

日清食品ホールディングス  
統合報告書二〇二〇



NISSIN × JAPAN

Integrated Report 2020



即席めんて

地平を

切り拓く

The  
Leading  
Edge



In the search for something that does not yet exist, every inventor's path is different. For the founder of the NISSIN FOODS Group, Momofuku Ando, it took thousands of hours of dedication and a sudden strike of culinary inspiration to create the world's first instant noodles, *CHICKEN RAMEN*, in 1958, and to further set the Group apart with *CUP NOODLE* in 1971. Today, we follow our founder's example and still forge our own paths.



食で満たすよ

# Legacy Match

空まの腹



The NISSIN FOODS Group's purpose has always been to provide food for those who need it. This was the reason instant noodles were originally invented—to fight hunger—and our business remains dedicated to supporting the basis of life. Our new front lines are in research and supply chains, as we pursue ways to adapt products to current health needs and ensure a safe supply of products even in times of natural disaster.



The NISSIN FOODS Group leads the instant noodles market in Japan and has established strong footholds in international markets. In order to increase our competitiveness on a global scale, we are reinforcing our mainstay brands with buzzworthy campaigns and exciting new flavors. We are also looking into ways to influence food culture with products that defy current categories and could play a role in shaking up the instant noodles markets, and even the way consumers experience food.



熱狂の  
風が吹く  
Serving  
Up the  
Future



Never  
“Just  
Business”

現世は続くよ  
いつまでも



Environmental and social issues, such as climate change and wealth disparity, do not simply affect us as an organization; these issues affect us all as human beings. To fulfill our “EARTH FOOD CREATOR” vision, we utilize the resources of the NISSIN FOODS Group to contribute to the world and its people. We mainly focus on challenges that the food products industry faces, including ways to make packaging more sustainable, and using food technology to help counteract future risks concerning raw materials.



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Note: For financial information, numbers less than a hundred million have been truncated.

# 01 INTRODUCTION

## Mutual Influence

The NISSIN FOODS Group, which has its headquarters in Japan, is a food products maker whose business is centered on instant noodles and that handles a wide variety of frozen foods, chilled foods, confectionery, and beverages.

This year's report style shifts from a simple annual report to an integrated report. In order to help stakeholders understand the company's unique strengths, management vision, next business developments, and both financial and non-financial information in more comprehensive way, only key content with a strong focus on long-term sustainable growth has been included.

Readers can access more detailed information whenever and wherever they like from the corporate website.

To represent the way the NISSIN FOODS Group will impact food culture as it achieves globalization, the report's design concept compares that influence to the impact that Japanese art continues to have on global art, and features collaborative pieces from a contemporary Japanese artist. The hope is that the art will be enjoyable for international readers and the report can be an active communication tool for investors and other stakeholders.



## Generating Influence

The history of the NISSIN FOODS Group is also a history of facing unceasing challenges in the “creation of new food to serve society.” While working to become a “Century Brand Company,” with brands that can exist for 100 years, we continue to grow in order to evolve from an instant noodles manufacturer from Japan into a global general food products group.

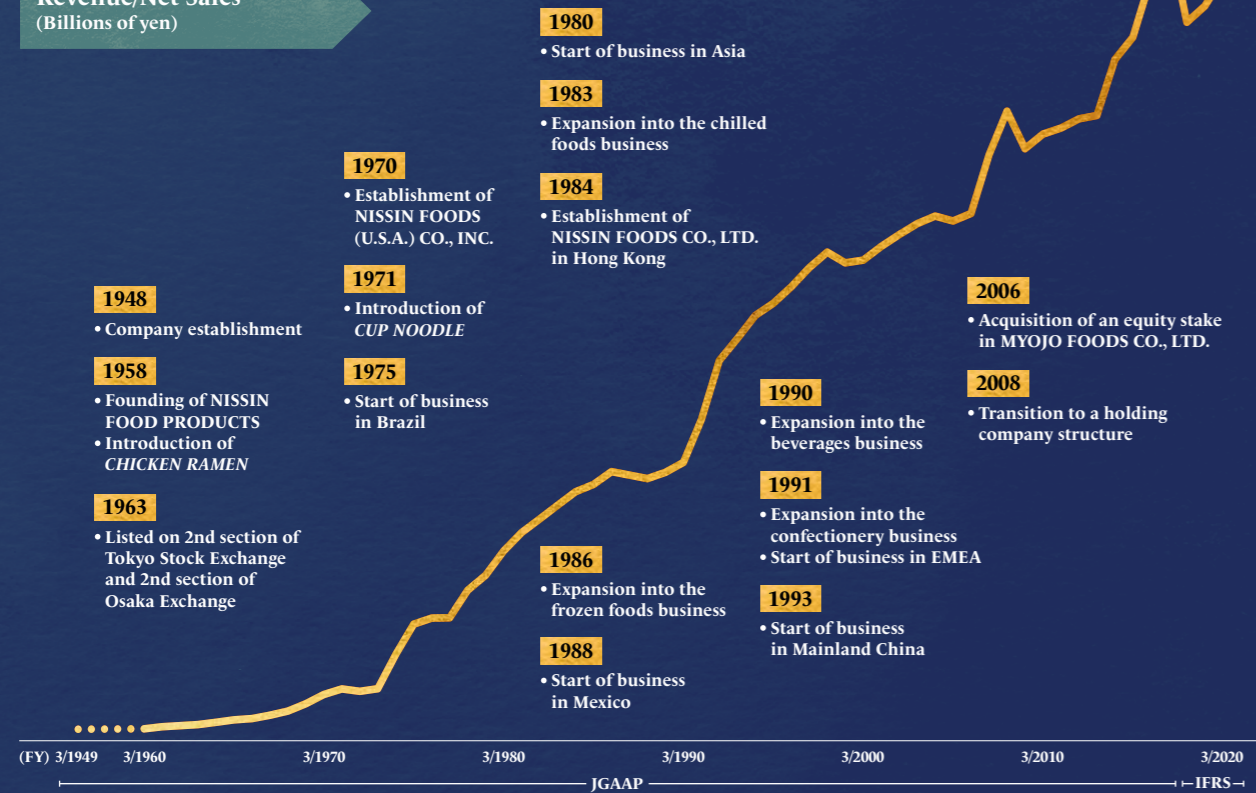
### NISSIN’s Milestones

Our founder invented the world's first instant noodles, and since then the market for instant noodles has grown to be more than 100 billion servings a year globally. With more than 60 years since our founding, the company aims to establish “Century Brands” by cultivating brands that will retain freshness, continue to grow, and be loved by customers even after 100 years.



FY 3/2020  
468.8

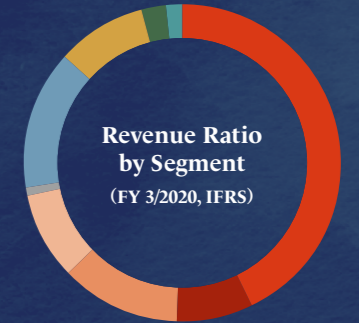
Revenue/Net Sales  
(Billions of yen)



Note: Net sales figures since FY 3/1978 are consolidated.

## NISSIN’s Scale and Business Areas

While presently the domestic business, which accounts for more than 70% of our revenue, is still our main strategic area, we are working to invest in the overseas business as the mainstay for our next growth and increase our scale by promoting the global branding of CUP NOODLES and by focusing on priority overseas locations in order to gain recognition as a global company.



### Japan

Revenue

¥ 341.1 billion

NISSIN FOOD PRODUCTS and MYOJO FOODS mainly oversee the instant noodle business. The business in Japan is divided into Chilled and frozen foods, Confectionery and beverages, and Domestic others. The aim is to strengthen mainstay brands.

### China (incl. H.K.)

Revenue

¥ 43.0 billion

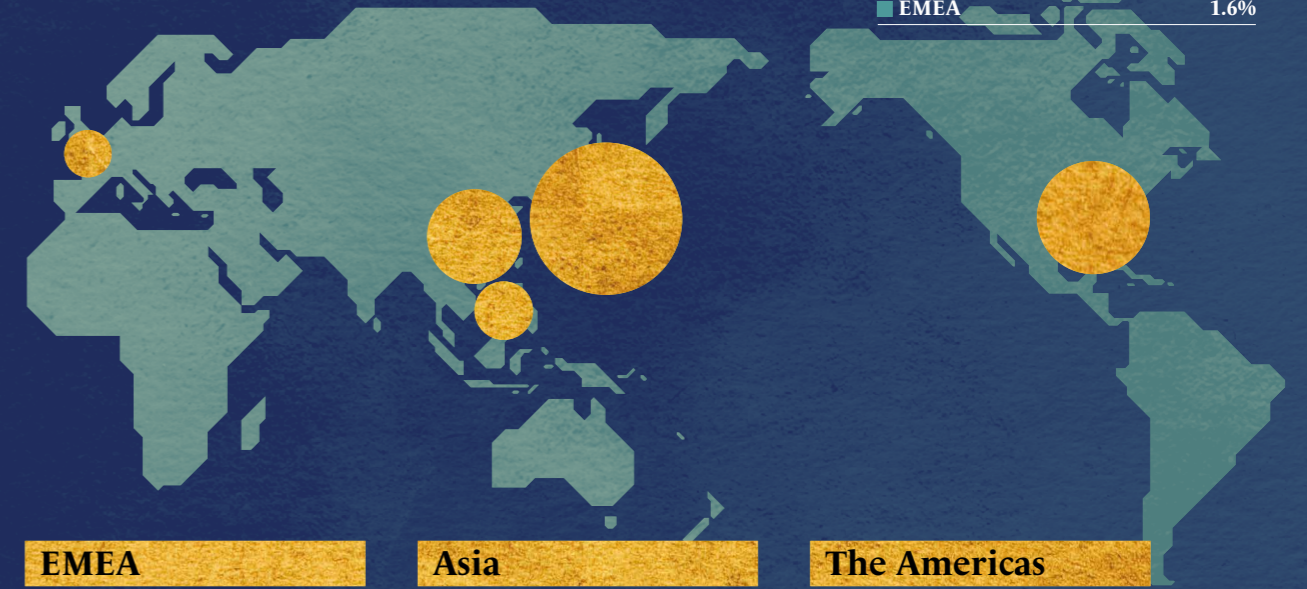
Along with increasing sales of CUP NOODLES and DEMAIE ICCHO and strengthening the profit base, we are advancing the diversification of the business into products other than instant noodles.

Domestic

NISSIN FOOD PRODUCTS	42.9%
MYOJO FOODS	7.8%
Chilled and frozen foods	12.2%
Confectionery and beverages	8.9%
Domestic others	0.9%

Overseas

The Americas	14.1%
China (incl. H.K.)	9.2%
Asia	2.4%
EMEA	1.6%



### EMEA

Revenue

¥ 7.4 billion

We are working toward increasing our presence in this growth market. Our most important markets are England, Germany, and France, but we are expanding sales coverage in other regions as well.

### Asia

Revenue

¥ 11.2 billion

We are aiming to expand sales of CUP NOODLES in Thailand, India, Indonesia, Singapore and Vietnam. We are working toward maintaining our presence in Singapore and increasing profitability.

### The Americas

Revenue

¥ 65.9 billion

In the U.S., the Group is accelerating the sale of premium products. In Brazil, we are aiming for further expansion and the achievement of the No. 1 share of the market. In Mexico, we are working toward strengthening brand awareness among young people.

Access the corporate website for more detailed information

- NISSIN HISTORY
- Worldwide Network



## Dynamic Influence

The NISSIN FOODS Group's strengths lie in its brand power and marketing. We maintain competitive superiority by leveraging the value of our brands to the full, and through steady marketing for unmet needs.



Domestic net sales of **¥100 bn.**

Record high sales for **3** consecutive years

### CUP NOODLE

First sold in 1971 as the world's first cup-type instant noodles, CUP NOODLE's sales have surpassed 45 billion servings worldwide. It also remains well loved in Japan and is the No. 1 brand for domestic instant noodles. CUP NOODLE achieved domestic net sales of ¥100 billion in the fiscal year ended March 31, 2020, and has had record high sales for three consecutive years.

### NISSIN NO DONBEI

NISSIN NO DONBEI went on sale in 1976 as the first product in the industry to have a wide bowl-shaped container. Since then, the brand has retained the unique characteristic of using different broth flavors distinct to eastern Japan and western Japan. The brand leads the domestic instant udon and soba market, and has had record high sales for five consecutive years.



Record high sales for **5** consecutive years

## BRANDING

**No.1** share of cup-type yakisoba market in Japan



### NISSIN YAKISOBA U.F.O.

NISSIN YAKISOBA U.F.O. went on sale in 1976 as the first product in the industry to have a flat dish-shaped container, which differentiated the product from those of competitors. The brand's name and flavor also captured many fans in the youth demographic. The long-selling brand holds No. 1 share of the cup-type yakisoba market in Japan.

### CHICKEN RAMEN

CHICKEN RAMEN, the Group's founding brand, was first sold in 1958 as the world's first instant noodles. In addition to demand for the classic CHICKEN RAMEN, we developed new demand by targeting the senior demographic and youth demographic, and achieved record high sales in the fiscal year ended March 31, 2020 for the 60th anniversary of the launch of CHICKEN RAMEN.

Achieved record high sales in FY 3/2020



NISSIN Global Food Safety Institute

### Addressing Expectations for Safety and Peace of Mind

In order to provide safe products, each NISSIN FOODS Group manufacturing plant carries out quality control initiatives, and periodic internal audits are conducted in accordance with our own food safety audit criteria and ongoing improvements are made to address any issues identified by those audits. Furthermore, we are always enhancing our thorough quality assurance systems through actions such as the NISSIN Global Food Safety Institute analyses and inspections of raw materials.

## MARKETING



OWAN DE TABERU series and CUP NOODLE Salt Off

### Addressing Consumer Needs

With the declining birthrate and aging population in Japan, we are responding to the needs of health-conscious customers by developing low-carbohydrate and low-salt products, and by developing more strategic products such as the bag-type small-sized OWAN DE TABERU (side dish) series, in order to increase our fans among seniors.



Refillable-type products to decrease waste

### Surpassing Customer Expectations

Product promotion varies greatly by target. We have had many successful examples of using social media in our approach to the youth demographic. We are also developing our user group with a unique sales strategy that avoids price competition by offering unique value-added products in convenience stores to differentiate that channel from supermarkets.



Japan



Brazil

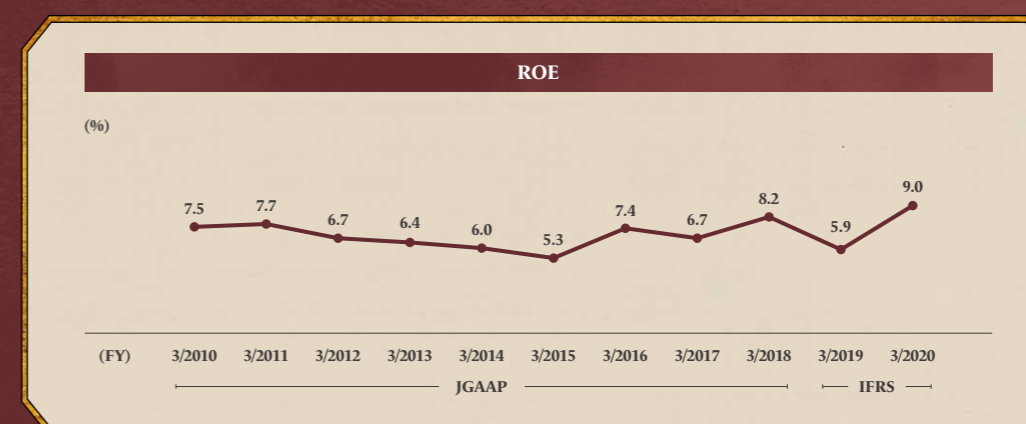
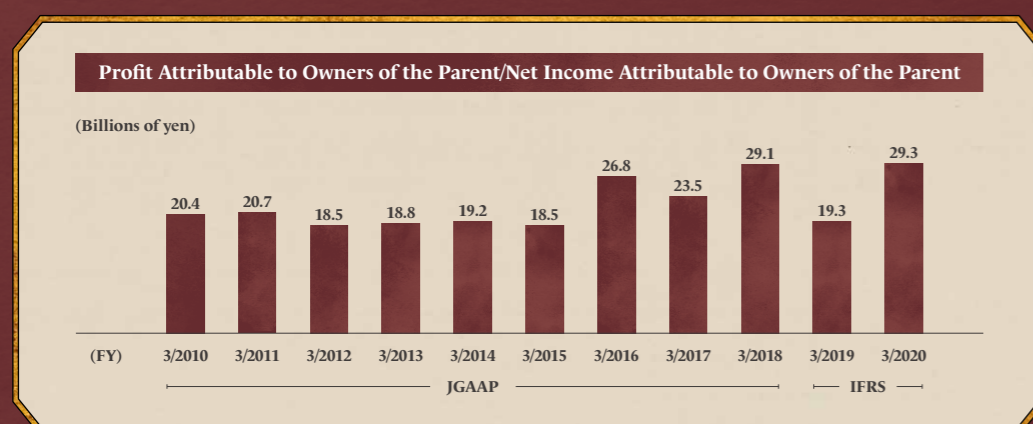
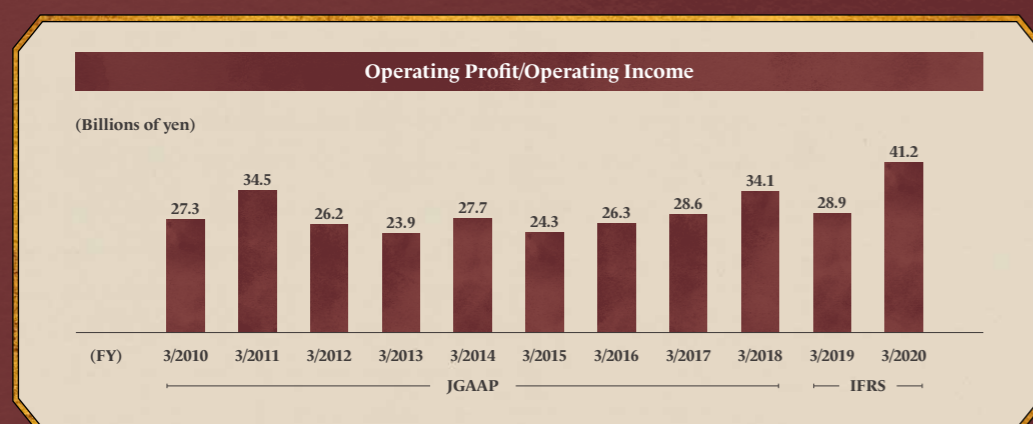
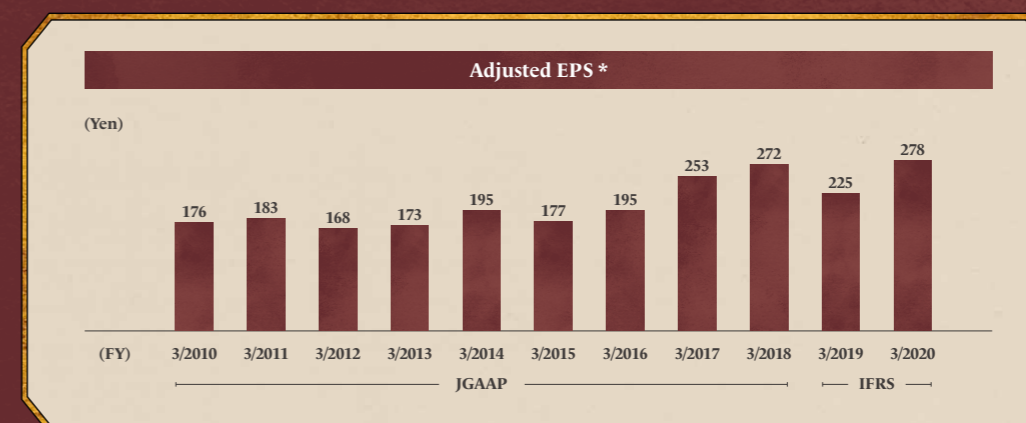
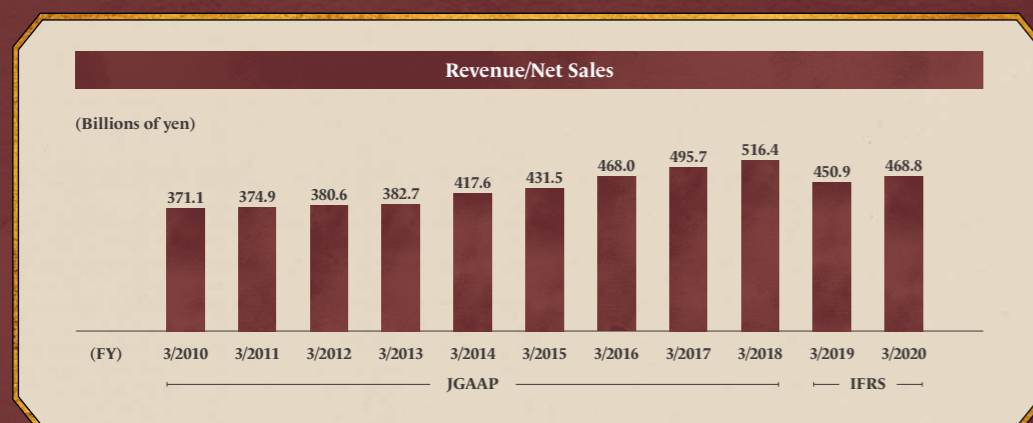
In Brazil, we regularly create videos imitating our Japanese CUP NOODLE TV commercials, and the videos have been going viral on social media with positive reactions from consumers.

Access the corporate website for more detailed information

- Brands
- Product Safety Assurance
- Environmentally-Friendly Products
- Products for Health-Conscious Customers
- NISSIN official YouTube channel (Japanese)







**Higher Revenue and Profit in the Fiscal Year ended March 31, 2020**

Sales performance from core brands in the instant noodles business was solid, and sales of pasta and ramen packaged with toppings and other products in the chilled and frozen foods business were also strong. In addition, higher stay-at-home demand fueled by measures to combat COVID-19 also contributed to sales. Overseas, revenue increased in each region, partly as a result of efforts to strengthen sales of high value-added products.

Operating profit in Japan decreased, despite the positive impact of higher revenue, due to factors including the non-recurrence of a profit on sales of fixed assets recorded in the previous fiscal year. Overseas, profit increased due to factors including the impact of the revenue increase in each region and the non-recurrence of impairment losses incurred in the U.S. in the previous fiscal year. Profit attributable to owners of the parent rose along with the increase in operating profit.

**Achievement of a Milestone Target for Market Capitalization in June 2020**

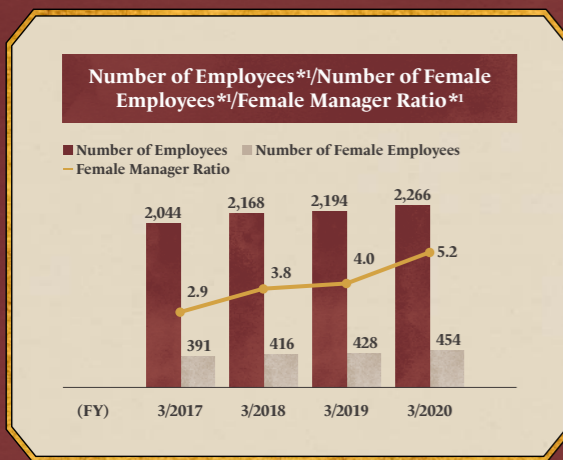
In Medium-Term Business Plan 2021, announced in May 2016, the Company set a target of achieving market capitalization of ¥1 trillion in the fiscal year ended March 31, 2020. Subsequently, in May 2019 the Company publicly announced a policy of continuously aiming to achieve market capitalization of ¥1 trillion as a milestone target, regardless of the timing of achievement. Market capitalization rose to ¥937.5 billion on March 31, 2020 on the way to reaching ¥1 trillion as of June 30, 2020.

\* Adjusted EPS (IFRS) = (Operating profit ± Other income, expenses - Income tax expense - Profit attributable to non-controlling interests) / Average number of shares outstanding (excluding treasury shares)  
Adjusted EPS (JGAAP) = Adjusted operating income after tax + Equity earnings of affiliate companies + Amortization of goodwill (including those contained in the equity method subsidiaries) - Net income attributable to non-controlling interests / Average number of shares outstanding (excluding treasury shares)



Access the corporate website for more detailed information

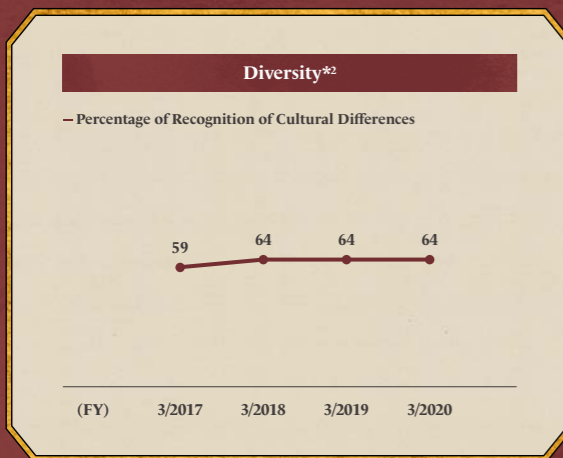
- Promoting Diversity and Inclusion
- Fostering a Workplace with a Sense of Job Satisfaction and Self Realization
- Environmental Data



### Building Powerful Teams that Allow People to Demonstrate Individuality

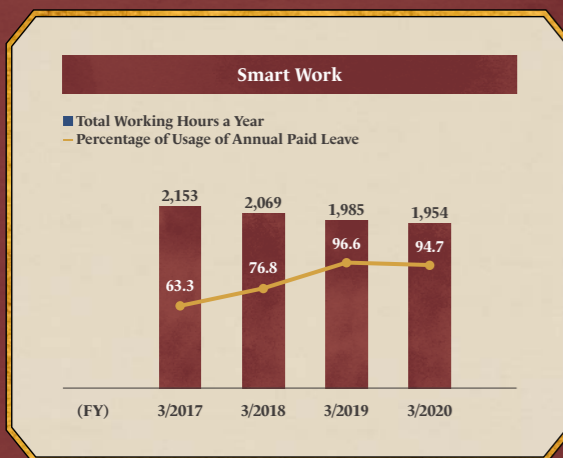
To create an environment in which each employee can fully demonstrate their individuality and capabilities, the NISSIN FOODS Group has instituted a policy of promoting initiatives to respect human rights, which includes prohibiting discrimination or harassment on the basis of race, ethnicity, nationality, religion, ideology, place of origin, gender, sexual orientation, gender identity, age, disability or any other attribute; providing a safe and healthy workplace; ensuring freedom of association; and prohibiting forced labor and child labor. We strive to create an inclusive working environment for LGBT employees and aim to build strong teams that allow people to be themselves and to fully demonstrate their capabilities. Each year, we conduct an employee attitude survey, and responses to the question, “Does the company respect various differences, such as nationality and gender, and create a climate of mutual acceptance?” are used to evaluate the effectiveness of measures.

We have implemented Smart Work 2000 as part of work-style reform and are engaging in initiatives for enhancing work-life balance and raising work productivity, such as keeping annual working hours per person to less than 2,000 hours and setting departmental targets for overtime hours and number of days of paid leave taken, and then paying bonuses to employees in departments that reach their targets.



### Target for Promoting More Active Roles for Women\*3

We have made promoting more active roles for women a high priority in encouraging diversity and are preparing supportive employment systems as well as working to raise employee awareness within the Group.

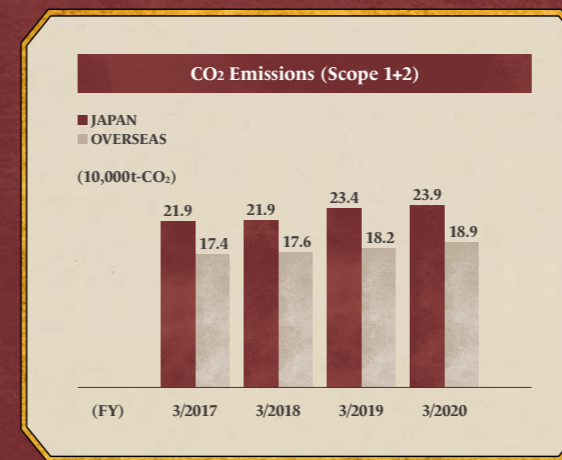


Female hiring ratio of **25% or higher** of new university graduates (for career-track positions)

Result for FY 3/2020 **25%**

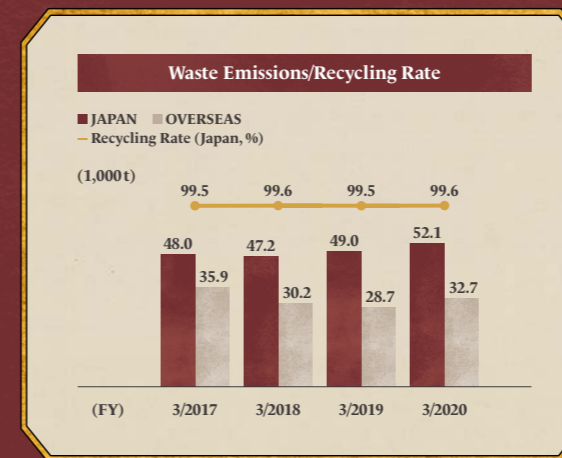
Female manager ratio of **8% or higher**

Result for FY 3/2020 **5%**



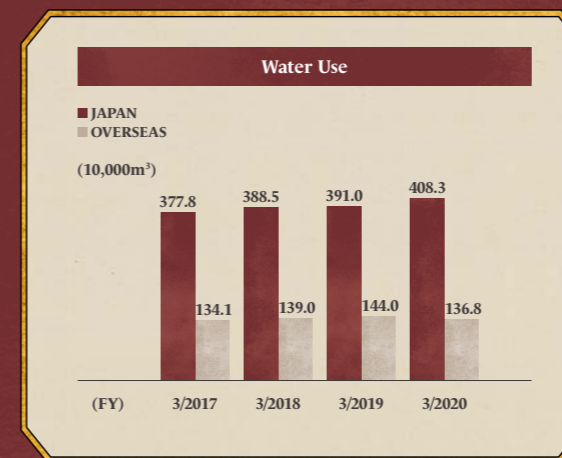
### What We Can Do for the Earth

The NISSIN FOODS Group’s environmental strategy EARTH FOOD CHALLENGE 2030 was formulated in June 2020. In EARTH FOOD CHALLENGE 2030, measures against climate change have been positioned as one of the NISSIN FOODS Group’s top-priority issues, setting targets to reduce by fiscal year ending March 31, 2031 the Group’s Scope 1\*1 and Scope 2\*2 total emissions by 30% and Scope 3\*3 emissions by 15% compared to levels in the fiscal year ended March 31, 2019. These targets achieved certification from the Science Based Targets (SBT) initiative as the targets that limit the average rise in global temperatures to well below 2°C above pre-industrial levels, aligned with the Paris Agreement. The Group is undertaking initiatives—such as promoting energy-saving programs and improving the rate of renewable energy use—toward achieving these targets.



### EARTH FOOD CHALLENGE 2030\*4

Sustainable palm oil procurement ratio	100%	Recycling ratio	99.5%
Result for FY 3/2020 <b>20%</b>		Result for FY 3/2020 <b>99.6%</b>	
Water target value	12.3 m <sup>3</sup>	Target values for CO <sub>2</sub> (Scope 1+2)	30%
/million yen (IFRS-based sales)		reduction (compared to FY 3/2019)	
Result for FY 3/2020 <b>11.6 m<sup>3</sup></b>		Result for FY 3/2020 gain of <b>2.9%</b>	



\*1 • Employees of those who are employed by NISSIN FOOD PRODUCTS (including employees on temporary assignment to NISSIN FOODS HOLDINGS, NISSIN CHILLED FOODS, NISSIN FROZEN FOODS, etc.)

• Employees of NISSIN BUSINESS SUPPORT PLUS

\*2 Includes employees on temporary assignment to NISSIN FOODS HOLDINGS, NISSIN CHILLED FOODS, NISSIN FROZEN FOODS, etc.

\*3 The data above pertains to those who are employed by NISSIN FOOD PRODUCTS (including employees on temporary assignment to NISSIN FOODS HOLDINGS, NISSIN CHILLED FOODS, NISSIN FROZEN FOODS, etc.)

Notes: 1 Scope for the CO<sub>2</sub> Emissions, Waste Emissions/Recycling Rate and Water Use charts— Business Locations in Japan: NISSIN FOODS HOLDINGS (Tokyo Head Office, Osaka Head Office, and “the WAVE” R&D center), MYOJO FOODS (Research Center) and manufacturing plants in Japan. Only data on CO<sub>2</sub> emissions for the fiscal year ended March 31, 2019 and 2020 is included for the above-mentioned business locations.

Business Locations Overseas: Manufacturing plants overseas. None of the date for the fiscal year ended March 31, 2017 and 2018 includes data for NISSIN YILDIZ GIDA SANAYI VE TICARET A.S.

2 CO<sub>2</sub> emissions data for the fiscal year ended March 31, 2017 and 2018 does not include data for UNI-STAR and SAGAMI FRESH.

3 The waste data and recycling rate: The fiscal year ended March 31, 2017, 2018 and 2019 data for BONCHI is not included.

\*1 Scope 1 refers mainly to greenhouse gas emissions resulting directly from the fossil fuels a company uses (direct emissions).

\*2 Scope 2 refers mainly to greenhouse gas emissions from the use of electricity and steam procured by a company (indirect emissions).

\*3 Scope 3 refers mainly to greenhouse gas emissions from a company’s value chain such as procurement of raw materials, transportation, and disposal (excluding Scope 1 and 2).

\*4 Four main environmental initiatives extracted from the EARTH FOOD CHALLENGE 2030 goals.

\*5 Usage ratio for NISSIN FOOD PRODUCTS, NISSIN FOODS (U.S.A.), and Nissin Foods Kft. compared to the entire Group. Certification at NISSIN FOOD PRODUCTS and NISSIN FOODS (U.S.A.) is based on Mass Balance, but Segregation is used for Nissin Foods Kft. In addition to the procurement of RSPO-certified palm oil, the NISSIN FOODS Group aims to procure only palm oil that is assessed to be sustainable based on the Group’s own standards.



## Koki Ando

President & Representative Director  
CEO (Chief Executive Officer)

安藤  
宏基

# 02 DIRECTION

Creative dreaming and hard work led directly to our foundation, and as we prepare to emerge as a global company, with all the responsibilities to society that it will bring, we are applying the same imagination with a thousand-fold more resources to the creation of new food. At the scale we will soon achieve, we cannot survive if we adhere to the status quo, so we will pursue the concept “Beyond Instant Foods” going forward to create new food culture. Our vision is to nurture brands that will be loved even after 100 years, as a “Century Brand Company.”

## CEO Message

### An Unchanging Desire Since Our Foundation to Support the World with Food

The NISSIN FOODS Group got its start when my father, founder Momofuku Ando, invented the world’s first instant noodles. Japan faced a dire food shortage after the end of the Second World War. The streets were filled with hungry people, and many collapsed and died from malnutrition. Ando, who witnessed this horrifying spectacle, became very aware of the critical importance of food. He realized that in the absence of food, clothing and shelter are useless, and there can be no art or culture.

Resolving to forsake all other work, he turned his attention to food and decided to create ramen that can be quickly prepared and eaten at home with only hot water. He spent a full year engaged in continuous research into this nebulous idea. Then, in 1958 he created *CHICKEN RAMEN*, the world’s first instant noodles. Today, 62 years later, instant noodles have grown into a product with an enormous market in which more than 100 billion servings are consumed

worldwide each year.

The situation in Japan today has completely changed from the spectacle that Momofuku Ando encountered. However, no matter how much the times change, one thing that remains constant is that food is the most important support for human life. Momofuku Ando propounded four tenets in operating his business: “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 a sacred profession.” We have adopted these tenets as an unchanging values system and consider it the purpose and mission of the NISSIN FOODS Group to always remain a company capable of creating happiness through food.

## Spirit of the Founder

食足世平  
Shoku-soku  
Se-hei

**Peace will come to the world when there is enough food**

Food is the most important pillar supporting human life. People can discuss culture, art, and ideas only when they have sufficient food. If the supply of food is disrupted, a country is bound to decline and conflict invariably occurs. The business operations of the NISSIN FOODS Group originated from this basic human principle.

食創為世  
Shoku-so  
I-sei

**Create foods to serve society**

A spirit of creativity is the most important thing of all for a company. Creativity means the power to create innovative products through new ideas and technologies. The NISSIN FOODS Group creates foods to serve society. We are creating a new food culture and providing people all over the world with happiness and inspiration.

美健賢食  
Bi-ken  
Ken-shoku

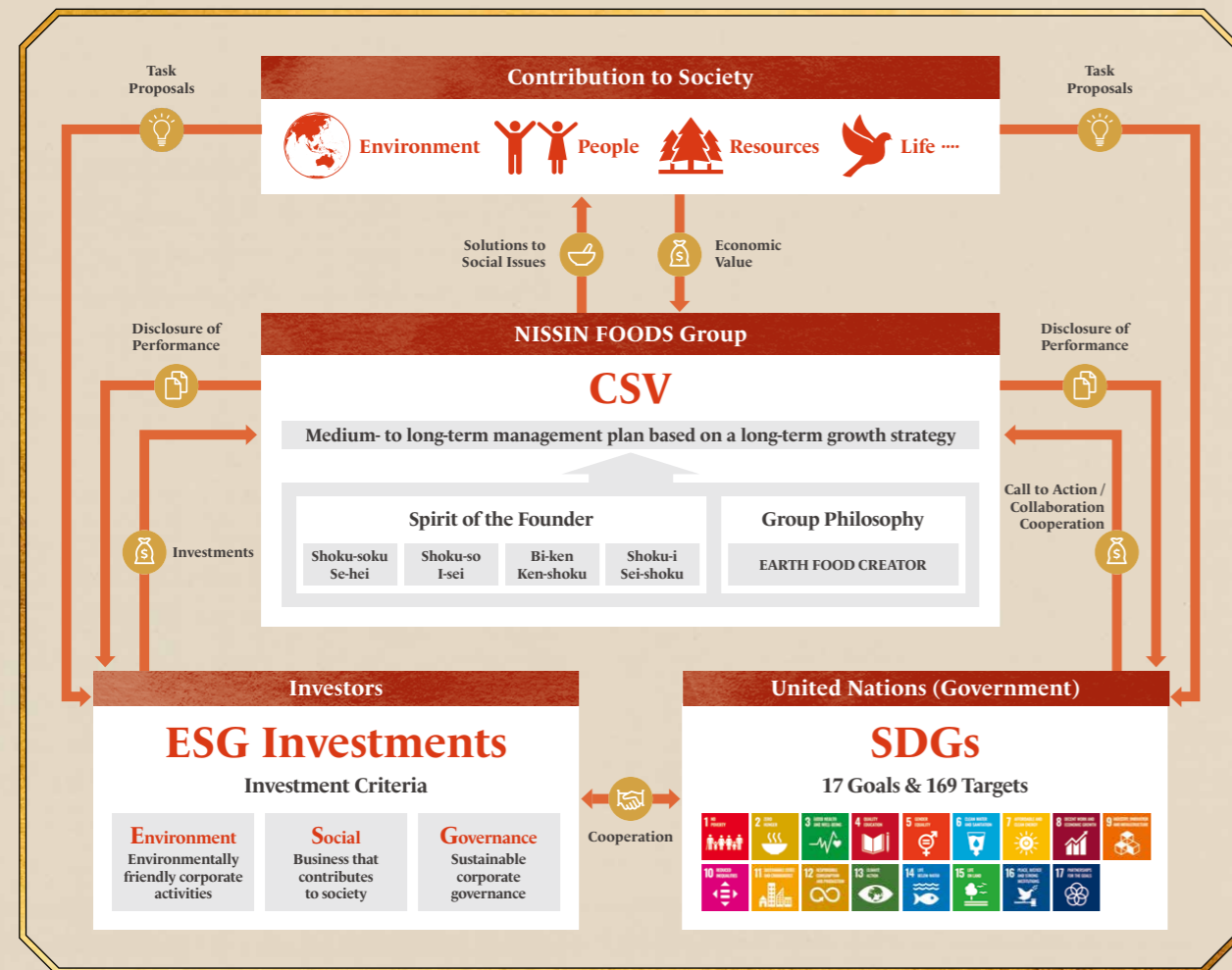
**Eat wisely for beauty and health**

The desire to satisfy hunger and the taste buds is a common human instinct. However, it is not the only role of food. Food is also important for forming strong bodies and maintaining health. Since a beautiful, healthy body is the product of a sensible diet, the NISSIN FOODS Group pursues food functionality and advocates a wise diet.

食為聖職  
Shoku-i  
Sei-shoku

**Food related jobs are a sacred profession**

Food production is an occupation that supports the very essence of life. For this reason, those who work in the food industry must have a pure spirit that inspires them to serve society and contribute to human health and world peace. Working with food is a sacred profession, and it is the mission of the NISSIN FOODS Group to provide the world with safe, delicious, healthy food.



**Growing as a Corporate Group that Creates Value by Responding to Social and Environmental Change**

The world is advancing toward a new era as global stakeholders everywhere work toward achieving the Sustainable Development Goals (SDGs). The spate of natural disasters that have occurred around the world in recent years confronts us with the seriousness of global environmental problems. Climate change and a redefinition of capitalism were important themes at the 2020 World Economic Forum in Davos, where participants advocated for stakeholder capitalism, which gives consideration to the global environment and other social issues along with economic gain. The spread of COVID-19, which occurred at much the same time, has exposed the deep interdependence among countries in the global economy and weaknesses in global supply chain networks. As a result, companies are very aware of the need for haste in developing sustainable management models.

For the NISSIN FOODS Group, we pursue sustainability based on the concept of Creating Shared Value (CSV), in which we endeavor to simultaneously realize environmental value, social value, and economic value by engaging in initiatives linked to corporate strategies. We consider social issues to be growth opportunities and while making contributions to society in the areas of the environment, humankind, resources, and living things, we receive economic gain. Furthermore, by disclosing those activities and outcomes outside the Group, we aim to strengthen our partnerships with investors and many other stakeholders and achieve sustained enhancement of corporate value. I will ensure that this company will grow while making even greater contributions to society by further refining our CSV management approach.

**Becoming a More Resilient Company in Times of Societal Transformation**

The NISSIN FOODS Group's business foundation spans the globe, and the Group has production sites for the instant noodles business in 16 countries around the world. For this reason, the Group must respond to a wide variety of risks, and the degree to which these risks affect business management has changed greatly. In the fiscal year ended March 31, 2020, in the wake of a series of major natural disasters worldwide, the global COVID-19 pandemic struck. Even in this crisis situation, on June 30, 2020 the Company achieved market capitalization of ¥1 trillion, which is a target in Medium-Term Business Plan 2021. NISSIN FOODS Group joined the rarified ranks of the 10 Billion-Dollar Companies on August 5, when the closing share price reached ¥10,350.

This valuation indicates our high resilience as an organization, and I consider it a result of investors' high opinion of the Group's business activities structure, which is highly resilient to a variety of changes in the business environment, and of the Group's social contributions and future potential. However, I consider this evaluation a stepping-stone, rather than a goal. I believe it is our responsibility to continue to foresee social changes and environmental changes, earnestly pursue excellence in manufacturing, and continuously supply products as a food products company.

**EARTH FOOD CHALLENGE 2030**

In 2020, the NISSIN FOODS Group launched EARTH FOOD CHALLENGE 2030, environmental strategy aimed at creating a sustainable society in our role as an EARTH FOOD CREATOR. We have positioned EARTH FOOD CHALLENGE 2030 as a strategy to underpin medium- to long-term growth from an environmental perspective. As in the past, the Group will engage in initiatives focused on resource problems and climate change problems, which are global in scope and scale.

To address natural resource problems, we will strive for effective use of limited resources through measures such as waste reduction and procurement that reflects consideration of the environment and human rights. We are already implementing a variety of measures, such as using our membership in the Roundtable on Sustainable Palm Oil (RSPO) since 2017 to strengthen procurement that takes sustainability into consideration, and converting to low environmental-impact Biomass ECO Cups since December 2019. NISSIN FOOD PRODUCTS became the first company in the Japanese instant noodles industry to use RSPO-certified palm oil when it began use at its Kansai Plant in March 2019. It began use of RSPO-certified palm oil at all plants in Japan that produce CUP NOODLE in February 2020.

To address climate change problems, we have set a target of reducing by the fiscal year ending March 31, 2031 the total Scope 1 and 2\* CO<sub>2</sub> emissions in Japan and overseas by 30% compared to levels in the fiscal year ended March 31, 2019 through engagement in green initiatives for electricity, ingredients, and packaging. These reduction targets have been certified by the Science Based Targets (SBT) initiative.

I want to move forward with efforts, including the initiatives mentioned, to balance the Group's businesses along with a sustainable environment and society. Four key themes identified as issues the Group should prioritize on the basis of stakeholder expectations, namely "The Environment," "Food Safety," "Social Contribution," and "Employees," will constitute the cornerstone of our efforts.

The Group has grown thus far by regarding changes in the times as opportunities and boldly undertaking challenges without fear of change. We will achieve further growth by considering such changes opportunities, instead of fearing the risks they may bring.

\* Scope 1 refers mainly to greenhouse gas emissions resulting directly from the fossil fuels a company uses (direct emissions). Scope 2 refers mainly to greenhouse gas emissions from the use of electricity and steam procured by a company (indirect emissions).

NISSIN FOODS GROUP  
Environmental Strategy



**EARTH FOOD CHALLENGE 2030**  
For the Earth. For the Future.

- Challenge to -  
**Effectively Use Resources**



Source Sustainably    Conserve Natural Resources    Create a World without Waste

- Challenge to -  
**Climate Change**



Manufacture with Green Electricity    Develop with Green Ingredients    Complete with Green Packaging

**To Our Investors**

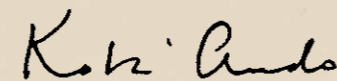
The fiscal year ending March 31, 2021 is the final year of Medium-Term Business Plan 2021. Although we partially revised the plan in May 2019, our business in the U.S., which was a concern, has picked up, and the NISSIN FOODS Group is delivering strong results. We intend to dash across the finish line in pursuit of our targets during this final year.

I also intend to continue to aim for further profitability improvement in our core domestic business with a view to long-term growth beyond the term of the business plan. Although the trend of population decline in Japan will inevitably continue over the long term, we will seek profitability improvement by refining our brand power and marketing power, which are the Group's key strengths, and by pursuing business structure reform centered on digitalization (digital transformation) and creating original, high value-added products.

In addition, just as founder Momofuku Ando opened up a previously untapped market with instant noodles, by thinking outside the box we too

will open up new businesses through the creation of new food. We cannot survive if we are satisfied with the status quo, and we will further pursue the concept "Beyond Instant Foods" going forward to create new food culture. For some time, we have aimed to nurture brands that will be loved even after 100 years under the slogan of "Century Brand Company." From now on, as an EARTH FOOD CREATOR, we will further strengthen existing businesses while giving due consideration to the planet and society and aim for sustained growth by providing new value to society.

Chief Executive Officer



**Fundamentally NISSIN**

**All-Inclusive Sustainability**


The Group broadly promotes sustainability practices that contribute to social and environmental balance. The activities revolve around four material issues, based on the founding tenets of the NISSIN FOODS Group.

**Material Issues**

<b>The Environment</b>	EARTH FOOD CHALLENGE 2030 comprises two pillars. "Earth" Material Challenge is an effort focused on preserving the environment and limiting the use of natural resources. Green "Food" Challenge is an effort to reduce CO <sub>2</sub> emissions in the Group's business activities. The Group will commence various initiatives aimed at realizing a sustainable society and raising corporate value.
<b>Product Safety</b>	The NISSIN FOODS Group places the highest priority on people's safety in its product development. The Group has established unique and finely honed quality assurance systems to ensure that quality problems are resolved promptly and in good faith.
<b>Social Contribution</b>	The NISSIN FOODS Group undertakes activities that contribute to local communities and society, such as the <i>Hyakufukushi</i> Project, in which it has committed to engaging in a total of 100 social contribution activities over 50 years, support for children, and disaster relief using its products
<b>Employees</b>	The NISSIN FOODS Group strives to create supportive work environments, promote diversity and inclusion, enhance employee training, and support employee health so that all employees can fully demonstrate their capabilities.

Access the corporate website for more detailed information

- The Environment
- Employees
- Product Safety
- Sustainability Report 2020
- Social Contribution




**For Achieving Sustainable Growth**

<b>Approach to Sustainability</b>	We are very aware of our corporate social responsibilities, comply with relevant laws in the ordinary course of business, and act in accordance with social ethics. Our responsibilities include adherence to our Sustainable Procurement Policy for supply chain management that respects and supports human rights. In April 2020, the Company established the Sustainability Committee—chaired by the CEO—with five working groups under it.
<b>Dialogue with Stakeholders</b>	We engage in dialogue with our stakeholders, including consumers, suppliers, shareholders and investors, local communities and governments, NPOs and NGOs, and employees.
<b>TCFD Scenario Analysis</b>	We participate in the TCFD Consortium established in May 2019. Going forward, we will analyze in detail the risks and opportunities that climate change brings to business as well as its impact on our financial performance, and at the same time, further strengthen our measures to mitigate and adapt to climate change.

Access the corporate website for more detailed information

- Sustainability Promotion Structure
- Environment Management (TCFD)
- Human Rights
- EARTH FOOD CHALLENGE 2030
- Communication with Stakeholders



# 03 METHOD

Clearly, we must create new value in order to earn our position among the world's best and most recognized companies, and the way we will do this is to make the world a more interesting place through food. To achieve this goal, we are advancing major operational reforms across all NISSIN FOODS Group operations, seeking to increase productivity by 200%, reimagine working life, bring greater efficiency to logistics and change our future. All of these changes are unified by the vision of supporting our employees in continuing to provide new value to society in a uniquely NISSIN way.

## Noritaka Ando

Executive Vice President & Representative Director  
COO (Chief Operating Officer)  
President & Representative Director,  
NISSIN FOOD PRODUCTS CO., LTD.



安藤 徳隆

## COO Message

### Aiming for 200% Productivity Increase by Transforming the Way We Think Digitally

I believe we must continue creating new food products that will change the lifestyles of people around the world—in the same way our founder changed global food culture by inventing *CHICKEN RAMEN* and *CUP NOODLE*—in order to become a “Century Brand Company” that will continue to grow and be loved by its customers even after 100 years. We must not be limited to our past successes or our current ways of doing things, but must shape our future by creating new foods and continuing to be a leading company. We must transform ourselves into a company that creates even greater added value by reimagining and rebuilding every work process with a view to the future.

To this end, it is essential that we transform in ways that increase employee motivation, maximize employee performance and allow time for creativity. The NISSIN FOODS Group has been working to improve productivity through

reviewing work processes to radically reform work styles. As means to this end, we are working to rebuild our organizational activities and systems strategically and structurally, and to promote digital transformation, or DX, which utilizes digital technologies such as IT. This is the strategy underpinning these operational reforms. Our DX strategy does not simply introduce new technologies; it involves changing the way we think about digital technologies.

In the fiscal year ending March 31, 2021, our aim is to increase productivity by 200% by reviewing all of our existing tasks—from how we think and do things, to our processes and how tasks are delegated—to create new methods and achieve new results from new perspectives.

### NISSIN Business Transformation: A Paradigm Shift to Change Our Future

In the fiscal year ended March 31, 2017, we launched the Smart Work 2000 project, which has achieved results such as reduced working hours. Meanwhile, in October of the same fiscal year, we started operations at the new NISSIN FOOD PRODUCTS’ Kansai Plant as part of our drive to achieve initiatives for increasing productivity. This plant achieves the highest levels of efficiency and automation by adopting leading-edge technologies such as the internet of things (IoT), and is one of the largest-scale food plants in Japan—able to produce up to 4 million units a day, or 1 billion units a year. In August 2020, the NISSIN FOODS Group was also one of the companies selected as “Digital Transformation Stocks 2020” by Japan’s Ministry of Economy, Trade and Industry (METI) and the Tokyo Stock Exchange (TSE). To achieve a 200% increase in productivity, however, we need to go drastically further in our reforms—including radically transforming existing sales practices and logistics systems to meet the needs of the changing times.

We have already started various projects under

our major transformation known as NISSIN Business Transformation, or NBX. Of these, we see three as key to our transformation: the Sales Support Project, Logistics Structural Reform Project, and Human Resource Development Project. First, under the Sales Support Project, we are working to centrally manage all information needed for sales activities, to develop tools to provide proposals for each business partner through advanced analytics, and to predict demand to achieve stability in our supply of products. Second, under the Logistics Structural Reform Project, we are working to develop an efficient and sustainable organizational structure in response to logistics crises, such as driver shortages, by reviewing assumptions about logistics and utilizing alliances and digital technology. Third, under the Human Resource Development Project, we are nurturing management human resources able to succeed globally in the future to fulfill the strategy theme “Developing and strengthening human resources for global management” in Medium-Term Business

Plan 2021. We believe we need more than 200 global human resources in the fiscal year ending March 31, 2021.

Also, in the same fiscal year, we launched the NISSIN ACADEMY as a competitive environment where we can accelerate the growth and performance of employees who want to evolve, better their performance, and grow the company. The thinking behind this initiative is the belief that human resources who evolve rapidly are vital to the company becoming an EARTH FOOD CREATOR that creates new food culture in these swiftly changing times. This academy is a place for nurturing the next generation of management—on whose shoulders the Group's future rests—and a place where they can gain knowledge, and, regardless of age or experience, can seize new opportunities.

For the Group to achieve greater growth, we of course need to further increase the value of our current businesses, but we also need to create new value. The key in this is our dedication—past, present, and future—to making the world a more interesting place through food. To this end, as COO, I will advance operational reforms and lead our employees in continuing to provide new value to society in a uniquely NISSIN way.

Main NBX Initiatives

Sales Support Project	Aims to make complex tasks simpler and more efficient and improve productivity by making it easier to access information using digital technologies	First stage: transition to new sales force automation (SFA) system. Second stage: develop and adopt tools for maximizing efficiency in making sales plans, and make all information necessary for making sales plans viewable via one system. Aim to give salespeople valuable time—gained through greater efficiencies in making sales plans—to think of creative proposals.
Logistics Structure Reform Project	Aims to use the logistics crisis as an opportunity to rapidly become a company with cutting-edge logistics under the concept of creating value in our supply chain	Develop a sustainable logistics framework by striving for efficiencies through utilizing alliances and digital technology in the field of supply chain management (SCM). Work to solve the social issue of not being able to transport goods, by working not just within the Group to include logistics companies, suppliers, business partners, competitors, IT companies, and universities.
Human Resource Development Project	Aims to maximize performance of each employee and find employees suited to management early and nurture them into future managers	In addition to the Management Academy exclusively for nurturing employees as future managers, there are programs open to all employees. These programs set goals according to job type—such as in sales, marketing, supply chain management, or finance—and allow employees to decide what knowledge they want to learn from the programs offered by experienced company leaders and outside experts.

Fundamentally NISSIN



# Next-Generation Smart Factory

In October 2018, operations commenced at the new NISSIN FOOD PRODUCTS' Kansai Plant. Equipped with state-of-the-art facilities, IoT technologies are used to achieve automation and efficiency. It is a next-generation smart factory that improves autonomously by accumulating and utilizing data.



Four Concepts

- 1 Flexibly evolving while continuing to be the main plant of NISSIN FOOD PRODUCTS
- 2 Becoming a plant that serves as a model for food factories around the world
- 3 Becoming a plant that functions as a showroom in which customers can see firsthand our food safety initiatives
- 4 Enabling employees to work with pride

Features that Improve Safety and Productivity

1. Strict monitoring of products by the NASA Room

The plant has a Nissin Automated Surveillance Administration (NASA) Room for centralized monitoring and management. We use about 700 cameras to gather all kinds of information from 15 manufacturing process checkpoints. With this, the rate of defective products can be reduced to less than 1 per 1 million units. In the future, we will connect the NISSIN FOODS Group's other plants and plan to remotely monitor and control manufacturing from the NASA room.



2. Digitization of all the plant's data

For example, data will be collected on the noodles' thickness, water content, temperature, weight, as well as what kind of work was done in which processes. Using this, we will visualize what has been dependent on human experience and tacit knowledge, which will advance automation, and lead to improvements in manufacturing productivity and quality.



3. Improved filling accuracy for ingredients

To reduce costs, we reviewed the equipment used to fill CUP NOODLE toppings, and worked on the development of more accurate filling equipment. After repeated trial production, we introduced a high-performance filling device that could be installed in current manufacturing lines and that is easy to clean because of its removable parts.



4. Revision of filling method for ingredients

Previously, about 10 kilograms of inspected ingredients would be packed in a bag, sealed, and carried to the production intake by hand. In order to further decrease the possibility of contamination by foreign matter, inspected ingredients are now moved to a tank instead of in bags to avoid human interaction. We designed our own equipment that automatically moves ingredients from the tank to the intake in accordance with the manufacturing line's specifications.





横山之雄

## Yukio Yokoyama

Director  
CFO (Chief Financial Officer)

# 04 FACILITATION

The office of CFO must fulfill multiple roles in order to enable sustainable growth and the enhancement of the Group's corporate value. I believe that my mission as CFO is to serve as gatekeeper of management results, navigator of information and analyses, and business partner in executive decision-making by the CEO. I approach my roles proactively to obtain an accurate understanding of the figures, seek out forecasts of the future environment and current conditions, and perform analysis to assist management decision-making and creation of strategies and goals. In a way, the CFO provides the instruments that guide sustainable growth.

## CFO Message

### Toward Realizing Sustainable Growth through CSV Management

Under CSV (Creating Shared Value) management, which aims to create environmental value, social value, and economic value for sustainable growth, the NISSIN FOODS Group worked to promptly respond to changes in the market environment, enhance profitability, and restore business performance. As a result, we were able to achieve a V-shaped recovery in consolidated earnings in the fiscal year ended March 31, 2020, and year-on-year increases in revenue and profit.

In the domestic instant noodles business, revenue and operating profit increased significantly, reflecting the steady penetration of price revisions and the growth in earnings of mainstay brands. In addition, stay-at-home demand for instant noodles increased due to COVID-19 in March 2020, which offset the impact of higher raw materials and distribution costs, and depreciation costs for NISSIN FOOD PRODUCTS' Kansai Plant.

In the overseas business, for the Americas, U.S. performance recovered while performance continued to be strong in Brazil and Mexico. Greater revenue from mainland China contributed to increased profits, while both Asia and EMEA showed steady performance. After special factors are excluded, the overseas business achieved increased revenue and higher operating profit in all segments.

As a result, in consolidated business performance, revenue rose 4.0% year on year to ¥468.8 billion. Operating profit rose 42.4% year on year to ¥41.2 billion, profit before tax rose 36.8% to ¥42.6 billion, and profit attributable to owners of the parent rose 51.5% to ¥29.3 billion. Return on equity (ROE) was 9.0% and adjusted earnings per share (EPS) was ¥278. Operating profit and profit attributable to owners of the parent represent record highs.

### In the Home Stretch of the Medium-Term Business Plan

The current fiscal year is the final year of Medium-Term Business Plan 2021. Amid the significant changes as a result of the COVID-19 outbreak, we have made upward revisions to our quantitative targets in light of the business environment and recent business performance. We have modified our targets in Medium-Term Business Plan 2021 as follows: revenue from ¥480.0 billion to ¥486.0 billion, operating profit from ¥42.5 billion to ¥43.5 billion, profit attributable to owners of the parent from ¥30.0 billion to ¥30.5 billion, and ROE from 8% to 9%.

In addition, we have made partial revisions for our five strategic themes. For the theme of "promoting the global branding for *CUP NOODLES*," we originally presented a growth target of 1.5 times the number of units sold in the fiscal year ended March 31, 2016. However, we now believe growth will be a more moderate factor of 1.3 as a result of a price revision to low-priced *CUP NOODLES* and a shift to premium *CUP NOODLES* products in the U.S. Rather than simply chase volume, we are shifting toward value-added products to help enhance the *CUP NOODLES* global branding. For the theme of "focusing on priority locations," the BRICs—Brazil, Russia, India, and China—are achieving steady performance growth.

However, because of strong earning trends outside of BRICs, including in Thailand, the Philippines, and the U.S., and after considering the relative percentages, we now forecast an operating profit ratio of 63% for BRICs. With respect to "laying stronger foundations for domestic profit base," as Japan faces a declining workforce, we have been targeting labor-saving initiatives and greater production efficiency by commencing full operations at the NISSIN FOOD PRODUCTS' Kansai Plant in the fiscal year ended March 31, 2020. We will work to ensure a more stable earnings base by applying the knowledge gained from this initiative to other plants. In the fourth theme of "establishing a second primary revenue source," we believe we have elevated our market presence in the cereal and frozen food businesses. We will continue to examine any favorable M&A opportunities that may arise. Finally, for "human resources for global management," the pool of management-capable employees has now reached about 190 people, so that goal is almost completed. We are carrying out systematic rotations and training to continually improve the quality of our human resources.





Strategic themes	FY 3/2021 (target)	FY 3/2020 (results)	FY 3/2021 (estimate)
Promoting the global branding for CUP NOODLES	Up 50% compared to FY 3/2016 (units)	Up 20%	Up around 30%
Focusing on priority locations (BRICs)	Operating profit generated in priority overseas locations accounts for 70%	63%	Around 63%
Laying stronger foundations for domestic profit base	NISSIN FOOD PRODUCTS + MYOJO FOODS ¥29.5 billion Operating profit target	¥29.8 billion	¥30.2 billion
Establishing a second primary revenue source (confectioneries, cereals, frozen foods)	As well as growing brands organically, make the most of M&A	We went outside the budget for M&A deals. we will continue to examine favorable M&A proposals.	
Human resources for global management	Pool of management human resources x2 (200 people)	x1.9 (Around 190 people)	x2 (200 people)

**Promoting the Group's Governance and Financial Digital Transformation**

With the advance of globalization, scandals have been appearing at subsidiaries of Japanese companies. In these kinds of circumstances and in accordance with the Group philosophy, the Company is conducting a review of the corporate governance system that covers such matters as a more rational global governance structure, the policy on financial officer appointments, reporting and evaluation systems, and accounting guidelines. This is being undertaken to realize improved corporate value and sustainable growth over the medium to longterm, given such

factors as the local characteristics of individual operating companies, the extent of globalization, and our strategic positioning.

Furthermore, we believe digital transformation (DX) is essential in the "new normal" society. Through utilizing RPA, expanding the use of electronic invoicing systems, and considering a new expense settlement system, we are carrying out substantive initiatives in financial DX to achieve a healthy balance between remote work and efficiency.

**IR Activities and the Role of the CFO**

The IR Office serves as a connection between the operating companies and the capital markets and explains the stance and thought process of the Group. It raises corporate value by listening to the views of the capital market and by analysts, institutional investors, and shareholders working to reflect those views in corporate management and Group strategy.

As part of the sustainable improvement in corporate value, I see three roles to fulfill as CFO: a

gatekeeper role that acquires and reports the Group's completed management results, a navigator role that serves as a compass using current analysis to point the way to future information, and a business partner role that puts forward inquiries which facilitate executive decision-making by the CEO. The Group as a whole will also further strengthen its CSV management, and will steadily pursue profit creation to strengthen its business foundation in the years to come.

**Fundamentally NISSIN**

**Broad-Ranging IR Activities**

NISSIN FOODS HOLDINGS will endeavor to promptly provide information to all stakeholders, including shareholders and investors, based on transparency, fairness and continuity. In addition, we will actively disclose information that is considered to be effective for understanding our company at our discretion.

**IR Activities**

<b>Regular Briefings for Individual Investors</b>	In the fiscal year ended March 31, 2020, company briefings for individual investors were held four times at major cities across Japan. In addition, in December 2019, an online company briefing was held for individual shareholders and individual investors.
<b>Regular Briefings for Analysts and Institutional Investors</b>	The Company holds financial results meetings twice a year on the dates of announcement for the year-end financial results and the second quarter-end financial results where President & Representative Director, CEO presents the results. The Company utilizes visual tools to communicate with analysts and institutional investors. The Company also held a small meeting for institutional investors and securities analysts in June 2019 to share the review on the third year of Medium-Term Business Plan 2021.
<b>Regular Briefings for Overseas Investors</b>	Regular investor briefings for overseas investors were held by the directors in Europe and the United States. In addition to actively participating in IR conferences for overseas investors, the Company also set up opportunities for interviews with a broad range of overseas investors.
<b>Posting of IR Materials on Website</b>	Convocation notice of general meetings of shareholders, reporting documents attached thereto, financial statements, supplementary documents for financial results meetings, annual securities reports, quarterly reports, NISSIN REPORT, annual reports (in English), corporate governance reports, various press releases and the like are posted.

**Measures to Ensure Due Respect for Stakeholders and External Awards and Recognition**

The NISSIN FOODS Group's Ethics Regulations stipulate respect for the positions of all stakeholders and require compliance by all officers and employees. In addition, they call for proactive engagement in environmental conservation, CSR activities, and health management, pursuit of both social value and economic value, meeting the expectations of stakeholders, and striving to further improve corporate value.

Our efforts have been documented by numerous external awards and recognitions from organizations and other entities that monitor sustainable management.





NISSIN FOODS Group has always been deeply focused on its relationship with its all stakeholders. We embrace corporate governance as a clear, binding and easily confirmable assurance that what we say, we mean, and that what we do, we do for the good of all concerned.

## Board of Directors

As of June 25, 2020

Access the corporate website for more detailed information  
• Executives



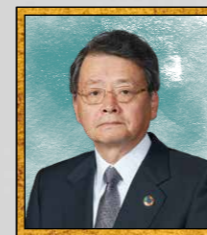
**Koki Ando**  
President & Representative Director  
CEO (Chief Executive Officer)



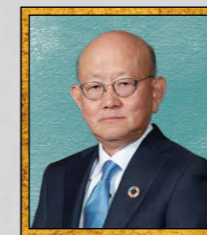
**Noritaka Ando**  
Executive Vice President & Representative Director  
COO (Chief Operating Officer)  
President & Representative Director, NISSIN FOOD PRODUCTS CO., LTD.



**Yukio Yokoyama**  
Director  
CFO (Chief Financial Officer)



**Ken Kobayashi** \*1  
Outside Director  
Chairman of the Board, Mitsubishi Corporation



**Masahiro Okafuji** \*1  
Outside Director  
Chairman & Chief Executive Officer, ITOCHU Corporation



**Masato Mizuno** \*1 \*3  
Outside Director  
Chairman, Mizuno Corporation (Independent)



**Yukiko Nakagawa** \*1 \*3  
Outside Director  
Professor of Graduate School of Business Administration of Rikkyo University (Independent)



**Eietsu Sakuraba** \*1 \*3  
Outside Director  
Executive Analyst, Yamato Group Research Institute (Independent)

## Audit & Supervisory Board Members, Executive Officers, and Chief Officers

As of June 25, 2020

### Audit & Supervisory Board Members

**Masahiko Sawai**  
(Full-time)

**Chisugi Mukai** \*2 \*3  
(Outside/Independent)

**Naohiro Kamei** \*2 \*3  
(Outside/Full-time/Independent)

### Managing Executive Officers

**Mitsuru Tanaka**  
CDO (Chief Development Officer),  
Head of NISSIN Global Innovation Center,  
Head of NISSIN Global Food Safety Institute

**Yoshinori Miura**  
President & Representative Director,  
MYOJO FOODS CO., LTD.

**Shinji Honda**  
CSO (Chief Strategy Officer)

### Managing Officer (Non-Executive)

**Kiyotaka Ando**  
Chief Representative, East Asia

### Executive Officers and Chief Officers

**Toshihiko Ijichi**  
President & Representative Director,  
NISSIN CHILLED FOODS CO., LTD.

**Akira Iwai**  
CPO (Chief Production Officer),  
In charge of Instant Noodles Business

**Sumihito Endo**  
President & Representative Director,  
BonChi Co., Ltd.

**Shigeo Kitara**  
CIO (Chief Information Officer)

**Akira Sato**  
President & Representative Director,  
KOIKE-YA Inc.

**Akihiro Toyotome**  
President & Representative Director,  
NISSIN CISCO CO., LTD.

**Toshio Nakai**  
CRO (Chief Resourcing Officer)

**Katsuyoshi Fukazawa**  
CMO (Chief Marketing Officer)

**Masahiro Homma**  
CLO (Chief Legal Officer)

**Kenji Maeda**  
President & Representative Director,  
NISSIN YORK CO., LTD.

**Yasuhiro Yamada**  
CPO (Chief Production Officer),  
In charge of Chilled and Frozen Foods,  
Confectionery and Beverages Businesses

**Hiroyuki Yoshida**  
President & Representative Director,  
NISSIN FROZEN FOODS CO., LTD.

**Katsuhiko Kiyofuji**  
CAO (Chief Administrative Officer)

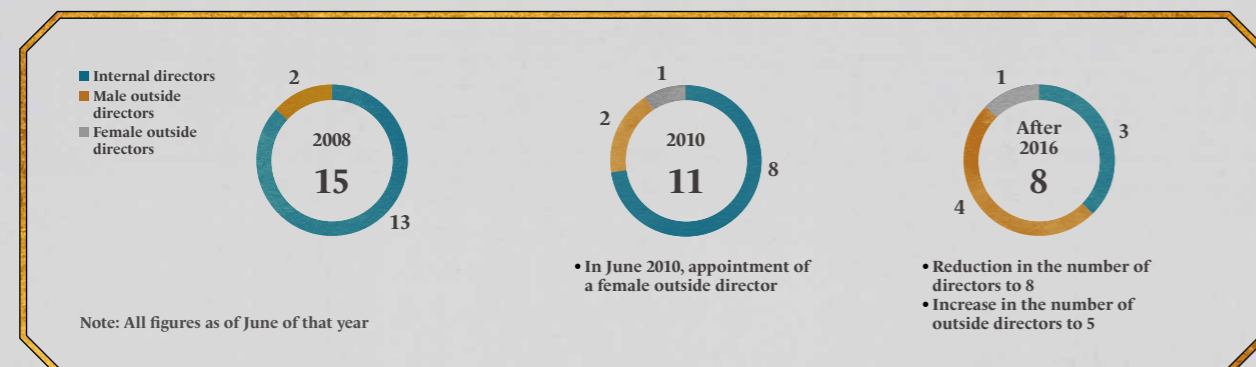
\*1 Indicates an outside director as provided for in Article 2-15 of the Companies Act.  
\*2 Indicates an outside corporate auditor as provided for in Article 2-16 of the Companies Act.  
\*3 Designated for independent director as specified by the Tokyo Stock Exchange.

While providing safe and worry-free foods, and promoting businesses to maximize benefits for all stakeholders including shareholders, consumers, employees, business partners, local communities, and local residents, NISSIN FOODS HOLDINGS recognizes enhanced and strengthened corporate governance as one of the top priorities for management and strives for highly objective and transparent management. In accordance with this, we have implemented all the principles of the Corporate Governance Code revised in June 2018.

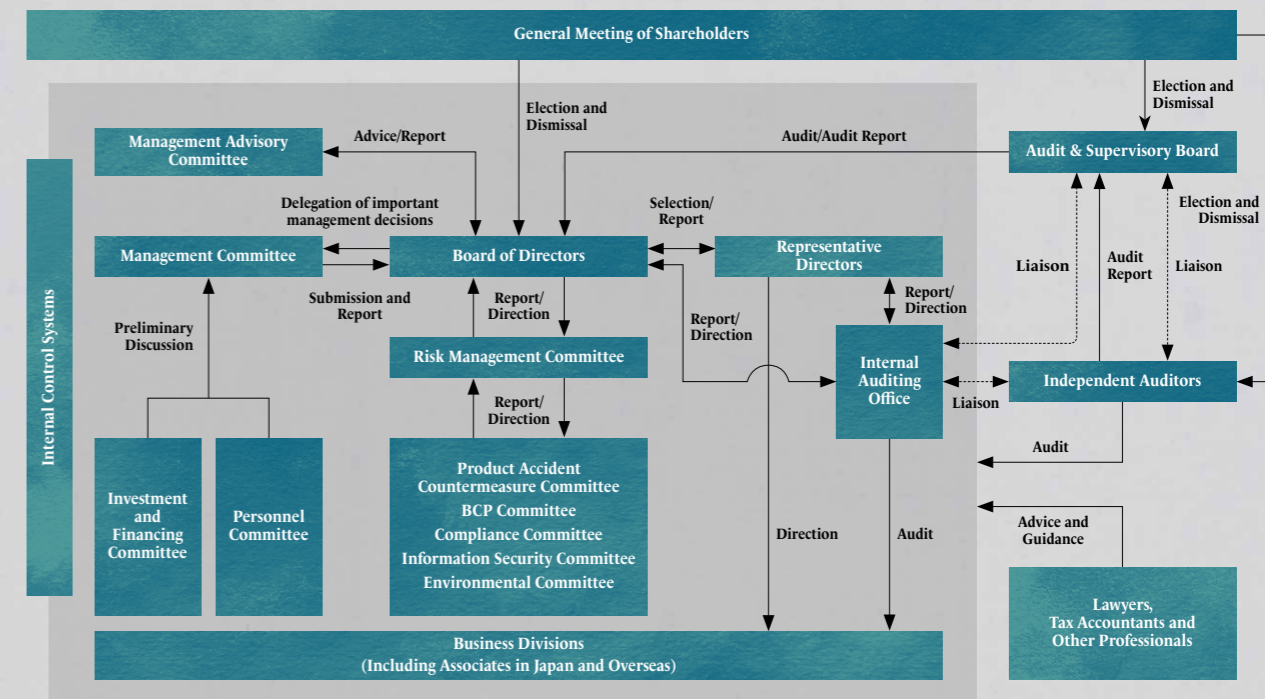
Changes in the Governance System

2008—	2015	2016	2017	2018	2019
<ul style="list-style-type: none"> <li>Transition to a holding company system</li> </ul>	<ul style="list-style-type: none"> <li>Establishment of the Liaison Committee of independent outside directors and Audit &amp; Supervisory Board Members</li> </ul>	<ul style="list-style-type: none"> <li>Announcement of policy on cross-holding of shares</li> <li>Review of the criteria for submission to the Board of Directors (separate the directors' execution and supervision)</li> </ul>	<ul style="list-style-type: none"> <li>Introduction of IFRS</li> <li>Cancellation of treasury stock</li> </ul>	<ul style="list-style-type: none"> <li>Establishment of NISSIN FOODS Group Human Rights Policy</li> <li>Establishment of NISSIN FOODS Group Tax Policy</li> <li>Establishment of Anti-Bribery Policy</li> </ul>	<ul style="list-style-type: none"> <li>Establishment of NISSIN FOODS Group Human Rights Policy</li> <li>Establishment of NISSIN FOODS Group Tax Policy</li> <li>Establishment of Anti-Bribery Policy</li> </ul>
	<ul style="list-style-type: none"> <li>Adoption of Takeover Defense Measures</li> <li>Debate of pros and cons of the Company's organizational structure</li> </ul>	<ul style="list-style-type: none"> <li>Abolition of Takeover Defence Measures (before the renewal deadline)</li> </ul>	<ul style="list-style-type: none"> <li>Implementation of training workshops for directors and Audit &amp; Supervisory Board members</li> </ul>	<ul style="list-style-type: none"> <li>IFRS training</li> <li>Human rights education</li> <li>Compliance training</li> <li>Diversity and Inclusion training</li> </ul>	<ul style="list-style-type: none"> <li>Human rights education</li> <li>Compliance training</li> <li>Diversity and Inclusion training</li> </ul>
	<ul style="list-style-type: none"> <li>Appointment of directors</li> <li>Increase in the number of outside directors</li> <li>Paying remuneration to directors</li> <li>Evaluation of effectiveness of the Board of Directors</li> </ul>	<ul style="list-style-type: none"> <li>Reason for the appointment for director</li> <li>Criteria and process for selection and dismissal of CEO and directors</li> <li>Advisors/ advisor system</li> <li>Succession plan for CEO</li> </ul>	<ul style="list-style-type: none"> <li>Criteria and process for selection and dismissal of CEO and directors</li> <li>Advisors/ advisor system</li> <li>Succession plan for CEO</li> </ul>	<ul style="list-style-type: none"> <li>Criteria and process for selection and dismissal of CEO and directors</li> <li>Advisors/ advisor system</li> <li>Succession plan for CEO</li> </ul>	<ul style="list-style-type: none"> <li>Expansion of information disclosure including decision policy</li> </ul>
	<ul style="list-style-type: none"> <li>Enhancement of information disclosure</li> <li>Earlier provision of meeting materials</li> <li>Report on risk management</li> </ul>	<ul style="list-style-type: none"> <li>Strengthening the internal whistleblowing system</li> <li>Offering opportunities for training</li> <li>Formulation of a succession plan</li> <li>Atmosphere for more open-minded discussion</li> </ul>			
	<p>(Main issues identified)</p>				

Changes in the Composition of the Board of Directors



Corporate Governance Structure

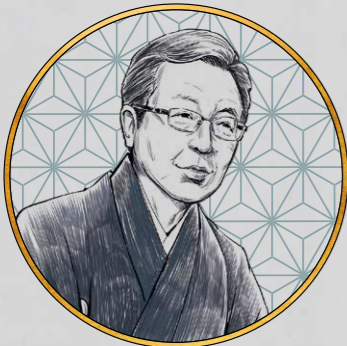


Management Advisory Committee

The Management Advisory Committee, which is chaired by an independent outside director and the majority of which is Independent Officers, has been established since 2015 in order to strengthen the supervisory functions of the Board of Directors and at the same time ensure transparency and fairness in management. The "Management Advisory Committee" meets three times a year in principle, as an advisory body to the Board of Directors, to deliberate the following matters, reports the result to the Board of Directors, and thereby contributes to deliberation and resolution by the Board of Directors.

Theme	Example and reference of deliberated matters
<b>1. Selection and dismissal of members of the management team</b> The committee deliberates policies, criteria and a series of procedures for the selection or dismissal of members of the management team, including candidates for director.	<b>Criteria for selection and dismissal of candidates for directors</b> In order to develop the Group's operations in Japan and overseas under its philosophy, "EARTH FOOD CREATOR," the Group selects candidates who possess extensive experience, deep insight, and advanced specialization, while comprehensively taking into account the balance of knowledge, experience, and capabilities, and diversity in fields of not only specialization and gender, but also race, ethnic group, nationality, and national origin.  <b>Composition of the Board of Directors</b> In 2016, the Company reduced the number of directors from within the organization by six while increasing the number of outside directors by one in order to further enhance its function to supervise business management and expedite decision-making. Through this measure, the current system has been established in which the majority of directors are outside directors.
<b>2. Remuneration of directors</b> The Committee deliberates and supervises the policy for paying remuneration to directors and the validity of the determination process from the viewpoint of transparency and fairness of management and the like.	<b>Policy for paying remuneration and procedures for determining remuneration</b> Remuneration for a director consists of the "basic remuneration" paid according to position and role importance of the director as well as corporate performance and individual performance and the "remuneration-type stock options" for the purpose of increasing motivation and as incentives toward the contribution to sustained improvement of business performance and enhancement of corporate value over the medium to long term.
<b>3. Other items regarding corporate governance</b> The Committee raises and deliberates agenda items necessary for further improving the governance system of the Company as appropriate.	<b>Evaluation of management of the Board of Directors (See page 37)</b>  <b>Succession plan for CEO</b> The Committee supervises succession plans and discusses such matters as skill sets expected of a successor to CEO. For the details, please refer to the Corporate Governance Report on the Company's website.  <b>Abolition of the takeover defense measures</b> From the viewpoint of ensuring and enhancing the Company's corporate value and thus the common interests of shareholders, the Takeover Defense Measures were abolished in December 2017 prior to the expiration date (at the conclusion of the Ordinary General Meeting of Shareholders of the Company for the fiscal year ended March 31, 2019).

### Message from an Outside Director



**Eietsu Sakuraba**  
Outside Director  
(Independent)

**D**uring my time at Japan's Ministry of Agriculture, Forestry and Fisheries, I oversaw the development and support of food-related industries as Director-General of the Food Industry Affairs Bureau and in other roles. I have also been deeply involved in the development of Japan's agriculture and food industry. As a visiting professor in the faculty of agriculture at Takasaki University of Health and Welfare, I took part in addressing environmental issues and food safety and served in other ways.

The NISSIN FOODS Group is advancing strategies to achieve recognition as a global company. For example, it has already established a strong quality management system in the area of food safety. However, in the current rapidly changing and highly uncertain environment, I believe that the challenge is not simply to establish quality management functions that meet international standards. It is also to introduce new technologies, strengthen the supply chain system, and build a training system for developing global human resources.

A major role of outside directors is to closely supervise management from an objective, fair, and impartial perspective. I also believe that the quality of management can be further improved. In judging the appropriateness of decisions made by the Board of Directors, we should utilize our past experience while constantly accumulating new information. In this way we can provide productive advice from the standpoint of non-executive directors.

### Evaluation of Management of the Board of Directors

The Company confirms whether the Board of Directors is fulfilling its role and evaluates its effectiveness annually to enhance the effectiveness of the Board of Directors. The Company arranges for directors and Audit & Supervisory Board members to evaluate the effectiveness of the Board of Directors by way of a questionnaire. We decided to use external experts for evaluating the effectiveness of the Board of Directors for the fiscal year ended March 31, 2020.

#### Assessment process

1. The Management Advisory Committee deliberated the method of evaluating effectiveness, while the Board of Directors decided the method of evaluation in consideration of opinions from external experts.
2. The anonymous questionnaire was given to all directors and Audit & Supervisory Board members and external experts aggregated and analyzed the answers.
3. The Management Advisory Committee assessed effectiveness of the Board based on the analysis results, deliberated any issues, and reported the results to the Board.
4. The Board of Directors shared the assessment results and confirmed any issues to be addressed for the coming fiscal year.

#### Overview of the questionnaire results

The Company confirmed that both the supervisory functions and the decision-making functions expected of the Board of Directors were properly working and its effectiveness was being ensured.

It was confirmed that further improvements had been made in particular in the formulation of a succession plan, the composition of the Board of Directors, and the responses to issues concerning sustainability.

In addition, we confirmed improvements from the initiatives implemented to address issues for the fiscal year ended March 31, 2019, which included holding seminars and discussions for directors and Audit & Supervisory Board members on specific themes and providing additional opportunities for providing explanations to outside directors in advance of the agenda of the Board of Directors.

In order to further improve the effectiveness of the Board of Directors, the need for efforts was pointed out in relation to enhanced disclosure concerning cross-holding of shares and further strengthening the cooperation between outside directors and the Internal Audit Department.

### Risk Factors

A summary from the current securities report (in Japanese only) of the conditions that have the potential to significantly influence the decisions of investors has been included below. The Company acknowledges the possibility that these risks can arise, and will make every effort to prevent such risks from occurring and to address the resulting situations if such risks do occur.

1. Food safety issues	Product reputation could be unfavorably affected if unanticipated and unusual health-related situations were to arise in the future, or could be impacted by food safety problems occurring overseas.
2. Risk derived from changes in demographic trends	Overall demand in the instant noodle market would shrink due to the declining birthrate, aging population, and declining population in Japan.
3. Risk of decline in brand value	The relative brand value of the Company's products could decline if another company were to achieve a revolutionary breakthrough in instant noodle development.
4. Risk of product liability	In the event of a product liability accident, a product recall that cannot be covered by insurance could incur additional repair costs.
5. Risk of increases in prices of raw materials	Material prices could increase significantly due to factors such as political unrest or international disputes occurring in the countries that produce raw materials and crop failures caused by abnormal weather associated with global warming.
6. Risk of natural disasters	If a large-scale earthquake or wind and flood damage from a typhoon were to occur and manufacturing facilities incurred damage, the Company's production infrastructure could suffer because, for example, an interruption in operations would reduce output, and repairs to facilities and equipment would raise expenses.
7. Risk related to overseas operations	Operation could become difficult due to political unrest in countries where the Company's subsidiaries and associates are located, issues threatening to undermine food safety, or legal controls in certain countries.
8. Risk related to information systems	The Company's systems could be damaged and/or data could be leaked outside the organization due to illegal system access by unauthorized individuals through technologies that the Company has not envisioned, or due to an unknown computer virus getting through established safeguards.
9. Risk of declining market values on marketable securities	Worsening market conditions that cause market values to decline or a sluggish performance by equity investments could cause impairment losses.
10. Risk related to the accounting for impairment of fixed assets	Fixed assets could face a substantial decline in fair value and future cash flows.
11. Reliance on certain business clients	Difficulty in collection of accounts receivable could occur due to deterioration of business conditions of suppliers who are on sales of products and procurement of certain raw materials. Production activities could stop if the supply of raw materials is suspended and the Company's production has to be halted.
12. Exchange rate fluctuations	The local financial statements in each region are translated to Japanese yen for the purpose of preparing consolidated financial statements. Hence, exchange rate fluctuations may have an effect on the Group's consolidated results and financial position, even if there is no change in the value in local currencies.

### Compliance

In accordance with the NISSIN FOODS Group Compliance Regulations, we appoint compliance managers in each main division of NISSIN FOODS HOLDINGS and each group company, and hold quarterly meetings of the Compliance Committee, chaired by the COO. Committee members follow trends in consultations and reports made to internal whistleblowing contact points and types of issues, and also consider prevention measures. We have also established a system to put into practice behavior that conforms to social ethics by distributing compliance handbooks and conducting training.

### Internal Control Systems

Officers and employees of the Company and its subsidiaries shall pursue deep awareness of corporate social responsibility, comply with the relevant laws and regulations, and commit to conformation with social ethics when executing their daily duties pursuant to the NISSIN FOODS Group Ethics Regulations and NISSIN FOODS Group Compliance Regulations.

### NISSIN FOODS Group Tax Policy

In regards to tax compliance, we have established the NISSIN FOODS Group Tax Policy, promote the awareness of tax compliance among NISSIN FOODS Group companies and our employees, and constantly strive to develop and operate an appropriate tax compliance system. We recognize that proper and transparent tax administration and proper payment according to each country's taxation system can have a significant influence on a country's economic and social development and may lead to the maximization of benefits for all stakeholders.



Access the corporate website for more detailed information

- Compliance Promotion System
- Matters Related to Internal Control System
- NISSIN FOODS Group Tax Principle
- Risk Factors



# 06 RESULTS

## Financial Statements



Access the corporate website for more detailed information

- Financial Data for FY 3/2020
- Financial Information



### Consolidated Statement of Financial Position

NISSIN FOODS HOLDINGS CO., LTD. and Consolidated Subsidiaries  
Year ended March 31, 2020

	Millions of yen		Thousands of U.S. dollars
	FY 3/2019 (As of March 31, 2019)	FY 3/2020 (As of March 31, 2020)	FY 3/2020 (As of March 31, 2020)
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	¥ 57,125	¥ 60,163	\$ 552,820
Trade and other receivables	72,749	77,932	716,093
Inventories	32,729	32,454	298,209
Income taxes receivable	1,964	2,701	24,824
Other financial assets	8,233	10,273	94,403
Other current assets	6,095	4,258	39,127
<b>Total current assets</b>	<b>178,898</b>	<b>187,784</b>	<b>1,725,480</b>
<b>Non-current assets</b>			
Property, plant and equipment	216,831	240,063	2,205,857
Goodwill and intangible assets	4,470	3,806	34,973
Investment property	7,157	7,108	65,320
Investments accounted for using the equity method	43,021	47,436	435,880
Other financial assets	92,738	77,209	709,455
Deferred tax assets	12,564	12,844	118,022
Other non-current assets	1,896	368	3,383
<b>Total non-current assets</b>	<b>378,679</b>	<b>388,837</b>	<b>3,572,892</b>
<b>Total assets</b>	<b>¥557,577</b>	<b>¥576,621</b>	<b>\$5,298,373</b>
<b>Liabilities and equity</b>			
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	¥106,823	¥104,815	\$ 963,111
Borrowings	29,103	6,631	60,933
Provisions	820	337	3,100
Accrued income taxes	6,894	6,294	57,840
Other financial liabilities	767	3,418	31,414
Other current liabilities	17,243	20,183	185,455
<b>Total current liabilities</b>	<b>161,653</b>	<b>141,681</b>	<b>1,301,856</b>
<b>Non-current liabilities</b>			
Borrowings	13,297	41,630	382,527
Other financial liabilities	5,282	18,350	168,613
Defined benefit liabilities	5,664	5,828	53,555
Provisions	284	207	1,905
Deferred tax liabilities	16,408	12,393	113,883
Other non-current liabilities	2,442	2,467	22,672
<b>Total non-current liabilities</b>	<b>43,378</b>	<b>80,877</b>	<b>743,158</b>
<b>Total liabilities</b>	<b>205,031</b>	<b>222,558</b>	<b>2,045,014</b>
<b>Equity</b>			
Share capital	25,122	25,122	230,843
Capital surplus	50,614	50,639	465,312
Treasury shares	(6,718)	(6,660)	(61,200)
Other components of equity	29,235	12,275	112,795
Retained earnings	228,526	246,616	2,266,072
<b>Total equity attributable to owners of the parent</b>	<b>326,781</b>	<b>327,994</b>	<b>3,013,823</b>
Non-controlling interests	25,764	26,068	239,535
<b>Total equity</b>	<b>352,545</b>	<b>354,063</b>	<b>3,253,358</b>
<b>Total liabilities and equity</b>	<b>¥557,577</b>	<b>¥576,621</b>	<b>\$5,298,373</b>

### Consolidated Statement of Income

NISSIN FOODS HOLDINGS CO., LTD. and Consolidated Subsidiaries  
Year ended March 31, 2020

	Millions of yen		Thousands of U.S. dollars
	FY 3/2019 (From April 1, 2018 To March 31, 2019)	FY 3/2020 (From April 1, 2019 To March 31, 2020)	FY 3/2020 (From April 1, 2019 To March 31, 2020)
<b>Revenue</b>	<b>¥450,984</b>	<b>¥468,879</b>	<b>\$4,308,363</b>
<b>Cost of sales</b>	<b>295,823</b>	<b>301,599</b>	<b>2,771,290</b>
<b>Gross profit</b>	<b>155,161</b>	<b>167,279</b>	<b>1,537,073</b>
<b>Selling, general and administrative expenses</b>	<b>126,283</b>	<b>129,485</b>	<b>1,189,792</b>
<b>Gain on investments accounted for using the equity method</b>	<b>3,966</b>	<b>4,543</b>	<b>41,744</b>
<b>Other income</b>	<b>6,945</b>	<b>1,951</b>	<b>17,935</b>
<b>Other expenses</b>	<b>10,821</b>	<b>3,036</b>	<b>27,902</b>
<b>Operating profit</b>	<b>28,967</b>	<b>41,252</b>	<b>379,058</b>
<b>Finance income</b>	<b>2,525</b>	<b>2,544</b>	<b>23,377</b>
<b>Finance costs</b>	<b>326</b>	<b>1,147</b>	<b>10,539</b>
<b>Profit before tax</b>	<b>31,166</b>	<b>42,650</b>	<b>391,896</b>
<b>Income tax expense</b>	<b>11,242</b>	<b>11,528</b>	<b>105,927</b>
<b>Profit</b>	<b>19,923</b>	<b>31,122</b>	<b>285,969</b>
<b>Profit attributable to</b>			
Owners of the parent	19,356	29,316	269,383
Non-controlling interests	567	1,805	16,586
<b>Profit</b>	<b>¥ 19,923</b>	<b>¥ 31,122</b>	<b>\$ 285,969</b>
<b>Earnings per share</b>			
Basic earnings per share (Yen)	185.85	281.45	2.58
Diluted earnings per share (Yen)	184.90	279.93	2.57

### Consolidated Statement of Comprehensive Income

<b>Profit</b>	<b>¥ 19,923</b>	<b>¥ 31,122</b>	<b>\$ 285,969</b>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Net change in equity instruments measured at fair value through other comprehensive income	(6,458)	(11,692)	(107,442)
Remeasurements of defined benefit plans	(905)	91	841
Share of other comprehensive income of investments accounted for using the equity method	(80)	57	529
<b>Total items that will not be reclassified to profit or loss</b>	<b>(7,444)</b>	<b>(11,543)</b>	<b>(106,070)</b>
<b>Items that may be reclassified to profit or loss</b>			
Net change in debt instruments measured at fair value through other comprehensive income	2	(19)	(175)
Cash flow hedges	50	2	26
Foreign currency translation differences on foreign operations	(1,783)	(8,252)	(75,830)
Share of other comprehensive income of investments accounted for using the equity method	(2,339)	2,046	18,802
<b>Total items that may be reclassified to profit or loss</b>	<b>(4,070)</b>	<b>(6,222)</b>	<b>(57,176)</b>
<b>Total other comprehensive income</b>	<b>(11,514)</b>	<b>(17,766)</b>	<b>(163,247)</b>
<b>Comprehensive income</b>	<b>¥ 8,409</b>	<b>¥ 13,355</b>	<b>\$ 122,721</b>
<b>Comprehensive income attributable to:</b>			
Owners of the parent	¥ 7,891	¥ 12,444	\$ 114,345
Non-controlling interests	517	911	8,376
<b>Comprehensive income</b>	<b>¥ 8,409</b>	<b>¥ 13,355</b>	<b>\$ 122,721</b>

As of March 31, 2020

Consolidated Statement of Cash Flows			
NISSIN FOODS HOLDINGS CO., LTD. and Consolidated Subsidiaries			
Year ended March 31, 2020			
	Millions of yen		Thousands of U.S. dollars
	FY 3/2019 (From April 1, 2018 To March 31, 2019)	FY 3/2020 (From April 1, 2019 To March 31, 2020)	FY 3/2020 (From April 1, 2019 To March 31, 2020)
<b>Operating activities</b>			
Profit before tax	¥ 31,166	¥ 42,650	\$ 391,896
Depreciation and amortization	20,304	25,191	231,480
Impairment losses	9,544	1,347	12,377
Increase (decrease) in defined benefit liabilities	1,524	172	1,585
Finance income and costs	(2,085)	(536)	(4,929)
(Gain) loss on investments accounted for using the equity method	(3,966)	(4,543)	(41,744)
(Gain) loss on sales of fixed assets	(5,303)	(123)	(1,137)
(Increase) decrease in inventories	(3,201)	(951)	(8,738)
(Increase) decrease in trade and other receivables	(84)	(6,091)	(55,975)
Increase (decrease) in trade and other payables	3,683	3,405	31,291
Other	(2,754)	6,205	57,023
Subtotal	48,829	66,726	613,129
Interest and dividends received	4,204	4,720	43,374
Interest paid	(271)	(583)	(5,365)
Income taxes paid	(13,138)	(15,084)	(138,605)
Income taxes refunded	1,117	1,754	16,123
Cash flows from operating activities	40,740	57,533	528,656
<b>Investing activities</b>			
Payments into time deposits	(13,039)	(2,142)	(19,688)
Proceeds from redemption of time deposits	15,704	3,702	34,018
Payment for purchases of property, plant and equipment and others	(51,757)	(37,933)	(348,559)
Proceeds from sales of property, plant and equipment and others	9,891	484	4,448
Payment for acquisition of intangible assets	(1,412)	(745)	(6,848)
Payment for purchases of investments in securities	(749)	(1,061)	(9,750)
Proceeds from sales and redemption of investments in securities	193	996	9,155
Payment for purchases of marketable securities	(5,617)	(3,721)	(34,198)
Proceeds from sales of marketable securities	2,214	—	—
Other	28	8	74
Cash flows from investing activities	(44,544)	(40,413)	(371,346)
<b>Financing activities</b>			
Net increase (decrease) in short-term borrowings	20,747	(21,375)	(196,413)
Proceeds from long-term borrowings	4,573	31,262	287,262
Repayment of long-term borrowings	(3,503)	(3,782)	(34,755)
Repayment of lease liabilities	(320)	(4,183)	(38,437)
Net increase in treasury shares	(8)	(6)	(58)
Cash dividends paid	(10,414)	(11,457)	(105,281)
Cash dividends paid to non-controlling-interest shareholders	(826)	(913)	(8,392)
Proceeds from payment from non-controlling interest shareholders	666	313	2,877
Proceeds from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	2,155	—	—
Other	0	0	0
Cash flows from financing activities	13,069	(10,142)	(93,198)
Effect of exchange rate changes on cash and cash equivalents	(1,761)	(3,939)	(36,196)
Net increase (decrease) in cash and cash equivalents	7,504	3,037	27,914
Cash and cash equivalents at the beginning of year	49,620	57,125	524,906
Cash and cash equivalents at the end of year	¥ 57,125	¥ 60,163	\$ 552,820

Company	Capital	Business area	Equity ownership (%)
<b>Consolidated Subsidiaries</b>			
NISSIN FOOD PRODUCTS CO., LTD.	¥5,000 million	Instant noodle manufacturing and marketing	100.0
MYOJO FOODS CO., LTD.	¥3,143 million	Instant noodle manufacturing and marketing	100.0
NISSIN CHILLED FOODS CO., LTD.	¥100 million	Chilled food manufacturing and marketing	100.0
NISSIN FROZEN FOODS CO., LTD.	¥100 million	Frozen food manufacturing and marketing	100.0
NISSIN CISCO CO., LTD.	¥2,600 million	Cereals and confectionery manufacturing and marketing	100.0
NISSIN YORK CO., LTD.	¥870 million	Beverage and dairy product manufacturing and marketing	100.0
NISSIN ASSET MANAGEMENT CO., LTD.	¥50 million	Real estate and leasing management	100.0
Sapporo Nissin Co., Ltd.	¥100 million	Instant noodle manufacturing and marketing	100.0 (100.0)
Nissin Plastics Co., Ltd.	¥100 million	Container manufacturing and marketing	100.0 (100.0)
NISSIN F.D. FOODS CO., LTD.	¥100 million	Ingredient manufacturing and marketing	100.0 (100.0)
Kagawa Nissin Food Products Co., Ltd.	¥100 million	Ingredient manufacturing and marketing	100.0 (100.0)
Nissin Enterprise Corporation	¥100 million	Warehousing	100.0 (100.0)
AJINIHON CO., LTD.	¥95 million	Soup manufacturing and marketing	49.4 (49.4)
NISHINIHON MYOJO CO., LTD.	¥90 million	Instant noodle manufacturing and marketing	100.0 (100.0)
UNI-STAR CO., LTD.	¥100 million	Soup manufacturing and marketing	100.0 (100.0)
HIGASHINIHON MYOJO CO., LTD.	¥90 million	Instant noodle manufacturing and marketing	100.0 (100.0)
Saitama Nissin Food Products Co., Ltd.	¥30 million	Chilled and frozen food manufacturing and marketing	100.0 (100.0)
SAGAMI FRESH CO., LTD.	¥100 million	Chilled food manufacturing and marketing	100.0 (100.0)
Shikoku Nissin Food Products Co., Ltd.	¥98 million	Frozen food manufacturing and marketing	100.0 (100.0)
Takamatsu Nissin Food Products Co., Ltd.	¥80 million	Frozen food manufacturing and marketing	100.0 (100.0)
Mie Nissin Food Products Co., Ltd.	¥100 million	Frozen food manufacturing and marketing	100.0 (100.0)
Circle Liners Co., Ltd.	¥50 million	Shipping and warehousing	100.0 (100.0)
NICKY FOODS CO., LTD.	¥60 million	Frozen food manufacturing and marketing	100.0 (100.0)
UJI KAIHATSU DEVELOPMENT CO., LTD.	¥100 million	Golf course management	99.1 (0.2)
NISSIN NETCOM CO., LTD.	¥24 million	Real estate and restaurant management	100.0
BonChi Co., Ltd.	¥160 million	Confectionery manufacturing and marketing	50.1
NISSIN FOODS (U.S.A.) CO., INC.	U.S.\$149,706 thousand	Instant noodle manufacturing and marketing	94.4
MYOJO U.S.A., INC.	U.S.\$5,000 thousand	Chilled food manufacturing and marketing	96.0
NISSIN FOODS DE MEXICO S.A. DE C.V.	MXN 215,191 thousand	Instant noodle manufacturing and marketing	100.0
NISSIN TECHNOLOGY ALIMENTOS DO BRASIL LTDA.	BRL 1,038,577 thousand	Offer of the production technology of instant noodle	100.0
NISSIN FOODS DO BRASIL LTDA.	BRL 102,088 thousand	Instant noodle manufacturing and marketing	100.0 (6.2)

## Business Areas of Consolidated Subsidiaries and Associates

As of March 31, 2020

Company	Capital	Business area	Equity ownership (%)
<b>Consolidated Subsidiaries</b>			
NISSIN FOODS CO., LTD.	HK\$2,981,458 thousand	Instant noodle manufacturing and marketing/regional headquarters for China	70.0
WINNER FOOD PRODUCTS LTD.	HK\$29,975 thousand	Instant noodle marketing, and frozen food manufacturing and marketing	70.0 (70.0)
NISSIN FOODS (HK) MANAGEMENT CO., LTD.	HK\$200	Back office and supporting for China	70.0 (70.0)
NISSIN FOODS (CHINA) HOLDING CO., LTD.	CNY 1,443,797 thousand	Invests in businesses in China and instant noodle marketing	70.0 (70.0)
GUANGDONG SHUNDE NISSIN FOODS CO., LTD.	HK\$130,000 thousand	Instant noodle manufacturing and marketing	70.0 (70.0)
DONGGUAN NISSIN PACKAGE CO., LTD.	CNY 147,000 thousand	Instant noodle packaging materials manufacturing and marketing	70.0 (70.0)
Nissin Koikeya Foods (China & HK) Co., Ltd.	HK\$10,000 thousand	Confectionery marketing	46.2 (46.2)
Fujian Nissin Foods Co., Ltd.	CNY 235,000 thousand	Instant noodle manufacturing and marketing	70.0 (70.0)
Zhejiang Nissin Foods Co., Ltd.	HK\$84,000 thousand	Instant noodle manufacturing and marketing	49.3 (49.3)
GUANGYOUNAN FOOD PRODUCTS (SHENZHEN) CO., LTD.	HK\$11,000 thousand	Frozen food marketing	70.0 (70.0)
ZHEJIANG NISSIN FOODS CO., LTD.	CNY 350,000 thousand	Instant noodle manufacturing and marketing	70.0 (70.0)
NISSIN FOODS (H.K.) CO., LTD.	HK\$10,000 thousand	Instant noodle marketing	70.0 (70.0)
MC Marketing & Sales (Hong Kong) Limited	HK\$1 thousand	Foods marketing	35.7 (35.7)
Kagome Nissin Foods (H.K.) Co., Ltd.	HK\$5,000 thousand	Vegetable drinks marketing	49.0 (49.0)
Zhuhai Nissin Packaging Company Limited	CNY 107,567 thousand	Instant noodle packaging materials manufacturing	70.0 (70.0)
Hong Kong Eastpeak Limited	HK\$23,000 thousand	Invest in businesses in China (SHANGHAI EASTPEAK)	70.0 (70.0)
SHANGHAI EASTPEAK TRADING CO., LTD	CNY 20,000 thousand	Wholesale sale of imported foods	56.7 (56.7)
NISSIN FOODS ASIA PTE. LTD.	SG\$307,181 thousand	Regional headquarters of Asia	100.0
NISSIN FOODS SINGAPORE PTE. LTD.	SG\$20,989 thousand	Instant noodle marketing	66.0 (66.0)
INDO NISSIN FOODS PRIVATE LTD.	INR 5,959,080 thousand	Instant noodle manufacturing and marketing	65.7 (65.7)
Nissin Foods India Ltd.	INR 500 thousand	Instant noodle marketing	65.7 (65.7)
Nissin Foods Kft.	HUF 4,904,000 thousand	Instant noodle manufacturing and marketing	100.0
Nissin Foods GmbH	EUR 25 thousand	Instant noodle marketing	100.0 (99.0)
NISSIN YILDIZ GIDA SANAYI VE TICARET A.S.	TRY 20,000 thousand	Instant noodle manufacturing and marketing	50.0
NISSIN FOODS VIETNAM CO., LTD.	U.S.\$63,630 thousand	Instant noodle manufacturing and marketing	100.0(100.0)
NISSIN FOODS (THAILAND) CO., LTD.	THB 2,618,672 thousand	Instant noodle manufacturing and marketing	66.0 (66.0)
PT. NISSIN FOODS INDONESIA	IDR 451,155 million	Instant noodle manufacturing and marketing	66.0 (56.2)
Other subsidiaries:*	(—)		(—)

### Associates Accounted for by the Equity Method

Company	Capital	Business area	Equity ownership (%)
THAI PRESIDENT FOODS PUBLIC COMPANY LIMITED	THB 329,704 thousand	Instant noodle manufacturing and marketing	20.0
MAREVEN FOOD HOLDINGS LIMITED	RUB 398 thousand	Holding company of instant noodle businesses	33.5
NISSIN-UNIVERSAL ROBINA CORP.	PHP 189,000 thousand	Instant noodle manufacturing and marketing	49.0 (49.0)
KOIKE-YA Inc.	¥2,269 million	Confectionery manufacturing and marketing	34.5

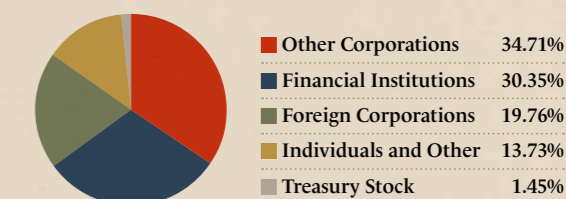
Notes: 1. The figures in ( ) of equity ownership show percentage of indirect ownership.  
 2. Equity per share (IFRS) = (Equity - Non-controlling interests) / Number of shares outstanding as of the year-end (excluding treasury shares)  
 Equity per share (JGAAP) = (Equity - Non-controlling interests - Stock acquisition rights) / Number of shares outstanding as of the year-end (excluding treasury shares)  
 \*Subsidiaries whose business is not considered material are not listed.

## Investor Information

NISSIN FOODS HOLDINGS CO., LTD.  
 (As of March 31, 2020)

Date of Establishment	September 1948
Number of Employees	724 (parent company) 12,983 (consolidated basis)
Common Stock	Authorized: 500,000,000 shares Issued: 105,700,000 shares Number of Shareholders: 47,726 (Excluding owners of odd-lot shares)
Paid-In Capital	¥25,122 million
Stock Listings	Tokyo Stock Exchange (Ticker Code: 2897)
Independent Auditors	Deloitte Touche Tohmatsu LLC
Transfer Agent	Mizuho Trust & Banking Co., Ltd. 2-1, Yaesu 1-chome, Chuo-ku, Tokyo, Japan

### Distribution of Ownership among Shareholders



### Consolidated per Share Data

	JGAAP			IFRS	
	FY 3/2016	FY 3/2017	FY 3/2018	FY 3/2019	FY 3/2020
Net income attributable to owners of the parent per share (EPS)	¥245.52	¥221.33	¥279.52	¥185.85	¥281.45
Equity (book-value) per share (BPS)	¥3,332.94	¥3,276.55	¥3,519.36	¥3,137.40	¥3,148.62
Price earnings ratio (PER) (times)	21.5	27.9	26.4	40.9	32.0
Price-to-book ratio (PBR) (times)	1.6	1.9	2.1	2.4	2.9
Dividend	¥80	¥85	¥90	¥110	¥110
Payout ratio (%)	32.6	38.4	32.2	59.2	39.1
Share price: High	¥6,620	¥6,580	¥8,470	¥8,400	¥9,440
Low	¥5,110	¥4,950	¥6,170	¥6,360	¥6,420

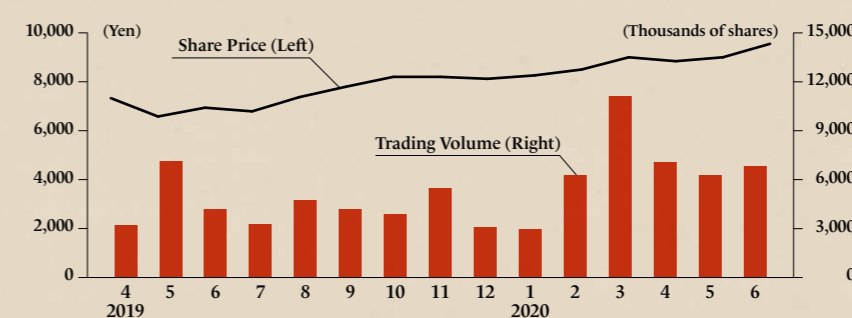
Notes: 1. From the fiscal year ended March 31, 2008, number of issued shares excludes the number of treasury stock at term-end.  
 2. Equity per share (IFRS) = (Equity - Non-controlling interests) / Number of shares outstanding as of the year-end (excluding treasury shares)  
 Equity per share (JGAAP) = (Equity - Non-controlling interests - Stock acquisition rights) / Number of shares outstanding as of the year-end (excluding treasury shares)  
 3. Price-to-book ratio are calculated based on the share price at year-end.

### Principal Shareholders

Name	Number of Shares Held (Hundreds)	Percentage of Total Shares Outstanding
Ando Foundation	79,043	7.58
Mitsubishi Corporation	78,000	7.48
The Master Trust Bank of Japan, Ltd. (Account in Trust)	55,734	5.35
ITOCHU Corporation	54,000	5.18
Ando International Y.K.	39,455	3.78
Japan Trustee Services Bank, Ltd. (Account in Trust)	36,954	3.54
Mizuho Bank, Ltd.	33,750	3.23
MUFG Bank, Ltd.	22,735	2.18
Japan Trustee Services Bank, Ltd. (Account in Trust 5)	17,377	1.66
Sumitomo Mitsui Banking Corporation	16,200	1.55
<b>Total</b>	<b>433,249</b>	<b>41.59</b>

Note: In addition to the above, the Company holds 15,293 (Hundreds) shares (1.45%) of treasury stock.

### Share Price Range and Trading Volume on the Tokyo Stock Exchange



### Further Information

For further information, please contact:  
 IR Office, Finance Platform  
 ir.jp@nissin.com

Regularly updated IR information in English is also available on NISSIN FOODS HOLDINGS website at [https://nissin.com/en\\_jp/ir/](https://nissin.com/en_jp/ir/)

## Keyword Index

This index is a gateway for readers interested in more information on the topics mentioned in this report. The key terms listed here can be found throughout this report, or on the corporate website by following the embedded link.

Access the corporate website for more detailed information  
• Homepage



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- NISSIN HISTORY
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- Medium-Term Business Plan
- Brands
- Product Safety Assurance
- Environmentally-Friendly Products
- Products for Health-Conscious Customers
- News



### Financial Data

- Financial Data for FY 3/2020
- Financial Information
  - IR Library
    - Financial Statements & Presentation Materials
    - Integrated Report (Annual Report)
    - Events and Presentations
    - Securities Report (in Japanese only)
    - Internal Control Report (in Japanese only)
    - NISSIN Report (Shareholder Newsletter/in Japanese only)
    - Press Releases (IR)
- Notice of Ordinary General Meeting of Shareholders



### Non-Financial Data

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- Promoting Diversity and Inclusion
- Fostering a Workplace with a Sense of Job Satisfaction and Self-Realization
- Endorsement of Industry Associations and Initiatives (TCFD, SBT)
- Major Awards and Recognition/Selection to the ESG



### Sustainability

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- Sustainability Promotion Structure
  - Material Issues
  - Contributing Toward the Achievement of SDGs
- Sustainability-Related Policies
- Communication with Stakeholders
- Endorsement of Industry Associations and Initiatives (TCFD, SBT)
- GRI Content Index (in Japanese only)
- News (Sustainability) (in Japanese only)



### Environment

- EARTH FOOD CHALLENGE 2030
- The Environment
- Supplier Management
- Sustainable Procurement
- Biodiversity Conservation



### Social

- Human Rights
- Product Safety
- Social Contribution
  - Supporting the Healthy Growth of Children
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### Governance

- Corporate Governance Report
- Executives
- Corporate Governance System
- Compliance Promotion System
- Ensuring Fair Trading
- Strengthening of Information Security
- Matters Related to Internal Control System
- NISSIN FOODS Group Tax Principle
- Risk Factors







#### ABOUT THIS REPORT

In keeping with the “integrated thinking” concept advocated by the International Integrated Reporting Committee (IIRC), to give shareholders, investors, and all other stakeholders a comprehensive picture of the NISSIN FOODS Group and our vision for the future, in Integrated Report 2020 we report not only the Group’s business results and other financial information, but also non-financial information such as the Group philosophy, governance, risk information, food safety measures, human resource initiatives, and environmental and social activities.

We have also tried to express in this report four attributes that we traditionally value as a Group: unique, happy, global, and creative.

#### FORWARD-LOOKING STATEMENTS

This report contains forward-looking statements regarding the Company’s plans, outlook, strategies and results for the future that are based on management’s estimates, assumptions and projections at the time of publication. Certain risks and uncertainties could cause the Company’s actual results to differ materially from any projections presented in this report. These risks and uncertainties include, but are not limited to, the domestic and international economic circumstances surrounding the Company’s businesses, competitive activity, related laws and regulations, product development programs and exchange fluctuations.



**NISSIN FOODS HOLDINGS CO., LTD.**

#### HEAD OFFICE

28-1, 6-chome, Shinjuku, Shinjuku-ku Tokyo 160-8524, Japan  
Telephone: 81-3-3205-5111 Fax: 81-3-3205-5059

#### OSAKA HEAD OFFICE

1-1, 4-chome, Nishinakajima, Yodogawa-ku Osaka 532-8524, Japan  
Telephone: 81-6-6305-7711 Fax: 81-6-6304-1288

#### WEBSITE

[https://nissin.com/en\\_jp/](https://nissin.com/en_jp/)

#### RESEARCH INSTITUTES

NISSIN Global Innovation Center  
NISSIN Global Food Safety Institute

FOOD SAFETY EVALUATION & RESEARCH INSTITUTE CO., LTD. (Shanghai)

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