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Securities code: 2001

June 6, 2019

To Shareholders with Voting Rights,

4-8 Kojimachi, Chiyoda-ku, Tokyo, Japan

NIPPON FLOUR MILLS Co., Ltd.

Masayuki Kondo, Representative Director and President

### **Convocation Notice for the 195th Annual Shareholders Meeting**

You are cordially invited to attend the 195th Annual Shareholders Meeting (the “Meeting”) of NIPPON FLOUR MILLS Co., Ltd. (the “Company”) as stated below.

**If you are unable to attend the Meeting in person, you may exercise your voting rights in writing or via the Internet, etc. Please confirm the Reference Documents for the Annual Shareholders Meeting below and exercise your voting rights no later than 5:30 p.m. Japan time on Wednesday, June 26, 2019.**

**[Voting in writing]**

Please indicate your approval or disapproval for the proposals on the enclosed Voting Rights Exercise Form and return it that it is received by the deadline above.

**[Voting via the Internet, etc.]**

Please confirm the “Guidance for Voting via the Internet, etc.” on pages 43 to 44 (translation omitted) for exercise of voting rights via the Internet, etc., and access the website for exercising voting rights designated by the Company (<https://www.web54.net>) (in Japanese). Please use the “Voting Rights Exercise Code” and the “Password” presented on the enclosed Voting Rights Exercise Form, follow the on-screen instructions, and enter your approval or disapproval for the proposals by the deadline above.

**1. Date and time:** 10 a.m. Japan time, Thursday, June 27, 2019

**2. Venue:** 7-18-18 Roppongi, Minato-ku, Tokyo, Japan  
B1F (Reception at 1F), Belle Salle Roppongi, Sumitomo Fudosan  
Roppongi-dori Building

**3. Meeting Agenda:**

- Matters to be reported:**
1. Business Report, Consolidated Financial Statements and Audit Reports on the Consolidated Financial Statements by Accounting Auditor and the Board of Auditors for the 195th Period (April 1, 2018 through March 31, 2019).
  2. Non-consolidated Financial Statements for the 195th Period (April 1, 2018 through March 31, 2019).

**Proposals to be resolved:**

- Proposal 1:** Appropriation of Retained Earnings  
**Proposal 2:** Election of Eleven Directors  
**Proposal 3:** Election of One Auditor

**4. Exercising voting rights:**

- (1) If voting rights are exercised multiple times via the Internet, the final vote submitted shall be treated as the valid exercise of voting rights.
- (2) If voting rights are exercised multiple times via both the Internet and the Voting Rights Exercise Form, the final vote arriving shall be treated as the valid exercise of voting rights, or if both arrive on the same day, the vote submitted via the Internet shall be treated as the valid exercise of voting rights.

**5. Matters regarding the Appendix and the Reference Documents for the Annual Shareholders Meeting:**

- (1) Of the documents to be attached to this Notice, the items below are provided on the Company's website in accordance with the provisions of laws and regulations as well as Article 17 of the Company's Articles of Incorporation, and therefore are not provided in this Notice and its Appendix:
  - 1) Consolidated Notes to Consolidated Financial Statements
  - 2) Non-consolidated Notes to Non-consolidated Financial StatementsFurthermore, the Consolidated Financial Statements and Non-consolidated Financial Statements audited by Auditors and the Accounting Auditor comprise each document provided in this Notice and its Appendix, in addition to the Consolidated Notes and Non-consolidated Financial Statements provided on the Company's website.
- (2) If the Reference Documents for the Annual Shareholders Meeting, Business Report, Consolidated Financial Statements, and Non-consolidated Financial Statements require revisions, the revised versions shall be posted on the Company's website:

The Company's website: <https://www.nippon.co.jp/ir/index.html>

- ◎ If attending the Meeting, please submit the enclosed Voting Rights Exercise Form at the meeting venue reception desk.

# Reference Documents for the Annual Shareholders Meeting

## Proposals and References

### Proposal 1: Appropriation of Retained Earnings

The Company's basic policy is to maintain stable and continuous dividends while securing internal reserves aimed at strengthening the corporate structure and promoting future business development. The Company regards returning profits to shareholders one of the most important goals in management.

The year-end dividend for the 195th fiscal year is proposed to be 17 yen per share as detailed below. Accordingly, the annual dividend will be 32 yen per share, an increase of 2 yen compared with the previous year, including an interim dividend of 15 yen per share.

- 1) Type of dividend property:  
Cash
- 2) Allotment of dividend property to shareholders and its total amount  
17 yen per share of the Company's common stock for a total of 1,304,713,671 yen
- 3) Effective date of the distribution of retained earnings  
June 28, 2019

**Proposal 2:** Election of Eleven Directors

The terms of office of ten Directors Hiroshi Sawada, Masayuki Kondo, Hiroyuki Matsui, Noboru Sekine, Toshifumi Horiuchi, Toshiya Maezuru, Mitsuhiro Takeuchi, Toyokazu Saotome, Atsuo Ouchi, and Naotaka Kawamata will expire at the close of the Meeting. Accordingly, in order to increase the efficiency of its management structure, the Company proposes to reduce the number of Directors by one and elect eleven Directors.

The candidates for Director are as follows:

No.	Name (Date of birth)	Past experience, significant concurrent positions, and positions and responsibilities at the Company	Number of shares of the Company held
1	Hiroshi Sawada (January 1, 1931)	<p>April 1953      Joined the Company</p> <p>June 1983      Director</p> <p>June 1986      Managing Director</p> <p>June 1989      Senior Managing Director</p> <p>June 1993      Representative Director, President</p> <p>April 2002      Representative Director, President &amp; C.O.O.</p> <p>June 2002      Representative Director, Chairman of the Board of Directors</p> <p>June 2009      Representative Director, Chairman of the Board of Directors; President &amp; C.O.O</p> <p>June 2012      Representative Director, Chairman of the Board of Directors (to present)</p> <p>[Reason for nomination as candidate for Director] Mr. Hiroshi Sawada serves as Representative Director, President, and has abundant experience and achievements as a manager. Since becoming Representative Director, Chairman in June 2002, he has contributed to the Group's further development. The Company has appointed him as a candidate for Director as he is expected to continue contributing to the Company's management.</p>	165,595

No.	Name (Date of birth)	Past experience, significant concurrent positions, and positions and responsibilities at the Company	Number of shares of the Company held
2	Masayuki Kondo (February 10, 1954)	<p>April 1976      Joined the Company</p> <p>June 2006      Executive Officer; General Manager, General Accounting Group, Accounting &amp; Finance Dept.; General Manager, Investor Relations office, Accounting &amp; Finance Dept.</p> <p>June 2007      Director; Executive Officer; Vice General Manager, Accounting &amp; Finance Dept.; General Manager, Investor Relations office, Accounting &amp; Finance Dept.</p> <p>June 2009      Managing Director; General Manager, Accounting &amp; Finance Div.</p> <p>April 2010      Director; Managing Director; General Manager, Accounting &amp; Finance Div.</p> <p>June 2010      Director; Managing Director</p> <p>June 2015      Director; Senior Managing Director</p> <p>January 2016    Representative Director; Senior Managing Director</p> <p>June 2016      Representative Director, President &amp; C.O.O. (to present)</p> <p>[Reason for nomination as candidate for Director] Mr. Masayuki Kondo has abundant operational experience in the accounting department. Since becoming Representative Director, President in June 2016, he has driven the Group's management and has strengthened the management foundations. The Company has appointed him as a candidate for Director as he is expected to continue contributing to the Company's management.</p>	23,500

No.	Name (Date of birth)	Past experience, significant concurrent positions, and positions and responsibilities at the Company	Number of shares of the Company held
3	Toshifumi Horiuchi (May 25, 1959)	<p>April 1983      Joined the Company</p> <p>January 2009    General Manager, Business Administration Div.</p> <p>April 2010      General Manager, Business Administration Div., Wheat Flour Business Company</p> <p>June 2013      Vice President, Wheat Flour Business Company; General Manager, Business Administration Div., Wheat Flour Business Company</p> <p>April 2014      Vice General Manager, Wheat Flour Business Dept.; General Manager, Business Administration Div., Wheat Flour Business Dept.</p> <p>June 2014      Executive Officer; Vice General Manager, Wheat Flour Business Dept.; General Manager, Business Administration Div., Wheat Flour Business Dept.</p> <p>June 2015      Director; Executive Officer; Vice General Manager, Wheat Flour Business Dept.; General Manager, Business Administration Div., Wheat Flour Business Dept.</p> <p>June 2017      Director; Managing Director; Acting General Manager, Wheat Flour Business Dept.</p> <p>April 2019      Director; Managing Director; Acting General Manager, Wheat Flour Business Dept. (to present)</p> <p>(Responsibilities in the Company) In charge of Related Business Div. and Distribution Administration Div.</p> <p>[Reason for nomination as candidate for Director] Mr. Toshifumi Horiuchi has abundant operational experience in the business administration department. Since becoming a Director in June 2015, he has been responsible for the Wheat Flour Business and has been central to the Group's management. The Company has appointed him as a candidate for Director as he is expected to continue contributing to the Company's management.</p>	7,000

No.	Name (Date of birth)	Past experience, significant concurrent positions, and positions and responsibilities at the Company	Number of shares of the Company held
4	Toshiya Maezuru (January 7, 1961)	<p>April 1983      Joined the Company</p> <p>April 2008      General Manager, Production Control Group, Production &amp; Technology Div.</p> <p>June 2011      General Manager, Fukuoka Mill</p> <p>June 2013      General Manager, Production &amp; Technology Div.</p> <p>June 2014      Executive Officer; General Manager, Production &amp; Technology Div.</p> <p>June 2015      Director; Executive Officer; Vice General Manager, Production &amp; Technology Dept.; General Manager, Production &amp; Technology Div., Production &amp; Technology Dept.</p> <p>June 2017      Director; Managing Director; General Manager, Production &amp; Technology Dept.; General Manager, Production &amp; Technology Div., Production &amp; Technology Dept.</p> <p>June 2018      Director; Managing Director; General Manager, Production &amp; Technology Dept. (to present)</p> <p>[Reason for nomination as candidate for Director] Mr. Toshiya Maezuru has abundant operational experience in the manufacturing department. Since becoming a Director in June 2015, he has been responsible for the production and technology department and has been central to the Group's management. The Company has appointed him as a candidate for Director as he is expected to continue contributing to the Company's management.</p>	7,000

No.	Name (Date of birth)	Past experience, significant concurrent positions, and positions and responsibilities at the Company	Number of shares of the Company held
5	Mitsuhiko Takeuchi (April 18, 1955)	<p>April 1979      Joined the Company</p> <p>April 2005      General Manager, Wheat Flour Sales Div., Tokyo Branch</p> <p>June 2007      Vice General Manager, Tokyo Branch; General Manager, Wheat Flour Sales Div., Tokyo Branch</p> <p>June 2008      General Manager, Osaka Branch</p> <p>June 2012      Executive Officer; General Manager, Osaka Branch</p> <p>June 2013      Executive Officer; In charge of Western Japan Business; General Manager, Osaka Branch</p> <p>June 2014      Executive Officer; General Manager, Tokyo Branch</p> <p>June 2015      Managing Director; General Manager, Tokyo Branch</p> <p>June 2016      Managing Director; In charge of Eastern Japan Business; General Manager, Tokyo Branch</p> <p>June 2017      Director; Managing Director; In charge of Eastern Japan Business; General Manager, Tokyo Branch</p> <p>June 2018      Director; Managing Director; In charge of Eastern Japan Business (to present)</p> <p>[Reason for nomination as candidate for Director] Mr. Mitsuhiko Takeuchi has abundant operational experience in the sales &amp; marketing department. Since becoming a Director in June 2017, he has been responsible for the Eastern Japan Business and has been central to the Group's management. The Company has appointed him as a candidate for Director as he is expected to continue contributing to the Company's management.</p>	11,600



No.	Name (Date of birth)	Past experience, significant concurrent positions, and positions and responsibilities at the Company	Number of shares of the Company held
6	Toyokazu Saotome (June 27, 1958)	<p>July 2000      Joined the Company; Counselor, Business Development &amp; Support</p> <p>June 2007      General Manager, Corporate Planning Group, Planning &amp; Operations Dept.</p> <p>April 2008      General Manager, Corporate Planning Group, Planning Div.</p> <p>June 2009      General Manager, Planning Div.</p> <p>August 2009    General Manager, Corporate Planning Div.</p> <p>April 2010      General Manager, Corporate Planning Div.; General Manager, Pet Care Business Div.</p> <p>June 2014      Associate Director; General Manager, Corporate Planning Div.; General Manager, Pet Care Business Div.</p> <p>June 2015      Executive Officer; General Manager, Corporate Planning Div.; General Manager, Pet Care Business Div.</p> <p>June 2017      Director; Executive Officer; General Manager, Corporate Planning Div.</p> <p>June 2018      Director; Managing Director; General Manager, International Business Div. (to present)</p> <p>(Responsibilities in the Company) In charge of Corporate Planning Div.</p> <p>[Reason for nomination as candidate for Director] Mr. Toyokazu Saotome has abundant operational experience in the corporate planning department. Since becoming a Director in June 2017, he has been responsible for the said department and the international department and has contributed to the Group's development. The Company has appointed him as a candidate for Director as he is expected to continue contributing to the Company's management.</p>	9,000

No.	Name (Date of birth)	Past experience, significant concurrent positions, and positions and responsibilities at the Company	Number of shares of the Company held
7	Atsuo Ouchi (April 3, 1959)	<p>April 1983      Joined the Company</p> <p>June 2009      General Manager, Foods Business Administration Div.</p> <p>April 2010      General Manager, Foods Business Administration Div., Foods Business Company</p> <p>April 2014      General Manager, Foods Business Administration Div., Foods Business Dept.</p> <p>June 2014      General Manager, Foods Business Administration Div., Foods Business Administration Dept.</p> <p>June 2015      Executive Officer; General Manager, Foods Business Administration Div., Foods Business Dept.</p> <p>June 2016      Executive Officer; General Manager, Foods Business Administration Dept.; General Manager, Foods Business Administration Div., Foods Business Administration Dept.</p> <p>June 2017      Director; Executive Officer; General Manager, Foods Business Administration Dept.</p> <p>April 2019      Director; Executive Officer; General Manager, Foods Business Administration Dept. (to present)</p> <p>[Reason for nomination as candidate for Director] Mr. Atsuo Ouchi has abundant operational experience in the business administration department. Since becoming a Director in June 2017, he has been responsible for the food business administration department and has contributed to the Group's development. The Company has appointed him as a candidate for Director as he is expected to continue contributing to the Company's management.</p>	4,900
8	<div>New appointment</div> <p>Takaaki Aonuma (December 16, 1959)</p>	<p>April 1982      Joined the Company</p> <p>October 2004    Deputy General Manager, Accounting Div.</p> <p>April 2005      Deputy General Manager, General Accounting Group, Accounting &amp; Finance Dept.</p> <p>June 2010      General Manager, General Accounting Group, Accounting &amp; Finance Div.</p> <p>March 2014      General Manager, Related Business Div.</p> <p>June 2015      Associate Director; General Manager, Related Business Div.</p> <p>June 2016      Executive Officer; General Manager, Related Business Div.</p> <p>June 2017      Executive Officer; General Manager, Accounting &amp; Finance Div. (to present)</p> <p>[Reason for nomination as candidate for Director] Mr. Takaaki Aonuma has abundant operational experience in the accounting department. Since becoming an Executive Officer in June 2016, he has contributed to the Group's development. The Company has appointed him as a candidate for Director as he can be expected to further contribute to the Company's management.</p>	5,400

No.	Name (Date of birth)	Past experience, significant concurrent positions, and positions and responsibilities at the Company	Number of shares of the Company held
9	<div>New appointment</div> <p>Takashi Eshima (May 24, 1959)</p>	<p>April 1982      Joined the Company</p> <p>June 2008      General Manager, Foods Sales Div., Osaka Branch</p> <p>June 2015      Associate Director; General Manager, CS Business Dept.; General Manager, CS Business Div., CS Business Dept.</p> <p>June 2017      Executive Officer; General Manager, CS Business Dept.; General Manager, Nakashoku Business Div., CS Business Dept.</p> <p>April 2019      Executive Officer; General Manager, CS Business Dept.; General Manager, Nakashoku Business Div., CS Business Dept. (to present)</p> <p>[Reason for nomination as candidate for Director] Mr. Takashi Eshima has abundant operational experience in the Nakashoku department. Since becoming an Executive Officer in June 2017, he has contributed to the Group's development. The Company has appointed him as a candidate for Director as he can be expected to further contribute to the Company's management.</p>	12,200
10	<div>New appointment</div> <p>Akiko Kimura (January 2, 1959)</p>	<p>July 1997      Joined the Company</p> <p>November 2006      Deputy General Manager, Business Development &amp; Support</p> <p>June 2013      General Manager, Business Development &amp; Support, International Business Div.</p> <p>June 2015      Associate Director; General Manager, Business Development &amp; Support, International Business Div.</p> <p>June 2017      Executive Officer; General Manager, Business Development &amp; Support, International Business Dept.</p> <p>June 2018      Executive Officer; Vice General Manager, International Business Div.; General Manager, Business Development &amp; Support, International Business Div. (to present)</p> <p>[Reason for nomination as candidate for Director] Ms. Akiko Kimura has abundant operational experience in the international department. Since becoming an Executive Officer in June 2017, she has contributed to the Group's development. The Company has appointed her as a candidate for Director as she can be expected to further contribute to the Company's management.</p>	3,500

No.	Name (Date of birth)	Past experience, significant concurrent positions, and positions and responsibilities at the Company	Number of shares of the Company held
11	Naotaka Kawamata (May 1, 1965)  <div>Outside</div>	<p>April 1990      Joined the Ministry of Transport (currently Ministry of Land, Infrastructure, Transport and Tourism)</p> <p>April 1994      Registered as attorney</p> <p>April 1994      Joined Marunouchi Sogo Law Office</p> <p>January 2008    Partner, Marunouchi Sogo Law Office (to present)</p> <p>June 2014      Auditor, the Company</p> <p>April 2015      Professor, Legal Training and Research Institute, Supreme Court of Japan</p> <p>June 2017      Director, the Company (to present)</p> <p>(Significant concurrent position) Outside Director (Audit and Supervisory Committee Member), TOREX SEMICONDUCTOR LTD.</p> <p>[Reason for nomination as candidate for Outside Director] Mr. Naotaka Kawamata has abundant experience as an attorney. Since becoming an Outside Director of the Company in June 2017, his expert views and extensive experience has been reflected in the Company's management. Therefore, the Company appoints him as a candidate for Outside Director. Although Mr. Naotaka Kawamata has not been directly involved in management, he is well versed in corporate legal affairs. Therefore, the Company determined that he is capable of appropriately fulfilling his duties as an Outside Director.</p>	3,500

- (Notes)
1. Mr. Naotaka Kawamata is a candidate for Outside Director.
  2. Mr. Naotaka Kawamata has been registered as an independent auditor provided by the rules of the Tokyo Stock Exchange. If his reelection is approved, he will continue to serve as an independent auditor. The Company consigns legal administration services to Marunouchi Sogo Law Office where Mr. Naotaka Kawamata serves. However, as the compensation paid by the Company to the entity is less than 1% of its total annual compensation in the previous fiscal year, the Company believes that he does not have any conflict of interest with general shareholders.
  3. The Company has entered into an agreement to limit the liability of Mr. Naotaka Kawamata under Article 423, Paragraph 1 of the Companies Act. The limit of liabilities under the agreement is the amount stipulated by laws and regulations. In case his reelection is approved, the Company will maintain the agreement with him.
  4. Mr. Naotaka Kawamata will have served as an Outside Director for two years at the close of this Meeting.

**Proposal 3:** Election of One Auditor

As the term of office of Auditor Takafumi Kiyoto will expire at the close of this Meeting, the Company proposes that one Auditor be elected.

The Company has obtained the consent of the Board of Auditors for this proposal.

The candidate for Auditor is as follows:

Name (Date of birth)	Past experience, significant concurrent positions, and positions at the Company	Number of shares of the Company held
<div>New appointment</div> Noboru Sekine (March 19, 1957)	April 1980      Joined the Company June 2007      General Manager, General Accounting Group, Accounting & Finance Dept. April 2008      General Manager, General Accounting Group, Accounting & Finance Div. June 2010      General Manager, Accounting & Finance Div. June 2013      Executive Officer; General Manager, Accounting & Finance Div. June 2015      Director; General Manager, Accounting & Finance Div. June 2016      Director; Executive Officer; Managing Director; General Manager, Accounting & Finance Div. June 2017      Director, Managing Director (to present) (Responsibilities in the Company) In charge of Accounting & Finance Div. and Internal Control Div. [Reason for nomination as candidate for Auditor] Mr. Noboru Sekine has abundant operational experience in the accounting department. The Company has appointed him as a candidate for Auditor as he can be expected to contribute to ensuring management soundness as an Auditor.	9,630

(Note) Mr. Noboru Sekine is currently a Director of the Company, but his term of office will expire at the close of this Annual Shareholders Meeting.