

Calbee Announces Establishment of New Subsidiary in China

Tokyo, November 29, 2017 — Calbee, Inc. (hereafter “Calbee”) announces that it was decided at today’s meeting of the Board of Directors to establish a new, Hangzhou, China-based subsidiary, of the wholly-owned consolidated subsidiary Calbee E-Commerce Limited.

1. Reason for establishment

Calbee has entered the e-commerce business in China with the aim of growing sales of *Frugra* in the Chinese cereal market, where growth is expected to accelerate. For this reason, Calbee (Hangzhou) Co., Ltd. (tentative name) will be established as a fully-owned subsidiary of Calbee E-Commerce Limited to run e-commerce in China.

2. Outline of new subsidiary to be established

(1)	Name	Calbee (Hangzhou) Co., Ltd. (tentative)	
(2)	Location	Hangzhou, China	
(3)	Representative Director	Chairman: Keiei Sho	
(4)	Main business	Import and sale of Calbee products in China	
(5)	Capital	RMB80 million (approx. 135 million yen (1RMB=16.9 yen))	
(6)	Date of establishment	February 1, 2018 (planned)	
(7)	Fiscal year end	December 31	
(8)	Main shareholders and ownership ratio	Calbee E-Commerce Limited (Consolidated subsidiary of Calbee) 100%	
(9)	Relationship with Calbee	Capital relationship	Consolidated subsidiary of Calbee.
		Personal relationships	One Representative Director will hold a concurrent position as an Executive Officer at Calbee.
		Business relationships	Calbee (Hangzhou) Co., Ltd. plans to conduct business with Calbee to acquire merchandise.
		Status of related parties	Calbee E-Commerce Limited is a consolidated subsidiary of Calbee.

3. Impact on forecasts

The establishment of this company is not expected to have a material impact on Calbee’s consolidated business results for the fiscal year ending March 31, 2018.

ENDS