

Calbee to Release “Frugra[®]” on Tmall Global in Advance of General Sales
- Aiming to Raise Revolution in Breakfast in China –

Tokyo, May 25, 2017— Calbee, Inc. (hereinafter Calbee) will release its popular breakfast series, “Frugra,” on Tmall Global, a cross-border e-commerce website, in August 2017 in advance of general sales in cooperation with Japan MD Center operated by Alibaba.com Japan Co., Ltd. (hereinafter Alibaba), Alibaba Japan is a joint venture of Alibaba Group and Softbank Group.

On the occasion of releasing Frugra, Calbee will fully use Alibaba’s marketing service (data on and knowledge of consumption in China) to promote sales and develop products that will meet local consumer tastes. This will be the first time for Calbee to sell Frugra products overseas on a full scale

Calbee has set a goal of selling 50 billion yen worth of Frugra products on the Japanese market and 100 billion yen overseas. Calbee is determined to take the opportunity of releasing Frugra in China to trigger a “breakfast revolution”.

- Process of joining hands with Alibaba

The scale of the cross-border e-commerce (*) market has recently surpassed 1 trillion yen, according to the Ministry of Economy, Trade and Industry, and has been posting 30% year-on-year growth in recent years. The cross-border e-commerce market is becoming a common shopping method for Chinese consumers who are seeking safe and secure products.

With the aim of increasing the name recognition of its brand, Calbee established Calbee E-commerce Ltd., an e-commerce subsidiary, in October 2015. Since January 2016, Calbee E-commerce has been selling “Jaga Pokkuru” and “Jagabee” among other products on an online shop it has set up within Tmall Global, a BtoC shopping mall that Alibaba Group opened in 2014.

With the aim of further increasing its name recognition and increasing its sales in China, Calbee has decided to collaborate with Alibaba on Tmall Global. To begin with, Calbee will work on the marketing of Frugra products by taking advantage of data on active users accumulated by Alibaba as well as its knowledge of consumption behaviors in China, expand the sales of Frugra goods produced in Hokkaido and develop new products, thereby aiming to trigger a “breakfast revolution” in China.

Moreover, Calbee will strive to cooperate with Alibaba in boosting demand on the Chinese market for not only Frugra products but also overall Calbee goods on sale on the cross-border e-commerce market.

(*) Cross-border e-commerce is a system that allows Chinese consumers to buy products made outside China online.

- Project details

1. Advance sales of Frugra products

Calbee will be able to sell products in the Frugra series in China as the company is set to begin manufacturing products in this series at its Hokkaido factory in Chitose, Hokkaido, in August this year. Calbee is scheduled to sell Frugra products only on Tmall Global until Singles' Day on Nov. 11, which is regarded as the biggest business opportunity in China, in advance of general sales. A "made in Hokkaido" logo will be displayed on the package of Frugra products to be sold in China to offer a sense of security to local consumers through the effects of the "Hokkaido brand."

2. Development & sales of limited items

Calbee plans to sell limited items exclusively on Tmall Global and jointly develop products with Alibaba by utilizing data accumulated by the latter.

3. Awareness-raising campaign on "breakfast revolution"

To disseminate the idea of "time-shortening plus health" -- which spurred the popularity of Frugra in Japan -- throughout China, Calbee will proactively promote the series and offer new values to breakfast in China.



About Frugra

"Frugra" (initially called Fruit Granola) is a popular series of food products that Calbee has been selling in Japan since 1991. Oats and rye are used as their prime ingredients and mixed with coconuts, nuts, syrups such as honey, and plant oil before being baked to produce Frugra products. Products in this series are drawing attention and becoming increasingly popular as a new type of breakfast in addition to traditional breakfast featuring rice and bread.

Calbee regards food products for breakfast as its second pillar in its business activities following the snack food business, and will expand the production of Frugra at its Hokkaido factory in Chitose in August 2017 and at its Kyoto factory in Ayabe in summer of 2018.

About Japan MD Center

Japan MD Center offers a one-stop service for Japanese companies that either wish to do or have been doing e-commerce business in China. The services include helping them open stores on Tmall and/or Tmall Global, run by Alibaba Group, and to support their marketing to Chinese consumers. It also supplies those Japanese companies with big data provided by Alibaba Group to help them make ever more efficient marketing strategies and support its development of new products that better match consumer needs in order to increase their sales.

1. Calbee, Inc.

Established	April 30, 1949
Lines of business	Production and sale of snacks and other foods
Representative	Chairman of the Board & CEO : Akira Matsumoto President & COO: Shuji Ito
Address	Marunouchi Trust Tower Main, 22nd Floor, 1-8-3 Marunouchi, Chiyoda-ku, Tokyo
Capital	12,020 million yen

2. Alibaba.com Japan Co., Ltd.

Established	May 30, 2008
Lines of business	BtoB & support for BtoB overseas advancements
Representative	President CEO: Makoto Kouyama Alibaba Group Vice President Director COO-Alibaba.com Japan Co.,Ltd :Satoshi Andy Okada
Address	SSP Co., Ltd. Headquarters Building, 4th Floor, 2-12-4, Nihonbashi-Hamacho, Chuo-ku, Tokyo
Capital	100 million yen

3. Calbee E-commerce Limited

Established	October 19, 2015
Lines of business	Operation of Calbee's e-commerce website
Representative	Sheng Qiying
Address	Unit 402, 4th Floor, Fairmont House, No. 8. Cotton Tree Drive, Admiralty, HONG KONG
Capital	1.2 million Hong Kong dollars
URL	https://calbee.tmall.hk/

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