

June 6, 2018

Notice of Determination of Matters Relating to the Acquisition of Own Shares
(Acquisition of Own Shares Pursuant to the Provisions of the Articles of Incorporation based on the Provisions of Article 165, Paragraph 2 of the Companies Act)

Nippon Flour Mills Co.,Ltd. (President & COO: Masayuki Kondo; Head Office: Chiyoda-ku, Tokyo; the “Company”) announces that its Board of Directors passed a resolution at its meeting held on June 6, 2018 on matters relating to the acquisition of the Company’s own shares pursuant to the provisions of Article 156 of the Companies Act that are applied by the provisions of Article 165, Paragraph 3 of the Companies Act. Details are as follows.

1. Reason for the acquisition of own shares

The Company will acquire its own shares to enhance shareholder returns and improve capital efficiency.

2. Details of the acquisition

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| (1) Class of shares to be acquired | Common shares |
| (2) Total number of shares to be acquired | 4,500,000 shares (maximum) |
| | (Ratio to the total number of shares outstanding
(excluding treasury shares): 5.60%) |
| (3) Total acquisition value of shares | 7 billion yen (maximum) |
| (4) Acquisition period | From June 7, 2018 to March 31, 2019 |
| (5) Acquisition method | Market purchase on the Tokyo Stock Exchange, Inc. |

(Note) Part or all of the orders may not be executed, depending on the market conditions, etc.

(Reference)

1. The Company’s Board of Directors resolved at its meeting held on June 6, 2018 to issue Zero Coupon Convertible Bonds due 2025. Some of the proceeds from the issuance will be appropriated for funds to acquire the Company’s own shares above.
2. Status of shareholding (treasury shares) as of May 31, 2018
Total number of shares outstanding (excluding treasury shares) 80,298,352 shares
Number of treasury shares 2,225,657 shares

This document is a press release for making an announcement to the general public on the occasion of the repurchase by the Company of its shares, and is not prepared for the purpose of soliciting investments. The offering or secondary offering of the convertible bonds and shares of common stock of the Company will not be made in Japan.

In addition, this document does not constitute the offering of the convertible bonds and shares of common stock of the Company in all areas including the United States. The Company is unable to make the offering or sale of the convertible bonds and shares of common stock of the Company in the United States without undertaking the registration of the convertible bonds and shares of common stock of the Company under the Securities Act of 1933 in the United States or receiving an exemption from registration. If the offering or sale of securities is made in the United States, an English prospectus prepared based on the Securities Act of 1933 will be used. With regard to the matter in this document, the offering or sale of the convertible bonds and shares of common stock of the Company will not be made in the United States.