

# **Nippon Flour Mills to Build New Premix Plant in Bangkok Outskirts**

As part of its current three-year 05/07 Medium-Term Business Plan, Nippon Flour Mills Co., Ltd. (president: Masataka Horikawa) has continued to make every effort to expand its overseas business as a multifaceted global food company, particularly in Asia (Bangkok and Shanghai) and North America (California and Montana). As part of these efforts, Nippon Flour Mills has decided to construct a new premix plant in the outskirts of Thai capital Bangkok to further expand and strengthen its overseas operations. Details are as follows.

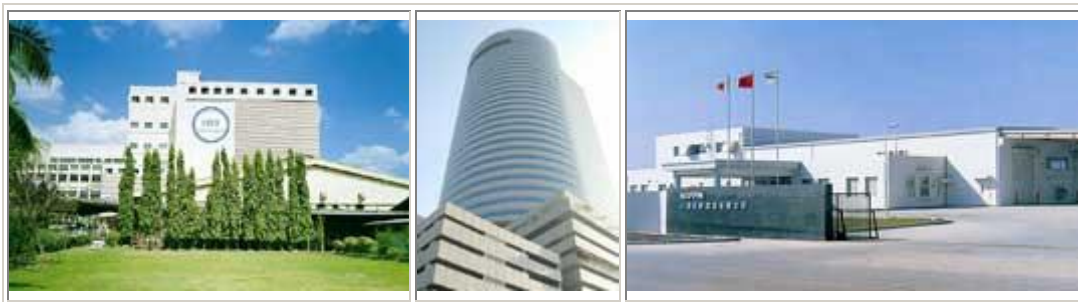
To expand its premix operations in Thailand, Nippon Flour Mills is to set up a new company called NIPPN (Thailand) Co., Ltd. and construct a new premix plant in the outskirts of Bangkok.

Nippon Flour Mills' overseas operations in Thailand date back to 1994 when the company invested in United Flour Mill Public Co., Ltd. (UFM), the largest flour milling company in the country. In terms of premix operations, Nippon Flour Mills used its manufacturing expertise to commence outsourced production in Thailand and set up a local subsidiary called Nippon Flour Mills (Thailand) Ltd. (NFT) to handle sales in 1996, since which time it has continued to sell premix products within Thailand and neighboring countries. With steady increases in demand over the last few years, mainly from Japanese processed food manufacturers, and requests for a stable supply of high quality premix products from local users, Nippon Flour Mills has decided to acquire a plot of land in the Navanakorn Industrial Estate in the outskirts of Bangkok, set up a new company called NIPPN (Thailand) Co., Ltd. and construct a new plant. As Nippon Flour Mills will construct the new plant itself, it will enable to company to comprehensively cover food safety and security requirements, which are set to become tighter in the future.

As the Thai economy has experienced tremendous growth recently, the market is expected to grow even further in the future in line with the increasing westernization of food culture as a result of modernization. As the market grows, the Nippon Flour Mills Group intends to further develop its premix operations in Thailand to a large extent, making the most of its strengths in terms of the manufacture of flour based foodstuffs and secondary processing technology.

[Overview of the new company]

1.	Name	NIPPN (Thailand) Co., Ltd.
2.	Location of headquarters	Bangkok, Thailand
3.	Location of plant	Navanakorn Industrial Estate, Pathum Thani Province, Thailand (40km north of Bangkok)
4.	Capital	100 million baht (approx. ¥310 million, 100% Nippon Flour Mills)
5.	Representative	Hideo Kondo (Deputy General Manager, International Division, Nippon Flour Mills)
6.	Business activities	Manufacture and sale of premix products for markets in Thailand and neighboring countries
7.	Production capacity	12,000 tons per year (1,000 tons per month)
8.	Commencement of construction	Around September 2006
9.	Commencement of operations	Around July 2007



▲ Nippon Flour Mills Group bases in Asia  
(from left) UFM, the building that will house the headquarters of the new company and NFT, Nippon Flour Mills (Shanghai) Co., Ltd.