

Press Release

January 6, 2025  
Calbee, Inc.

## Calbee to Begin Operations at Setouchi Hiroshima Factory

*State-of-the-art facility to achieve superior environmental performance, enhance productivity, and elevate the employee experience*



**Tokyo** - Calbee, Inc. (“Calbee”) announced today that its newly constructed Setouchi Hiroshima Factory is scheduled to commence operations on January 13, 2025. Located in Hiroshima City, this marks the company’s first new factory in Japan in nearly 19 years.

The Setouchi Hiroshima Factory is a cutting-edge ‘mother factory’ built around the concept of ‘a factory that brings smiles to people and the planet, shaping the future.’ By incorporating the latest in technology and design, it aims to achieve superior environmental performance, enhance productivity, and enhance the employee experience.

To minimize its environmental impact, the factory will utilize a renewable energy and a circular energy system that reuses waste heat, wastewater, and other forms of waste. Calbee aims to use this technology to reduce CO2 emissions by 50%, waste output by 50%, and water usage by 30% compared

to the Hiroshima-Nishi Factory<sup>1</sup>. Furthermore, by sourcing exclusively renewable energy, the factory will operate entirely on CO2-free electricity<sup>2</sup>, enhancing its eco-friendly footprint.

Regarding productivity, the Setouchi Hiroshima Factory will utilize advanced technologies, including the latest digital transformation (DX) initiatives, to enhance automation and implement labor-saving measures in production. By adopting a next-generation production model that incorporates IoT technology, the factory aims to improve quality control and enable efficient small-batch production of diverse products. In the future, this will also facilitate remote monitoring of production lines. These enhancements are expected to increase labor productivity by approximately 60% per employee.

Calbee is committed to enhancing its working environment with a focus on both safety and inclusivity. At the new factory, it will implement measures to alleviate the burden of heavy labor, ensure comfortable temperatures in facilities, and create facilities that accommodate diverse employee needs.

Commenting on the new factory, Makoto Ehara, CEO of Calbee, said: “As part of our growth strategy, 'Change 2025,' Calbee is laying the groundwork for next-generation factories in Japan. We are excited to today announce the start of operations at the Setouchi Hiroshima Factory, which is located in our founding city of Hiroshima. Looking ahead, we aim to optimize the supply-demand balance across Japan and develop a more efficient supply chain alongside our existing facilities and the new factory planned for the Kanto area in Shimotsuma City.”

## **Key Initiatives**

### **1. “An Energy System that Uses Potatoes” – Introduction of Biomass Boiler Using Methane Fermentation and Waste Heat Recovery**

By fully leveraging potatoes used in production for energy and other resources, Calbee aims to improve energy conservation, decarbonization, and waste reduction.

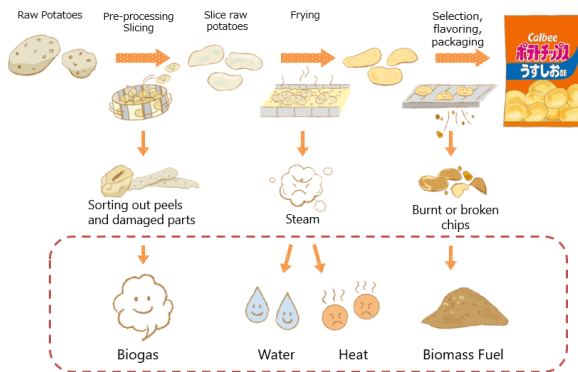
- Potato residues will undergo methane fermentation, which will be used as biogas to generate steam for use in the factory
- Water and heat will be recovered from the steam generated during the frying process. The recovered water will be used for washing potatoes, while the steam will be reused within the factory

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<sup>1</sup> Based on Fiscal Year Ending March 2019

<sup>2</sup> Electricity sources that do not generate CO2 during the electricity-generation process

- In the future, semi-finished product losses, such as burnt or broken pieces, will be able to be converted into biomass fuel to provide CO2-free steam, among other initiatives



*Conceptual chart of energy system uses every part of the potato*



*Methane fermentation tank, desulfurization equipment, gas holder, etc.*

## 2. "No Searching, No Carrying, No Mix Ups, No Writing by Hand, No Heavy Lifting" – Automation and Labor-Saving Initiatives Using Digital Technology

Calbee will implement its next-generation production model utilizing IoT technology, as demonstrated at its Konan Factory. This model will achieve among the highest levels of automation in the industry, enabling a transition from conventional working methods.

- Automation of potato preprocessing, which includes inspection, trimming, and other processes
- Automation of transporting products, raw materials, and packaging materials
- Remote monitoring and connection of the production line, facilitating remote work in the factory



*Automated product transportation using robots*



*Raw materials and packaging materials transported by Automated Guided Vehicles (AGVs)*

### 3. “A Vibrant and Motivating Workplace That Employees Are Proud of” – Combining Safety and Comfort

Leveraging its location facing the Seto Inland Sea, employee facilities, including the cafeteria and break spaces, will provide a comfortable environment with views and ample natural light.



*Spacious facilities with a panoramic view of the Seto Inland Sea (left: balcony, right: cafeteria)*

#### Factory Overview

<b>Location</b>	1-2-3 Itsukaichi Port, Saeki-ku, Hiroshima City, Hiroshima Prefecture, Japan
<b>Site Area</b>	100,010 m <sup>2</sup>
<b>Completion Date</b>	June 28, 2024
<b>Start of Operations</b>	January 13, 2025 (Planned)
<b>Facilities</b>	Two buildings: - Production Building (4-story steel structure, total floor area of 51,164 m <sup>2</sup> ) - Raw Material Supply Building (single-story steel structure, total floor area of 3,675 m <sup>2</sup> )
<b>Main Products</b>	Potato Chips, Kataage Potato, Jagabee, Sapporo Potato
<b>Production Capacity</b>	Approx. ¥28 billion of products per year
<b>Employees</b>	Approx. 280 (April 2025)

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#### Note to Editors:

- More information about Calbee’s growth strategy, ‘Change 2025’, is available [here](#).
- For press release announcing Setouchi Hiroshima Factory, please see [here](#)

**About the Calbee Group**

Since 1949, we have embraced our corporate philosophy of “harnessing nature's gifts, bringing taste and fun, and contributing to healthy lifestyles.” As a company that provides essential goods, we place sustainability at the core of our management approach, creating the future of food by solving social issues through our corporate activities. (<https://www.calbee.co.jp/en/>)