



President & CEO
Shuji Ito

Becoming a company that creates future of food by harnessing nature's gifts

Calbee, Inc. was founded in 1949, and this year we celebrated our 70th anniversary. We have continued to develop a variety of products based on our founding spirit of “aiming to produce products that are useful for health, safe and inexpensive, and that make use of unused food resources.” Since our founding, our mission has remained unchanged: Providing products that harness nature's gifts to contribution to healthy life styles.

We possess unprecedented management resources, such as our expertise in potato and other raw materials and processing technologies which harness natural raw materials, as well as an integrated value chain that encompasses product planning and development, procurements sales, and marketing. Through the collaboration of these management resources and the value chain, we have continued to create numerous hit, long-selling products and products that meet the diversifying customer needs.

We have recently formulated the Calbee Group long-term vision for 2030 “Next Calbee—Harvest the power of nature. Creating the future of food.” We want to change from the Calbee Group of snack foods to a company that exceed the expectations of all stakeholders by creating a future of food. We will further evolve the strengths and value chain we have cultivated over the years and pursue innovation and challenges, while maintaining our unchanging values since our founding.

■ Long-term Vision (Vision for 2030)

Next  *Calbee*

Harvest the power of nature. Creating the future of food.

Taking advantage of challenges amid changes in the business environment

From the fiscal year ended March 31, 2010, through the fiscal year ended March 31, 2019, we promoted “innovation” and “cost reduction” as the two pillars of management strategy. As a result, net sales and operating profit have grown steadily thanks to the expansion of overseas business, the growth of the cereals business through *Frugra*, and the expansion of domestic profit through improved capacity utilization. However, the pace of growth in existing businesses has slowed and profit has remained at the same level for the last three years.

At the same time, the business environment surrounding us will change further. In Japan, changes in social structures such as a declining birthrate, an aging population, and the expansion of single-person households, will lead to the diversification of customers’ values and needs. Globally, more intensified competition for natural resources and expansion of the middle-income class in emerging countries are expected. Moreover, demands for management considerations regarding global environmental and social issues have been increasing. These changes in the business environment represent opportunities for us.

■ Past achievements and opportunities to pursue

Past achievements

- Developed overseas business in nine countries / regions
- Grew the cereals business
- Raised factory utilization ratios and domestic profit
- Lowered costs through centralization of purchasing
- Selected and concentrated business
- Promoted diversity management
- Strengthened corporate governance



Toward transformation and challenge in the Calbee Group

The long-term vision “Next Calbee—Harvest the power of nature. Creating the future of food” was formulated because we aim to grasp these changes in the business environment and make a

major leap forward in the Calbee Group over the medium to long term. In 2030, which is the long-term vision’s goal, we will establish global markets and new food fields as the pillars of the Calbee Group’s growth. To achieve this long-term vision, we have formulated a five-year medium-term business plan. For the next five years, we will take on a variety of challenges to achieve Next Calbee.

In Japan, we will seek to capture growth opportunities for achieving sustainable growth by creating value-added products that leverage the Calbee Group’s strong brands and processing technologies, and by expanding new points of contact with customers. We will also leverage our expertise and technologies in natural ingredients to expand our business areas other than snack foods and cereals.

Overseas, we aim to penetrate our brand by leveraging the high quality that we have cultivated in our domestic business, and to achieve steady growth toward establishing revenue-generating bases in the four key regions (North America, Greater China, the United Kingdom, and Indonesia). To support these challenges, we will strengthen our organizational structure as well as human resources. These initiatives include reforming our structure to improve domestic productivity, developing human resources with global-level business abilities, and further strengthening our R&D capabilities to expand overseas business as well as create new businesses.

If we are unable to capture changing needs and enter new markets, or even create new markets, we believe there will be no sustainable growth. Amid changes in the global environment and advances in digital technologies, we will actively change the framework of our corporate activities in order to establish new business domains over extension of the current business and evolve existing businesses.

Taking a step toward the future together with our stakeholders

The Calbee Group is entering a major turning point, and we are keenly aware of the need to change. About a year after I became CEO, I have been reforming internal awareness and organizational structure as a step toward the future. To share our long-term vision and medium-term business plan with our stakeholders and to create new value from a medium- to long-term perspective, we have begun implementing sustainable management and future-oriented activities in collaboration with communities. The medium-term business plan theme is “Transformation and Challenge toward achieving next-generation growth.” Transformation can be achieved through a step-by-step approach, but challenge requires a major leap forward. We will further reinforce the strengths of our management resources and value chain that we have cultivated so far to create a foundation that will enable us to make a major leap forward. Our stakeholders can look forward to great things thanks to our commitment to Next Calbee through transformation and challenge.