



CALBEE, Inc.
TSE 1st Section: Code No. 2229

Notice regarding our strategy for the Chinese market and a joint venture company in Hangzhou

Tokyo, September 24, 2012—CALBEE, Inc. (hereafter “Calbee”) provides notice of certain changes to its strategy for the Chinese market. Details are as follows:

1. Details of change:

As announced on April 9, 2012, *Establishment of Chinese Joint Venture Company (Tianjin)* and July 31, 2012, *Establishment of Chinese Joint Venture Company (Hangzhou)*, preparations are underway to create a joint venture company in Tianjin City and Hangzhou City with Master Kong Instant Foods Investment (China) Co., Ltd. and Itochu Corporation.

However, in order to consolidate management and accelerate expansion in the Chinese market, Calbee (Tianjin) Foods Co., Ltd., of Tianjin city, will not be made into a subsidiary as planned, and instead we have determined that a Tianjin branch office will be created under Calbee (Hangzhou) Foods Co., Ltd., which we plan to establish in Hangzhou City, Zhejiang Province. These changes will not have a significant impact on our strategy for the Chinese market.

2. Forecast:

It is planned that the joint venture will be made a consolidated subsidiary during the fiscal year ending March 31, 2013. Business will be pursued with the aim of achieving a 10% market share within the first five years following establishment. The establishment of this joint venture is being undertaken with the aim of contributing to performance over the medium to long term.

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