



NEWS RELEASE

December 7, 2016

Notice Regarding Construction of New Nissin Food Products Plant

NISSIN FOOD PRODUCTS CO., LTD. (President and Representative Director: Noritaka Ando; “the Company”) is pleased to announce its decision to construct a new Kansai Plant (provisional name) in Ritto City, Shiga Prefecture. The plant is scheduled for completion (completion of Phase 3 of the construction) in December 2019. The construction of this new plant follows on from the construction of the Company’s Shizuoka Plant in 1996.

**A next-generation smart factory*
with improved product safety and cost competitiveness achieved through the use of IoT**



The NISSIN FOODS Group (“the Group”) announced its Medium-Term Business Plan 2021 in May 2016, aiming to achieve market capitalization of ¥1 trillion in FY 2021 ending March 31, 2021. As one aspect of the Group’s initiatives towards achieving this, the Group is seeking to achieve the targets of its Medium-Term Business Plan by improving productivity and enhancing quality management in its manufacturing plants, and establishing a supply framework that also includes BCP (Business Continuity Plan) measures.

The Company’s current Shiga Plant (also located in Ritto City, Shiga Prefecture) has been in operation since September 1973, as the Company’s main production site in West Japan. The plant has recently been facing issues in relation to the introduction of high-efficiency machinery and equipment, and over its future expandability.



With the construction of the new Kansai Plant this time, the Company will achieve even higher levels of increased product safety and improved cost competitiveness; through the introduction of the latest state-of-the-art machinery developed by the Company's own research and development center "the WAVE," and by advancing automation and streamlining for efficiency through the utilization of IoT technologies. Through initiatives including manpower saving of over 50%, the Company targets to achieve cost reductions that will outweigh the increase in depreciation costs in association with the construction of the new plant.

The new Kansai Plant will be constructed at a location approximately 350 meters to the north of the existing Shiga Plant, on a 99,865 square-meter plot of land owned by the Company.

***The next-generation smart factory as envisaged by NISSIN FOOD PRODUCTS will:**

- (1) Seek to achieve maximum cost efficiency through advancing the real-time visualization of the state of the plant, and optimal fusion of human capabilities, systems and machinery/equipment
- (2) Increase workforce productivity by shifting from simple work to high added-value creative work
- (3) Aim to create a factory that is in harmony with the environment, through the efficient use of energy

■ Outline of the new plant:

Name:	NISSIN FOOD PRODUCTS Co., Ltd. – Kansai Plant (provisional)
Location:	333 Shimomagari, Ritto, Shiga
Construction commences:	May 2017 (planned)
Operation commences:	Phase 1 operation scheduled to commence as of August 2018 (Phase 3 operation scheduled to commence as of December 2019)
Product types produced:	Cup-type instant noodle products, bag-type instant noodle products
Site area (premises):	99,865 square meters
Total factory floor:	113,368 square meters
Production capacity (daily production):	3,150,000 servings (after commencing Phase 3 operation)
Capital investment:	¥57.5 billion (at the time of completion of Phase 3 construction)