

# Kewpie Corporation

1-4-13 Shibuya, Shibuya-ku, Tokyo 150-0002, Japan Tel:03-3486-3331



(Translation)

January 29, 2018

Dear Sirs:

Name of the Company: Kewpie Corporation  
Representative: Osamu Chonan,  
Representative Director,  
President and Chief Executive  
Corporate Officer  
(Code No. 2809; the first section of the Tokyo Stock Exchange)  
Person to contact: Masato Shinohara,  
Corporate Officer and  
Senior General Manager of  
Operation Promote Department

## **Notice of Settlement of Accounts of Parent Company, Etc.**

Notice is hereby given that NAKASHIMATO CO., LTD., which is categorized as the parent company, etc. of Kewpie Corporation, has prepared its financial statements for the year ended November 30, 2017, as described in the attachment hereto.

### Description

1. Name of the parent company, etc.: NAKASHIMATO CO., LTD.
2. Location of its head office: 4-13, Shibuya 1-chome, Shibuya-ku, Tokyo
3. Representative: Minako Nakashima,  
Representative Director
4. Attribute: Kewpie Corporation falls under the category of "other associated company" of any other company and NAKASHIMATO CO., LTD. is such any other company.
5. Ratio of its voting rights: 18.5% (including those held indirectly)
6. Business content: Sales of various processed foods
7. Capital stock: 50 million yen

- END -

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## **BALANCE SHEET** (As of November 30, 2017)

(thousands of yen)

<b>ASSETS:</b>	
<b>Current assets:</b>	<b>12,218,884</b>
Cash and deposits	5,780,210
Trade accounts receivable	470,526
Securities	2,000,000
Merchandise	221,704
Supplies	9,153
Advances	115,743
Prepaid expenses	39,307
Short-term loans receivable	3,162,892
Accounts receivable - other	480,176
Deferred tax assets	47,185
Other current assets	8,174
Allowance for doubtful accounts	(116,190)
<b>Fixed assets:</b>	<b>24,281,806</b>
<b>Tangible fixed assets:</b>	<b>1,202,466</b>
Buildings	827,370
Structures	3,580
Tools, furniture and fixtures	84,610
Land	286,904
<b>Intangible fixed assets:</b>	<b>60,048</b>
Trademark rights	3,522
Software	53,428
Other intangible fixed assets	3,098
<b>Investments and other assets:</b>	<b>23,019,291</b>
Investment securities	4,891,901
Stocks in subsidiaries and affiliates	10,221,781
Capital investments	92,577
Long-term loans receivable	6,719,750
Long-term prepaid expenses	9,092
Prepaid pension expenses	417,694
Leasehold deposits	131,284
Funded insurance premiums	640,606
Allowance for doubtful accounts	(105,397)
<b>TOTAL ASSETS:</b>	<b>36,500,690</b>

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(thousands of yen)

<b>LIABILITIES:</b>	
<b>Current liabilities:</b>	<b>2,005,774</b>
Trade accounts payable	138,420
Short-term loans payable	1,447,993
Accounts payable - other	179,837
Accrued expenses	4,510
Accrued income taxes	161,089
Advances received	286
Deposits received	71,037
Reserve for bonuses	2,600
<b>Non-current liabilities:</b>	<b>7,484,671</b>
Long-term loans payable	5,519,750
Deferred tax liabilities	1,473,840
Reserve for officers' retirement allowances	475,304
Guarantee money accepted	15,777
<b>TOTAL LIABILITIES:</b>	<b>9,490,446</b>
<b>NET ASSETS:</b>	
<b>Shareholders' equity:</b>	<b>24,157,934</b>
<b>Capital stock</b>	<b>50,000</b>
<b>Capital surplus:</b>	<b>1,816,382</b>
Capital reserve	1,747,382
Other capital surplus	69,000
<b>Earned surplus:</b>	<b>23,534,052</b>
Earned surplus reserve	29,750
Other earned surplus	23,504,302
Earned surplus carried forward to the following year	23,504,302
<b>Treasury stock</b>	<b>(1,242,500)</b>
<b>Valuation translation adjustments and others:</b>	<b>2,852,309</b>
Net unrealized gains on securities	2,852,297
Deferred gains (losses) on hedges	12
<b>TOTAL NET ASSETS:</b>	<b>27,010,244</b>
<b>TOTAL LIABILITIES AND NET ASSETS:</b>	<b>36,500,690</b>

(Note) All figures stated above are shown by disregarding any fractions of one thousand yen.

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## **STATEMENT OF INCOME**

(From December 1, 2016 to November 30, 2017)

	(thousands of yen)
Net sales	3,542,744
Cost of sales	2,371,070
<b>Gross profit</b>	<b>1,171,673</b>
Selling, general and administrative expenses	1,051,185
<b>Operating income</b>	<b>120,488</b>
<b>Non-operating income:</b>	<b>1,084,669</b>
Interest income received	129,237
Dividends received	798,293
Others	157,138
<b>Non-operating expenses:</b>	<b>179,935</b>
Interest expenses	48,596
Others	131,339
<b>Ordinary income</b>	<b>1,025,221</b>
<b>Extraordinary income:</b>	<b>1,941,242</b>
Gain on sales of shares in associated companies	1,966,856
Gain on sales of fixed assets	4,386
<b>Extraordinary losses:</b>	<b>73,708</b>
Loss on sales of fixed assets	54,111
Loss on disposition of fixed assets	19,149
Loss on sales of investment securities	447
<b>Income before income taxes</b>	<b>2,922,756</b>
Corporate, municipality and enterprise taxes	431,331
Adjustment to corporate taxes, etc.	39,502
<b>Net income</b>	<b>2,451,921</b>

(Note) All figures stated above are shown by disregarding any fractions of one thousand yen.

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## [Shareholders]

As of November 30, 2017

Classification	State of stocks								State of less-than-one-unit shares (shares)
	Central and local governments	Financial institutions	Financial instrument brokers	Other corporations	Foreign corporations, etc.	Individuals included in foreign corporations, etc.	Individuals, etc.	Total	
Number of shareholders	-	-	-	4	-	-	5	9	-
Number of shares (thousand shares)	-	-	-	441	-	-	1,939	2,380	-
Shareholding ratio (%)	-	-	-	18.53	-	-	81.47	100.00	-

(Note) 35 thousand shares of treasury stock are included in "Individuals, etc." above.

## [Major shareholders]

As of November 30, 2017

Name	Address	Number of shares held (thousand shares)	Ratio of shares to the total number of issued shares (%)
Minako Nakashima	Minato-ku, Tokyo	1,856	77.99
Kewpie Corporation	4-13, Shibuya 1-chome, Shibuya-ku, Tokyo	241	10.13
Nakato Scholarship Foundation	4-13, Shibuya 1-chome, Shibuya-ku, Tokyo	100	4.20
T&A Co., Ltd.	4-13, Shibuya 1-chome, Shibuya-ku, Tokyo	70	2.94
Aohata Corporation	1-25, Tadanoumi-nakamachi 1-chome, Takehara City, Hiroshima Prefecture	30	1.26
Chiaki Nakashima	Minato-ku, Tokyo	20	0.85
Amane Nakashima	Shibuya-ku, Tokyo	13	0.58
Chizuru Nakashima	Shibuya-ku, Tokyo	13	0.58
Total		2,345	98.53

(Note) In addition to the above, NAKASHIMATO CO., LTD. holds 35 thousand shares of treasury stock.

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[Officers]

As of November 30, 2017

Title	Job	Name	Date of birth	Brief history		Number of shares held (thousand shares)
Representative Director		Minako Nakashima	June 3, 1937	November 1991 November 2008	Statutory Auditor of the Company Representative Director of the Company (present post)	1,856
Director and Chairman		Minesaburo Miyake	July 22, 1952	April 1976 July 2001 July 2002 February 2003 July 2004 February 2005 September 2008 October 2009 December 2009 February 2010 February 2011 January 2013 February 2015 February 2016 February 2017	Joined Kewpie Corporation General Manager, Retail Sales Dept. of Kewpie Corporation Senior General Manager, Retail Sales Division of Kewpie Corporation Director of Kewpie Corporation Generally responsible for sales of Kewpie Corporation Manager, Tokyo Branch of Kewpie Corporation Senior General Manager, Wide-Area Sales Division of Kewpie Corporation In charge of Egg Products Business of Kewpie Corporation as deputy In charge of Egg Products Business of Kewpie Corporation Executive Managing Director of Kewpie Corporation Director of the Company Representative Director of Kewpie Corporation President and Director of Kewpie Corporation Director of Aohata Corporation In charge of Marketing Division of Kewpie Corporation President and Chief Executive Corporate Officer of Kewpie Corporation Director and Chairman of the Company (present post)	-

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Title	Job	Name	Date of birth	Brief history		Number of shares held (thousand shares)
Director and President		Amane Nakashima	September 26, 1959	<p>April 1983 October 1993 January 1994 February 1995 February 1997 July 2000 February 2003 February 2005 July 2005 October 2009 February 2010 January 2011 February 2012 February 2014 February 2016</p>	<p>Joined the Industrial Bank of Japan, Limited (current, Mizuho Bank, Ltd.) Joined the Company General Manager, Accounting Dept. of the Company Corporate Auditor of Aohata Corporation Director of the Company Director of Kewpie Corporation General Manager, Legal Dept. of Kewpie Corporation Vice President and Director of the Company Director of the Company Executive Managing Director of Kewpie Corporation General Manager, Environment Office of Kewpie Corporation General Manager, Social and Environment Promotion Office of Kewpie Corporation Senior General Manager, CSR Promotion Division of Kewpie Corporation President and Director of the Company (present post) Director of Aohata Corporation Executive Managing Director of Kewpie Corporation In charge of Compliance and Internal Auditing Dept. of Kewpie Corporation Senior Executive Managing Director, in charge of Compliance, Internal Auditing Dept., and Brand and Public Relations of Kewpie Corporation Chairman and Director, Chairman of the Board of Directors, and in charge of Compliance and Brand of Kewpie Corporation (present post)</p>	13

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Title	Job	Name	Date of birth	Brief history		Number of shares held (thousand shares)
Director	In charge of Administration Division	Noriki Kanda	September 25, 1956	April 1979 October 2002 January 2011 January 2012 February 2012 January 2016 February 2016 October 2016 February 2017	Joined the Company General Manager, Corporate Planning Dept., Administration Division of the Company General Manager in charge of Treasury of the Group of the Company General Manager, Accounting Dept. of the Company Director of the Company (present post) Corporate Auditor of Aohata Corporation (present post) In charge of Administration Division, General Manager of General Affairs Dept. and General Manager of Accounting Dept. of the Company In charge of Administration Division, and General Manager of General Affairs Dept. of the Company In charge of Administration Division of the Company (present post)	-
Director		Tsukasa Korogi	April 4, 1957	April 1981 July 2004 January 2011 July 2014 July 2015 January 2016 February 2016	Joined Kewpie Corporation General Manager, Technical Research and Development Dept., Technological Research Division of Kewpie Corporation President and Representative Director of Hashikami Kewpie Co., Ltd. Project Leader, Product Innovation System, Production Dept. Group of Kewpie Corporation Director of To Solutions Co., Ltd. President and Representative Director of To Solutions Co., Ltd. (present post) Director of the Company (present post)	-



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Title	Job	Name	Date of birth	Brief history		Number of shares held (thousand shares)
Director		Osamu Chonan	May 16, 1956	<p>April 1980 July 2001 November 2006 September 2008 July 2012 February 2013 February 2014 February 2016 February 2017</p>	<p>Joined Kewpie Corporation Manager, Sendai Branch Office of Kewpie Corporation General Manager, Wide-Area Retail Sales Dept. of Kewpie Corporation Manager, Osaka Branch Office of Kewpie Corporation Manager, Tokyo Branch Office of Kewpie Corporation Corporate Officer of Kewpie Corporation Director of Kewpie Corporation General Manager, Wide-Area Sales Division of Kewpie Corporation Executive Corporate Officer, in charge of Salad and Delicatessen Business of Kewpie Corporation Representative Director of Kewpie Corporation (present post), President and Chief Executive Corporate Officer (present post), in charge of Marketing Division of Kewpie Corporation (present post) and Director of the Company (present post)</p>	-

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Title	Job	Name	Date of birth	Brief history		Number of shares held (thousand shares)
Director		Eiichi Nozawa	September 19, 1954	April 1978 October 2005 January 2006 March 2008 October 2008 January 2009 January 2011 October 2011 January 2012 February 2012	Joined Aohata Corporation ("Aohata") General Manager, Group Operation Promote Dept. of Aohata Director of Aohata General Manager, Group Operation Promote Dept. and in charge of Product Development of Aohata Senior General Manager, Operation Promote Division and in charge of Product Development of Aohata Managing Director of Aohata Senior Managing Director of Aohata Responsible for Fruit and Raw Materials Division and Quality Assurance Division of Aohata President and Representative Director of Aohata (present post) Director of the Company (present post)	-
Statutory Auditor		Chiaki Nakashima	December 25, 1965	November 2008	Statutory Auditor of the Company (present post)	20
Total						1,890