

Mar 1,2021

Implementing Structural Reforms to Strengthen Frozen Foods Business

NIPPON CORPORATION (President and COO: Toshiya Maezuru; Head office: Chiyoda-ku, Tokyo; hereinafter "the Company") announces that it will implement structural reforms related to the frozen foods business on April 1, 2021, and will operate the business under a new organizational structure, starting from the beginning of the next fiscal year. By doing so, the Company will strengthen the frozen foods business and facilitate its growth and expansion.

Recently, the frozen food market has been expanding sharply, reflecting the increased convenience of these foods against the backdrop of a significant change taking place in logistics and supply systems. Given this situation, the Company strived to strengthen the supply system of frozen foods by operating the Frozen Food Plant 2, or the new plant constructed at the Isesaki Plant of NIPPON Frozen Food Co., Ltd. last November. With the frozen food market expected to keep growing, the Company has decided to implement the following structural reform to make decisions and take measures more speedily and improve the quality and cost competitiveness of products. Through this reform, it will seek to establish a business organization in which production, sales and management operations are executed in a more integrated style than ever.

Details

Overview of the structural reform

1. Change in the organizational structure pertaining to production: Transfer of business from NIPPON Frozen Food Co., Ltd. to the Company
 - Production facilities are transferred from NIPPON Frozen Food Co., Ltd. so the Company can engage in production directly.
 - The Plants' names will be changed as follows.
Ryugasaki Plant, NIPPON Frozen Food Co., Ltd. → Ryugasaki Frozen Food Plant, NIPPON CORPORATION
Isesaki Plant, NIPPON Frozen Food Co., Ltd. → Isesaki Plant, NIPPON CORPORATION

2. Structural reform of the headquarters of the Company

(1) Foods Business

- The foods business shall comprise two departments, namely, the current Foods Business Dept. and the Frozen Foods Business Dept., a department in charge of frozen foods-related divisions that will be established to strengthen the sales system of frozen foods.
- The current seven divisions under the umbrella of the Foods Business Dept. (Foods Business Administration Div., Trade Business Administration Div., Sales Management Div., Foods Sales Div.-1, Foods Sales Div.-2, Foods Sales Div.-3, and Foods Sales Div.-4) shall be reorganized to establish the following structure.
- The Foods Business Dept. shall comprise three divisions: Foods Business Administration Div., Food Materials Sales Div. and Processed Foods Sales Div.
- The Frozen Foods Business Dept. shall comprise two divisions: Frozen Foods Business Administration Div. and Frozen Foods Sales Div.
- The Marketing Planning Div., which is independent of the above two departments shall be established.

(2) Production & Technology Dept.

- The Production & Technology Div.-2 shall be established to strengthen the management of frozen food production and technologies.
- The Production & Technology Dept. that consists of two divisions (Production & Technology Div. and Plant Engineering Div.) shall be reorganized so that it oversees three divisions (Production & Technology Div.-1, Production & Technology Div.-2 and Plant Engineering Div.)

3. Implementation Date

April 1, 2021