

Nippon Flour Mills Holds a Dedication Ceremony to Mark Completion of the Yokohama Distribution Center

Tokyo, August 3, 2004 — Today Nippon Flour Mills Co., Ltd. (president: Masataka Horikawa) held a dedication ceremony to mark the completion of its Yokohama Distribution Center. Construction of the center began in March of this year.

The project to build a new distribution center was part of the Company's plan to increase distribution efficiency as set out in the New Nippn Way, a three-year medium-term business plan launched in April 2002 under which the Company has engaged in profit structure improvement. The purpose for constructing the distribution center was to unify management of physical distribution and increase distribution efficiency by consolidating in a single location warehousing for premix products, pasta, and other food products, which had been dispersed at several locations in the Tokyo metropolitan area.

The distribution center is located adjacent to the Yokohama Mill, a mainstay flour milling plant, and near the Atsugi Plant, which produces pasta. Furthermore, the center is a convenient destination for imported foods transported from Daikoku Wharf and Honmoku Wharf.

The Company will continue to engage in comprehensive restructuring of its physical distribution systems in order to take full advantage of these benefits and ensure that the cost-reduction effect from operation of the distribution center provides a major impetus for achieving the objectives for the final year of the medium-term business plan.

In line with completion of the distribution center, the Company will relocate its Kanagawa Foods Sales Office of the Tokyo Foods Marketing Division (Shin-Yokohama, Kohoku-ku, Yokohama) to the site of the distribution center and begin operation at the new location on August 9.

Overview of the Yokohama Distribution Center

- | Name: Yokohama Distribution Center, Nippon Flour Mills Co., Ltd.
- | Location: 3-1-9 Chiwaka-cho, Kanagawa-ku, Yokohama
- | Site area: Approx. 18,300 m²
- | Warehouse area: Approx. 11,500 m² (single-story construction, total floor space)
- | Product storage capacity: Approx. 5,000 tons
- | Construction cost: Approx. ¥700 million

Overview of the Kanagawa Foods Sales Office

- | New location: 3-1-9 Chiwaka-cho, Kanagawa-ku, Yokohama (on the premises of the Yokohama Distribution Center)
- | New telephone No.: 045-440-6200
- | New fax No.: 045-440-6204
- | Business description: Sale of household food products
- | Start of business: August 9, 2004



▲ The Yokohama Distribution Center office building (left) and warehouse



▲ The Yokohama Distribution Center warehouse and the Yokohama Mill (right rear)

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