

Agreement with Hiroshima Prefecture to Build State-of-the-Art Factory Construction to begin in its birthplace in 2023, Factory to become operational in 2024

Calbee, Inc. (headquartered in Chiyoda-ku, Tokyo; Shuji Ito, President & CEO; “Calbee”) signed a factory construction agreement with the government of Hiroshima Prefecture on May 20, 2020, basing on the company's decision to establish a new production site in Saeki-ku, Hiroshima City, Hiroshima Prefecture. Calbee plans to relocate two factories operating in the same prefecture and integrate them into the new factory in the future. The new factory will be located in the Hiroshima Port development site and will be Calbee's largest ever factory with a site area of 100,000 m².

The new factory, which will be built in Phase 1 of the construction plan starting in April 2023, is scheduled to become operational in April 2024. As a part of the project, the functions of the existing Hiroshima-Nishi Factory will be transferred to the new factory. With the construction of the new factory, Calbee seeks to implement the new automated process, improve production efficiency, and reduce the impact on the environment through the efficient use of energy in order to address the issue of its aging facilities, as well as to respond to increased product demand and labor shortages. Furthermore, Calbee aims to use the new factory as a base for developing human capital and strengthening interactions with customers in Hiroshima Prefecture, where the company was founded.

The new state-of-the-art factory will serve as a “mother factory” that is responsible for technical development and new product creation through the introduction of cutting-edge technologies such as DX, in addition to the manufacture of existing products. Calbee aims to improve its group's production competitiveness by expanding the successful achievements at the new factory to other production sites. The execution of the building construction agreement is the first step toward achieving the goal Calbee set out in its Medium-term Business Plan, “Through building a foundation that responds to changes in the business environment, we will realize sustainable growth with innovation and challenge”.

[Overview of new factory]

Location	Saeki-ku, Hiroshima City, Hiroshima Prefecture
Site area	100,000 m ²
Investment amount	Land: Approximately ¥3.78 billion Building: TBA
When construction will begin	Around April 2023
When new factory will become operational	Around April 2024: Hiroshima-Nishi Factory to be relocated in Phase 1 * On and after 2037: Hiroshima Factory to be relocated and integrated in Phase 2
Main products to be manufactured	Potato chips, snacks, products in new food areas, etc.