



To Our Shareholders

Representative Director,
President and COO Toshiya Maezuru

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First of all, I would like to express my sincere gratitude to all of our shareholders for your continued support and patronage.

Normally, this would be the time to send you an interim report, but this time, I would like to report on our progress and current status in FY2022 as a quarterly report instead of the interim report.

We sincerely apologize to our shareholders for the inconvenience and concern we have caused due to the system failure triggered by the cyber-attack that occurred on July 7, 2021. We are currently taking various measures to restore our system and prevent a recurrence; still, we are continuing to operate normally and maintain the same supply level as before to fulfill our social responsibility to provide a stable supply of food products. Under these circumstances, we announced our financial results for the first quarter of FY2022 on October 29, 2021, after postponing the announcement.

Business Environment

During the first six months of the fiscal year ending March 31, 2022, amid the ongoing COVID-19 pandemic, the increasing vaccination rate raised hopes that economic activities in Japan would return to normal. However, economic activities declined following the declarations of a state of emergency issued in April through to June this year, and prospects for the Japanese economy have remained uncertain.

The food industry, centering on the restaurant sector, was greatly affected by the government's request for large-scale commercial facilities to suspend operations and for restaurants to suspend operations or reduce opening hours, following the declarations of a state of emergency. On the other hand, the spread of COVID-19 brought about significant changes in consumer behavior, such as growth of delivery services and an increase in eating at home, and an increase in

demand for products for consumption at home as people refrain from going out. The business environment remains unpredictable.

In these circumstances, while thoroughly implementing measures to prevent the spread of COVID-19 and according the top priority to customers' safety and security and employees' health, the Group is continuing production at all its plants in Japan and abroad, thereby maintaining a business system to fulfill its social responsibility as a food enterprise.

Meanwhile, the Group is pursuing sustainable growth as a multifaceted food enterprise while we are strengthening our existing business mainly by reducing costs and beefing up sales, as well as vigorously investing in promising fields in an effort to strengthen the business foundation.

Summary of Consolidated Financial Results for the First Quarter

Consolidated net sales for the first three months of FY2022 increased by 11.4% year on year to ¥77,958 million, operating income increased by 57.6% to ¥2,634 million, ordinary income increased by 44.9% to ¥3,807 million, and profit attributable to owners of parent increased by 53.1% to ¥2,607 million.

The Flour Milling segment is strengthening quality control in response to the growing preoccupation with the safety and security of food throughout society. At the same time, to address customer needs and diversifying food preferences, the Group promoted sales initiatives with a view to resolving the issues that concern customers. As a result, whereas sales of wheat flour were lower than the level for the same period of the previous year, sales of wheat bran, a by-product, were higher than the level for the same period of the previous year. In line with the increase of government sales prices (tax inclusive) of imported wheat by 5.5% on average for the five key products in April 2021, we revised the prices of wheat flour products for professional use for shipments on and after June 19, 2021. As a result, net sales for the Flour Milling segment increased by 0.7% year on year to ¥22,991 million, and operating income increased by 24.3% to ¥1,194 million.

In the Food segment, demand for professional-use products showed a tendency to recover compared with the same period of the previous year and sales of the products were higher than the level for the same period of the previous year, despite a significant impact mainly on the

restaurant sector of the government's request for large-scale commercial facilities to suspend operations and for restaurants to suspend operations or reduce opening hours, following the declarations of a state of emergency. In the home-use product category, although demand for products for consumption at home remained high because people refrained from going out, sales of products in this category were lower than the level for the same period of the previous year, reflecting stabilization of demand compared with the same period of the previous year. In the frozen foods category, reflecting continued high demand for products for consumption at home and partly because the COVID-19 pandemic prompted more consumers to use frozen foods, sales of products in this category were higher than the level for the same period of the previous year. In addition to solid demand for frozen pasta, demand for the One Plate Meal series of complete meals consisting of a main dish and staples and demand for the Imadoki Gohan series of rice dishes, which allow consumers to have trendy rice dishes easily at home, were brisk. In the ready-made meals business, despite an adverse impact on demand due to an increase in working from home and because people refrained from going out, demand showed a tendency to recover compared with the same period of the previous year and sales were higher than the level for the previous year. As a result, net sales of the Food segment increased by 17.1% year on year to ¥45,777 million, and operating income increased by 48.9% to ¥1,254 million.

As for the Other segment, despite an adverse impact on demand due to temporary closures and shorter opening hours of various business-

es, demand in the health care business showed a tendency to recover compared with the same period of the previous year and sales were higher than the level for the same period of the previous year. Sales of the pet food business were higher than the level for the same period of the previous year because shipped volume grew briskly. As a result, net sales for the Other segment increased by 14.1% year on year to ¥9,189 million, and operating income was ¥174 million.

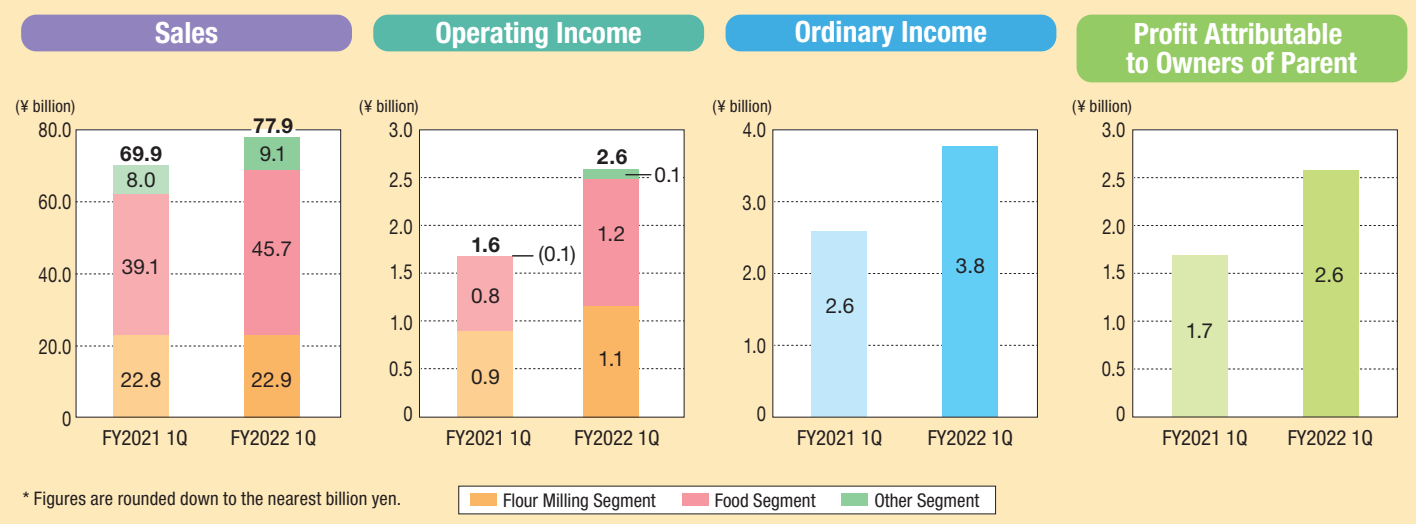
Consolidated Financial Forecast for the Fiscal Year Ending March 31, 2022

Although the business environment is expected to remain uncertain for some time to come with no prospect of the new coronavirus pandemic ceasing, we will continue to strengthen our business foundation, expand our business domain, and flexibly respond to any changes in the business environment, aiming for further growth as a multifaceted general food enterprise trusted by our customers.

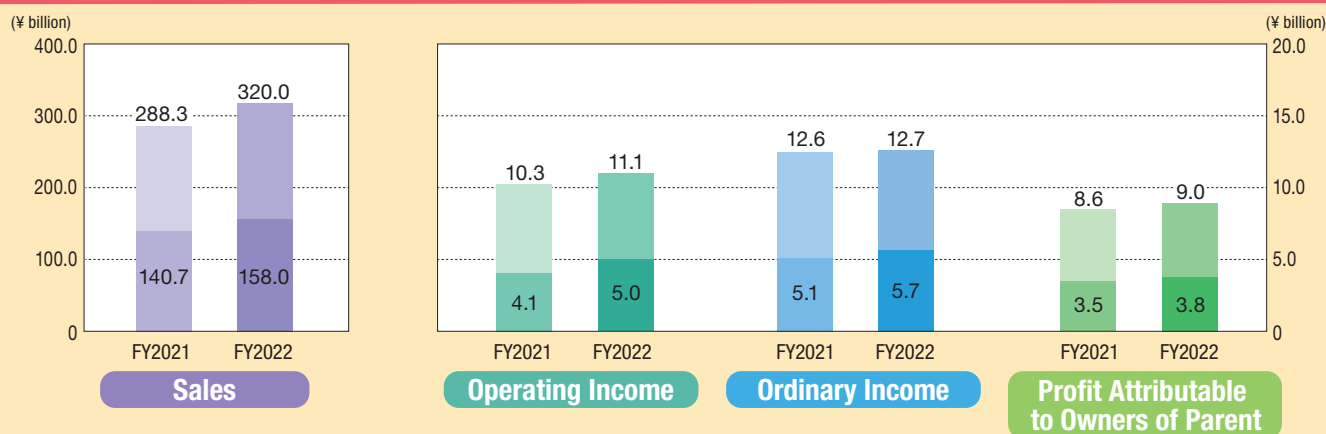
As for the forecast of consolidated financial results and dividends for the fiscal year ending March 31, 2022, we are currently examining the impact of the system failure caused by the cyber-attack on our financial results, but we do not expect to revise the performance forecast figures of ¥320 billion in net sales, ¥11.1 billion in operating income, ¥12.7 billion in ordinary income, and ¥9.0 billion in profit attributable to owners of parent that we announced on May 14, 2021. The Company also expects to pay an annual dividend of ¥36 per share.

We would like to sincerely ask our shareholders for continued and further support.

FY2022 1Q Consolidated Financial Highlights

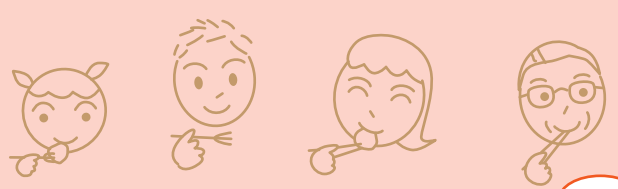


FY2022 Consolidated Financial Forecast



* Due to the implementation of retrospective application in line with the change in accounting policy, figures for the fiscal year ended March 31, 2021 are those after the retrospective application.

New products for autumn & winter 2021



Part 4!

Processed Foods

A brand-new retort soup with ingredients that are good for your health!

nippn My soup style Minestrone



It contains nippn's Ceramide, which is derived from corn. This soup is characterized by the satisfying taste of glutinous barley and soybean meat, and the light and gentle taste of five kinds of vegetables stewed with tomatoes. It can be easily prepared in a microwave and eaten quickly even on busy mornings.

Tempura Batter Mix that enables the easy cooking of healthy, crispy and non-greasy tempura



nippn Tempura Batter Mix for shallow-frying

Only half the amount of oil (2 cm deep) is needed for frying, making it easy to prepare and clean up. It absorbs less oil (reduces the oil absorption rate of shrimp tempura by 30% (based on a comparison conducted by our company)) and gives a crisp and greaseless finish. It comes in a 250 g zippered package, making it a small capacity type that is ideal for small households.

A new flavor has been added to the pasta sauce that you just need to mix



Oh'my Exotic Spicy Red Carbonara Sauce

A rich carbonara sauce of egg and cheese, together with a good balance with the different spicy flavors of chili pepper and black pepper, gives this pasta sauce an addictive taste that will make you want to eat more once you taste it. You can add flavor and color with the separately included black pepper and parsley.

Super Easy series supports baking at home

nippn Super Easy Microwave Cake Mix Plain



All you need to prepare is milk. You can have a fluffy and delicious cake with a simple cooking process of adding milk to the bag and heating it in the microwave as is. The cake mix contains whey protein powder from Meiji Co., Ltd., which allows you to easily add protein to your diet.

Add a little to powdered soup, and you have pasta soup!



Oh'my Pasta for Soup

In order to make it easier for people to enjoy short pasta, we developed this quick and easy pasta for soup that you can enjoy by adding it to commercially available powdered soups, pouring boiling water over it, and then waiting just three minutes. Combine with your favorite powdered soup and you have the perfect pasta soup for busy mornings or when you feel a little hungry.

New cheese cream sauce that pursues the authentic taste of Italy has been added to REGALO pasta sauces



REGALO Formaggio Pasta Sauce "KANKI"

This pasta sauce stimulates your appetite with the mature taste of Parmigiano Reggiano, the mellow richness and aroma of cream cheese and Pecorino Romano, and the savory taste of garlic. Almonds, which have a prominent presence, accentuate the texture.

Frozen Foods

Further strengthening the Oh'my Premium series, which has been continuously loved by our customers

Oh'my Premium Neapolitan (Japanese Style Ketchup Pasta)



This is an authentic Neapolitan made by frying pasta on a griddle with a sauce featuring the sweetness of aromatic vegetables and a moderate acidity. It has a rich flavor with plenty of fried onions and melted Gouda cheese.

Oh'my Premium Carbonara with Rich Black Pepper



Using plenty of bacon with a distinct smoky aroma and black pepper, this product reproduces the original taste of Carbonara, which is said to have been originated by charcoal grillers (Carbonaro).

Make your time at home more fun!

Because it's a sheet-type product, you can expand your menus and arrange it as you like!

Oh'my Fresh Pasta Sheet



Because it is a sheet-type product, you can arrange it any way you like, for example, cutting it into thin strips for noodles, using it as a sheet for lasagna, or wrapping ingredients with it for ravioli. The glutinous texture of fresh pasta can be enjoyed at home. It comes with an original pasteboard that can be used as a measuring tape or paper pattern to help you create the width and shape you want.

New menu popular at restaurants has been added to the One Plate Meal series, which allows you to enjoy rice and a main dish!

nippn One Plate Meal Rice with Shiso and Hijiki Seaweed and Deep Fried Chicken Simmered in Grated Daikon Radish Sauce



This product contains rice with Hijiki, which has a refreshing red Shiso flavor, and satisfying deep fried chicken simmered in grated Daikon radish sauce. It is colorfully decorated with French fries, fried eggplant, carrots, and greens.

Keema Curry, which is made without animal ingredients and is friendly to your health and the earth, is now available!

nippn Tofu Meat Keema Curry



The spicy flavor of this keema curry allows you to taste the "meat" made from tofu, and the spiciness can be adjusted with the separately included spice powder. This product is packaged in an eco-friendly paper tray and is certified as vegan food by VegeProject Japan, a nonprofit organization.



New snack series with Pokémon designs has been released!

nippn Pokémon Pancake

These calcium-filled pancakes with 20 randomly selected Pokémon designs that children love come in a Pokémon-styled, and stickers are also included. These pancakes deliver not only deliciousness but also fun.

Payment of Interim Dividend

The board of directors resolved at its meeting on November 12, 2021 that the 198th interim dividend per share would be ¥18. You can receive your dividend payment at a nearby branch of JP Bank or post office in exchange for the enclosed “Interim Dividend Warrant” form.

“Payee’s Bank Account Information” and “How to Receive Your Dividend Payment” forms are enclosed for those who have chosen direct deposit and those who have chosen the share-count-based proportional distribution method (to receive dividends through accounts at securities companies in proportion to the number of shares held in the accounts), respectively.

Please note that we have sent everyone the “Statement of Dividend,” which you may use to subsequently check the amount of your dividend payment or as a supporting document for your tax return. (If you chose the share-count-based proportional distribution method, please check with your securities company.)

2022 Calendar Free Gift

In order to ensure fairness, our calendar giveaway, which is popular every year, will be changed from first-come-first-served basis (500 shareholders) to a lottery. We will present the calendar to 1,000 shareholders selected by lottery.

How to apply

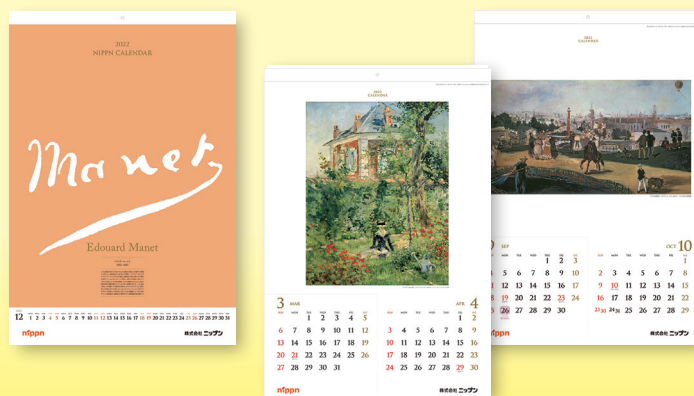
If you would like to get a calendar, please write your name, address and postal code on a postcard, **cut out the application ticket on the bottom left corner, paste it securely on the postcard**, and send it to the address below. Please attach one application ticket per postcard. After a strictly conducted draw, we will send calendars to the winners without announcing the results by the end of the year on or after Friday, December 24, 2021.

Application deadline

Must arrive no later than Monday, December 13, 2021

Mail to:

Calendar Section, Legal Group
NIPPON CORPORATION
4-8 Kojimachi, Chiyoda-ku, Tokyo 102-0083



Works of Edouard Manet

Shareholder Information

Fiscal Year:	April 1 to March 31
General Meeting of Shareholders:	June
Record Date:	March 31 for the General Meeting of Shareholders and Year-end Dividend September 30 for the Interim Dividend
Administrator of Shareholder Registry:	Sumitomo Mitsui Trust Bank, Limited. (Manager of Special Account) 4-1 Marunouchi 1-chome, Chiyoda-ku, Tokyo

Mailing Address:	Stock Transfer Agency Business Planning Dept., Sumitomo Mitsui Trust Bank, Limited. 8-4 Izumi 2-chome, Suginami-ku, Tokyo 168-0063
(Telephone Contact):	0120-782-031 (toll free in Japan)
Website:	https://www.smbt.jp/personal/procedure/agency/

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