scale Acquisition that falls under any of the following categories is deemed, in principle, to fall under a Large-Scale Acquisition that may cause significant damage to the Company's corporate value and common interests of shareholders.

- a. In the case where it is judged that the Large-Scale Acquirer is acquiring the Company's share certificates etc. without a bona fide intention of participating in the management of the Company, but for the purpose of making parties related to the Company buy back the shares at an inflated stock price (so-called "green mailer");
- b. In the case where it is judged that the Large-Scale Acquirer is acquiring the Company's share certificates etc. for the purpose of so-called "scorched management" by, for example, temporarily controlling the management of the Company and having the Company's or its group companies' intellectual property, know-how, trade secrets, or major business partners and customers, which are essential to the Company's or its group companies' business operation, transferred to the Large-Scale Acquirer and its group companies, etc.;
- c. In the case where it is judged that the Large-Scale Acquirer is acquiring the Company's share certificates etc. with the intention of inappropriately utilizing the assets of the Company or its group companies as collateral or the source of funds for repayment of the obligations of such Large-Scale Acquirer and its group companies, etc., after taking control over the management of the Company;
- d. In the case where it is judged that the Large-Scale Acquirer is acquiring the Company's share certificates etc. for the purpose of temporarily controlling the management of the Company and selling or otherwise disposing of its real properties, securities, and other high-priced assets, which are irrelevant to the business of the Company or its group companies for the time being, and having the Company use the proceeds from such sale to distribute high dividends temporarily, or selling the share certificates etc. at an inflated price, taking advantage of the timing of a sharp rise of the stock price due to temporary high dividend payments;
- e. In the case where it is judged that the method of acquisition proposed by the Large-Scale Acquirer is such an oppressive method that the shareholders' opportunity for assessment or freedom of choice may be restricted due to the structure of such method, as exemplified by a two-stage acquisition (acquisition of shares such as a tender offer, whereby no solicitations for acquiring all the shares are made in the initial acquisition and the terms for the second-stage acquisition are set more disadvantageously or are not made clear), as a result of which shareholders may essentially be forced to sell their holdings in the Company's share certificates etc. (provided, however, that partial tender offer shall not always correspond hereto);
- f. In the case where it is judged that there are reasonable grounds to believe that the treatment policy, etc. for consumers, employees and other interested parties to be adopted after implementation of the Large-Scale Acquisition by the Large-Scale Acquirer would be expected to cause significant damage to the corporate value of the Company and common interests of shareholders, including the interests of the Company's shareholders, consumers, business

- partners, employees and other interested parties, or may seriously hinder the ensuring and enhancement of the Company's corporate value and common interests of shareholders;
- g. In the case where it is judged that the conditions proposed by the Large-Scale Acquirer for the acquisition of the Company's share certificates etc. (such conditions include the amount and type of the consideration of the acquisition, timing of acquisition, legality of the acquisition method, feasibility of the acquisition and treatment policy for consumers, business partners, the Company's employees and other interested parties to be adopted after implementation of the acquisition) are deemed to be insufficient or inadequate, on reasonable grounds, in view of the Company's intrinsic corporate value.

(3) Procedures for implementation of the Countermeasures

Upon adopting a resolution to implement specific Countermeasures, the Board of Directors of the Company shall place the highest value on the recommendations of the Independent Committee and take into account opinions of the Advisors etc. in order to ensure the objectivity and reasonableness of the judgment of the Board of Directors of the Company.

In the event where the Board of Directors of the Company adopts a resolution to implement the Countermeasures, the Company shall immediately disclose to shareholders the outline of such resolution and other matters deemed reasonable by the Board of Directors of the Company.

Moreover, the Board of Directors of the Company shall promptly convene a general meeting of shareholders to confirm the intent of shareholders as to whether or not to implement the Countermeasures if the Board of Directors of the Company judges it appropriate to confirm the intent of shareholders as to whether or not to implement the Countermeasures in the light of laws and regulations and duty of due care of a prudent manager for the Directors of the Company, etc., and that it is practically possible to confirm the intent of shareholders, taking into consideration the contents of the Large-Scale Acquisition, availability of time, and various other circumstances. When making such judgment, if the Independent Committee makes a recommendation to convene a general meeting of shareholders to confirm the intent of shareholders, the Company shall place the highest value on such recommendation. Moreover, if a general meeting of shareholders to confirm the intent of shareholders is to be convened, the Company shall immediately disclose the fact of convening such general meeting or other matters deemed appropriate by the Board of Directors of the Company.

When convening a general meeting of shareholders to confirm the intent of shareholders, the Company shall immediately decide the record date to determine the shareholders who can exercise voting rights at such general meeting of shareholders to confirm the intent of shareholders, and make an announcement in accordance with the provisions of the Companies Act by two (2) weeks before such record date. Shareholders who can exercise voting rights at such general meeting of shareholders to confirm the intent of shareholders shall be those recorded in the last register of shareholders on such record date. A resolution at the general meeting of shareholders to confirm the intent of shareholders shall be adopted with a majority of the shareholders present unless otherwise stipulated by laws and regulations, or the Company's Articles of Incorporation.

If a resolution as to whether or not to implement the Countermeasures is adopted at the general meeting of shareholders to confirm the intent of shareholders, the Board of Directors of the Company shall comply with the resolution of such general meeting of shareholders to confirm the intent of shareholders.

The Large-Scale Acquirer may not start the Large-Scale Acquisition until the end of the Assessment Period of the Board of Directors of the Company, or until a resolution is adopted as to whether or not to implement the Countermeasures to the Large-Scale Acquisition at a general meeting of shareholders to confirm the intent of shareholders if such general meeting is to be held.

In the cases in which the Board of Directors of the Company deems it inappropriate to implement the Countermeasures, including the case in which the Large-Scale Acquirer withdraws or makes changes to the Large-Scale Acquisition after a resolution to implement the Countermeasures is adopted by the Board of Directors of the Company or the general meeting of shareholders to confirm the intent of shareholders, the Board of Directors of the Company, after taking into account the recommendation of the Independent Committee and opinions of the Advisors etc., may suspend or make changes to the Countermeasures (including, but not limited to, suspension of the allotment of stock acquisition rights without contribution if the implementation of such allotment of stock

acquisition rights without contribution as the Countermeasures was resolved and acquisition of such stock acquisition rights without contribution after the implementation of the allotment of stock acquisition rights without contribution).

(4) Request for withdrawal of the proposal for the Large-Scale Acquisition

If a resolution to implement the Countermeasures is adopted by the Board of Directors of the Company or the general meeting of shareholders to confirm the intent of shareholders, the Board of Directors of the Company shall request that the Large-Scale Acquirer withdraw the proposal for the Large-Scale Acquisition contained in the Necessary Information.

The Large-Scale Acquirer shall seriously consider such request for withdrawal.

8. Effective Period, and Abolishment and Change of the Measures

The entry into force and effective period of the Measures shall be from the conclusion of the Ordinary General Meeting of Shareholders to the conclusion of the Ordinary General Meeting of Shareholders of the Company for the fiscal year ending March 2019 to be held in June 2019. The Board of Directors of the Company shall propose a Proposal asking for the approval of the Measures to the Ordinary General Meeting of Shareholders to confirm the intent of shareholders, and if the approval of shareholders is not obtained, the Measures shall be abolished at that point.

If the Large-Scale Acquirer has emerged at the expiration of the above-mentioned effective period, the Measures shall remain effective at such time to the extent of taking reasonable measures against the Large-Scale Acquisition attempted by such Large-Scale Acquirer.

If a resolution to abolish the Measures is adopted in the general meeting of shareholders or the meeting of the Board of Directors of the Company, the Measures shall be abolished at the time of such resolution even if the effective period has not expired.

The Board of Directors of the Company may change the Measures in order to ensure and enhance the Company's corporate value and common interests of shareholders if it deems it desirable to change the Measures in light of future amendments to the laws and regulations, trends in judicial judgments and views of the financial instruments exchanges where the Company is listed and other public agencies.

VI. Reasonableness of Measures

1. Ensuring that requirements, including guidelines for takeover defense measures, are satisfied

The Measures meet the three (3) principles set forth in the "Guidelines Regarding Takeover Defense for the Purpose of Protection and Enhancement of Corporate Value and Shareholders' Common Interests" released by the Ministry of Economy, Trade and Industry and the Ministry of Justice on May 27, 2005: (i) the principle of protecting and enhancing corporate value and shareholders' common interests, (ii) the principle of prior disclosure and shareholders' will, and (iii) the principle of ensuring the necessity and reasonableness of defense measures. Moreover, the contents of the Measures reflect the "Takeover Defense Measures in Light of Recent Environmental Changes" published by the Corporate Value Study Group of Ministry of Economy, Trade and Industry on June 30, 2008, and "Principle 1.5 Anti-Takeover Measures" in "Japan's Corporate Governance Code" published by Tokyo Stock Exchange on June 1, 2015.

2. Ensuring and enhancing corporate value and shareholders' common interests

The purpose of the Measures is to ensure and enhance the Company's corporate value and common interests of shareholders by enabling shareholders to make an appropriate decision on whether to accept the Large-Scale Acquisition and prevent obvious damage to the Company's corporate value and common interests of shareholders by setting preliminary rules with which the Large-Scale Acquirer should comply and requirements and contents of Countermeasures which the Company may implement.

The Company believes the contents of the Large-Scale Acquisition Rules and the contents and requirements for implementation of the Countermeasures are reasonable in the context of the purpose of ensuring and enhancing the Company's corporate value and common interests of shareholders and do not unduly restrict the Large-Scale Acquisition that would contribute to ensuring and enhancement of the Company's corporate value and common interests of shareholders.

3. Ensuring continuous disclosure of the Measures

The Board of Directors of the Company shall review the Measures as necessary, in accordance with the development of applicable laws and regulations and moves of other companies, from the viewpoint of ensuring and enhancing the Company's corporate value and common interests of shareholders. In the case of any amendments or changes or abolishment, etc. of the Measures, the Board of Directors of the Company shall promptly disclose the details to shareholders.

4. Ensuring that shareholders' intent is reflected

The Measures shall be proposed as a Proposal in the Ordinary General Meeting of Shareholders, and if the approval of shareholders is not obtained, the Measures shall be abolished at that time. The Measures are subject to a so-called "sunset provision" setting an effective period of three (3) years and if, even before the expiration of the effective period of the Measures, the general meeting of shareholders of the Company, or the meeting of the Board of Directors of the Company comprising directors appointed by the general meeting of shareholders of the Company, passes a resolution to abolish the Measures, the Measures shall be abolished at that time. In this regard, the Measures may be abolished in accordance with the intent of shareholders.

5. Ensuring the objectivity and reasonableness of the judgment of the Board of Directors

Under the Measures, the Company shall establish an Independent Committee to act as an advisory body to eliminate arbitrary judgment by Directors and make objective and appropriate judgments from the viewpoint of ensuring and enhancing the Company's corporate value and common interests of shareholders upon implementation of the Countermeasures. The Independent Committee members shall be appointed in accordance with strict criteria (for details, please refer to "Composition and Criteria for Appointment, etc. of the Independent Committee Members" in Attachment 1), and dismissal of any Independent Committee member shall require the approval of two-thirds or more of the Directors present at the meeting of the Board of Directors of the Company (for details, please refer to the aforementioned Attachment 1), thereby ensuring a high degree of independence and fairness, preventing arbitrary decision-making by the Board of Directors of the Company. In addition, the Independent Committee may seek advice, as needed, at the Company's expense, from a third party (including financial advisors, attorneys, certified public accountants, tax accountants, consultants and other specialists) who is independent of the Board of Directors of the Company in the event of emergence of a Large-Scale Acquirer, thereby ensuring the independence, fairness, neutrality and objectivity of substantive decision-making by the Independent Committee. Prior to making a decision to implement the Countermeasures or other decisions, the Board of Directors of the Company shall be required to obtain a recommendation of the Independent Committee and place the highest value on such recommendation of the Independent Committee, thereby eliminating arbitrary decision-making by the Board of Directors of the Company.

6. The Measures are neither dead-hand takeover defense measures nor slow-hand takeover defense measures

Since the Measures can be abolished at any time by the Board of Directors of the Company comprising Directors who are appointed by the general meeting of shareholders of the Company, the Large-Scale Acquirer may abolish the Measures by a resolution of the Board of Directors comprising Directors nominated by the Large-Scale Acquirer and appointed by the general meeting of shareholders. In this regard, the Measures are not dead-hand takeover defense measures in which implementation of the takeover defense measures cannot be prevented even if a majority of the members of the Board of

Directors are replaced. In addition, since the terms of office for Directors of the Company are set at one (1) year, the Measures are not slow-hand takeover defense measures in which preventing the takeover defense measures from implementing is difficult due to the fact that Directors cannot be replaced all at once.

VII. Impact of Large-Scale Acquisition Rules on Shareholders and Investors

1. Impact of the Large-Scale Acquisition Rules on Shareholders and Investors

The Large-Scale Acquisition Rules only set rules that should be complied with by the Large-Scale Acquirer upon conducting a Large-Scale Acquisition and are not designed to issue stock acquisition rights or other share certificates, etc. Hence the Large-Scale Acquisition Rules will not have an impact on the legal rights or economic interests of shareholders and investors.

The Large-Scale Acquisition Rules are designed to enable the Company's shareholders to make an appropriate decision on the Large-Scale Acquisition with necessary and sufficient information, and thus are deemed to contribute to ensuring and enhancing the Company's corporate value and common interests of shareholders.

The Company's reaction to the Large-Scale Acquisition may be different depending on whether or not the Large-Scale Acquisition Rules are complied with by the Large Scale Acquirer, and hence shareholders and investors are requested to pay attention to moves of the Large-Scale Acquirer.

2. Impact etc. of implementation of the Countermeasures on shareholders and investors

Even if the Countermeasures are implemented, the legal rights or economic interests of the Large-Scale Acquirer may incur damage, but we do not assume particular damage to be caused to the legal rights or economic interests of any other shareholders. If the Board of Directors of the Company adopts a resolution to implement the Countermeasures, the Company shall disclose such information in a timely and appropriate manner in accordance with the applicable laws and regulations and the rules of financial instruments exchanges.

If the Company implements an allotment of stock acquisition rights without contribution to shareholders as the Countermeasures, shareholders which are entered or recorded in the last register of shareholders on the record date determined and announced by the Board of Directors of the Company shall be granted stock acquisition rights in proportion to the number of shares held by each respective shareholder without requiring such shareholders to follow subscription procedures etc. Upon exercising the stock acquisition rights, shareholders will be obliged to pay a certain amount within a prescribed period in order to acquire new shares. If such procedures are not followed, per-share value of shares held by such shareholders will be diluted. In the case where the Company acquires stock acquisition rights subject to acquisition clause to the effect that the Company may acquire stock acquisition rights in exchange for shares of the Company, shareholders which hold stock acquisition rights subject to acquisition shall receive shares of the Company without payment of money (in this case, however, such shareholders may be required to submit a document, in the form to be prescribed by the Company, pledging to the effect that they do not fall under the Large-Scale Acquirer or special related party, etc.)

The Board of Directors of the Company may suspend allotment of stock acquisition rights without contribution, or acquire such stock acquisition rights without contribution after allotment of stock acquisition rights without contribution, in connection with suspension or change of the Countermeasures in accordance with V, Section 7 (3) above. In such case, there will be no issuance of new shares, and hence per-share value of the Company's shares will not be diluted. Therefore, any investor which has sold or purchased the Company's shares at a price that has changed in anticipation of issuance of new shares may suffer a commensurate amount of loss due to a fluctuation in the share price.

The Company shall notify the details such as the method of allocation and name transfer, how to exercise, payment method, and method of acquisition by the Company, etc. to shareholders by an appropriate method after the Board of Directors of the Company adopts a resolution to implement the Countermeasures.

Attachment 1 Composition and Criteria for Appointing, etc. of the Independent Committee Members

1. The Company shall establish a Committee (hereinafter referred to as the “Independent Committee”) composed of Outside Directors and Outside Audit & Supervisory Board Members, independent of the management executing operations of the Company, who meet the criteria in 8 below, to eliminate arbitrary judgments by the Board of Directors of the Company and to ensure and enhance the Company’s corporate value and common interests of shareholders upon administering implementation of the Countermeasures.
2. The Independent Committee shall consist of no less than three (3) members (hereinafter referred to as the “Independent Members”).
3. Appointment and dismissal of Independent Members shall be decided by a resolution of the Board of Directors of the Company; provided, however, that a resolution of the Board of Directors of the Company to dismiss Independent Members shall require the approval of two-thirds or more of the Directors in attendance.
4. A resolution of the Independent Committee shall be adopted by a majority of Members present at a meeting where a majority of the Independent Members is in attendance.
5. For the resolutions in 3 and 4 above, Independent Members who have interests with proposals shall not participate in the resolutions and their number shall be deducted from the quorum.
6. The Independent Committee may seek advice from third parties who are independent of the Board of Directors of the Company (including financial advisors, attorneys, certified public accountants, tax accountants, consultants, and other specialists) at the expense of the Company as necessary.
7. If the Board of Directors receives a recommendation etc. from the Independent Committee, the Board shall place the highest value on such recommendation.
8. Appointment Criteria for Independent Members

The Board of Directors of the Company shall appoint Independent Members from among Outside Directors and Outside Audit & Supervisory Board Members who meet all of the following criteria:

- (1) Someone who is/was not a Director, Executive Officer, or employee who engages in the business of the Company or its subsidiaries, or Audit & Supervisory Board Member, or their relative (A “relative” refers to the one stipulated by Article 725 of the Civil Code. The same shall apply hereinafter.) (Provided, however, that Outside Directors and Outside Audit & Supervisory Board Members of the Company shall be excluded.);
- (2) Someone who is not a director, executive officer, or employee of major business partners, or their relative (“Major business partners” refers to business partners (including but not limited to suppliers etc.) who engages in transactions with the Company in an amount exceeding 2% of the average consolidated net sales of the Company for the past five (5) years. The same shall apply hereinafter.);
- (3) Someone who is not an outside advisor of the Company or a major business partner, or his/her relative; and
- (4) Someone who is not a director, executive officer, employee, or outside advisor of a company in which a Representative Director of the Company is concurrently serving as a director, or their relative.

Attachment 2 Names and career summaries of the members of the Independent Committee

Chisugi Mukai

Born in 1947

Apr. 1975 Assistant judge of Tokyo District Court
Apr. 1987 Judge of Nagoya District Court, Administrative Agent for Judge of Nagoya High Court
Apr. 1989 Attorney in Japan and the Japan Federation of Bar Associations
Joined Nishi Sogo Horitsu Jimusyo (law firm) (Current)
Apr. 2001 Member of the mediation committee of Tokyo Family Court
Oct. 2007 Committee's extraordinary member of examination board of the Ministry of Land, Infrastructure, Transport and Tourism (Current)
Jun. 2015 Audit & Supervisory Board Member of the Company (Current), Independent Audit & Supervisory Board Member of the Company (Current)

(New election)

Yoko Ishikura

Born in 1949

Jul. 1985 Manager of Japan branch of McKinsey & Company. Inc.
Apr. 2000 Professor of Graduate School of International Corporate Strategy, Hitotsubashi University
Apr. 2004 Outside Director of Japan Post Service Co., Ltd. (Part-time)
Oct. 2005 Vice President of the Science Council of Japan
Jun. 2006 Director of Mitsui O.S.K. Lines, Ltd.
Jun. 2010 Director (Current), Independent Director of the Company (Current)
Director of Fujitsu Limited
Apr. 2011 Professor of Graduate School of Media Design, Keio University
Apr. 2012 Professor emerita of Hitotsubashi University (Current)
Jun. 2012 Director of LIFENET INSURANCE COMPANY (Current)
Jun. 2014 Director of Sojitz Corporation (Current)
Jun. 2015 External Director of Shiseido Co., Ltd. (Current)

(New election)

Isao Karube

Born in 1942

Aug. 1972	Research Associate of Department of Food Science, University of Illinois, U.S.A.
Jul. 1980	Associate Professor of Biotechnology, Research Laboratory of Resources Utilization, Tokyo Institute of Technology
Feb. 1985	Professor of Bioelectronics and Biotechnology, Research Laboratory of Resources Utilization, Tokyo Institute of Technology
Apr. 1988	Professor of Bioelectronics and Biotechnology, Research Center for Advanced Science and Technology, The University of Tokyo
Apr. 1999	Director of Center for Collaborative Research, The University of Tokyo Professor of Bioelectronics and Biotechnology, Research Center for Advanced Science and Technology, The University of Tokyo (Concurrent)
Apr. 2001	Professor of Center for Collaborative Research, The University of Tokyo Professor of Bioelectronics, Research Center for Advanced Science and Technology, The University of Tokyo (Concurrent)
Apr. 2002	Professor of Katayanagi Advanced Research Laboratories, Tokyo University of Technology Director of Laboratory of Advanced Bioelectronics, National Institute of Advanced Industrial Science and Technology
Apr. 2003	Dean of school of Bionics, Tokyo University of Technology
Aug. 2003	Director of Research Center of Advanced Bionics, National Institute of Advanced Industrial Science and Technology
Apr. 2005	Vice President of Tokyo University of Technology
Jun. 2008	President of Tokyo University of Technology (Current)
Apr. 2009	Director of Collaborative Research Team Biotechnology Industrialization Center, National Institute of Advanced Industrial Science and Technology
Jun. 2015	Director (Current), Independent Director of the Company (Current)

There is no special relationship of interest between the above candidates for Independent Members and the Company.

Regarding Mr. Chisugi Mukai, an Outside Audit & Supervisory Board Member, and Ms. Yoko Ishikura and Mr. Isao Karube, Outside Directors, the Company registered them as Independent Director / Independent Audit & Supervisory Board Member with the Financial Instruments Exchanges where it is listed.

Attachment 3 Outline of allotment of stock acquisition rights without contribution

1. Shareholders which are entitled to receive stock acquisition rights and the conditions for allotment

One (1) stock acquisition right shall be allotted for every one (1) share (excluding the Company's common stock held by the Company) held by the shareholders registered on the last register of shareholders on the record date determined and announced by the Board of Directors of the Company.

2. Type and number of shares to be issued upon exercise of stock acquisition rights

The type of shares to be issued upon exercise of stock acquisition rights shall be common shares of the Company, and the number of common shares to be issued upon exercise of stock acquisition rights shall be one (1) share for each stock acquisition right. However, necessary adjustments shall be made to the number of shares to be issued upon exercise of stock acquisition rights if the Company conducts a share split or share consolidation.

3. Total number of stock acquisition rights to be allotted

The total number of stock acquisition rights to be allotted shall be a number to be separately determined by the Board of Directors of the Company in the resolution for the allotment of such stock acquisition rights without contribution. The Board of Directors of the Company may implement such allotment of stock acquisition rights more than once to the extent that it does not exceed the total number of stock acquisition rights to be allotted.

4. Amount to be paid in for stock acquisition rights

To be granted without contribution.

5. Value of assets to be invested upon exercise of stock acquisition rights

The assets to be invested upon exercise of each stock acquisition right shall be one (1) yen or more as determined by the Board of Directors of the Company.

6. Restriction on transfer of stock acquisition rights

Stock acquisition rights shall only be transferred with the approval of the Board of Directors of the Company.

7. Exercise period of stock acquisition rights, conditions for exercise and acquisition clause, etc.

Exercise period of stock acquisition rights, conditions for exercise (discriminatory exercise conditions may be added to the extent that the exercise of rights by the Large-Scale Acquirer and its specially related party or joint holders and persons who hold the Company's shares or stock acquisition rights on behalf of the Large-Scale Acquirer (hereinafter referred to as "Non-Qualified Party") shall not be permitted), acquisition clause (whether the Company will acquire the stock acquisition rights held by shareholders may depend on whether such shareholders are Non-Qualified Party or not), and other necessary matters shall be determined separately by the Board of Directors of the Company. We do not assume payment of money in consideration for the acquisition of stock acquisition rights held by persons who shall not be permitted to exercise such stock acquisition rights.

8. Stock acquisition right certificates

Stock acquisition right certificates representing stock acquisition rights shall not be issued.