

# Kewpie Corporation

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



(Translation)

January 29, 2019

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, 2018, 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: 16.2% (including those held indirectly)
6. Business content: Sales of various processed foods
7. Capital stock: 50 million yen

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## **BALANCE SHEET** (As of November 30, 2018)

(thousands of yen)

<b>ASSETS:</b>	
<b>Current assets:</b>	<b>19,848,949</b>
Cash and deposits	9,208,635
Trade accounts receivable	542,455
Securities	3,500,000
Merchandise	355,769
Supplies	8,944
Advances	97,083
Prepaid expenses	42,366
Short-term loans receivable	5,559,384
Accounts receivable - other	540,916
Deferred tax assets	143,935
Other current assets	11,867
Allowance for doubtful accounts	(162,409)
<b>Fixed assets:</b>	<b>21,870,970</b>
<b>Tangible fixed assets:</b>	<b>1,141,048</b>
Buildings	788,844
Structures	3,260
Tools, furniture and fixtures	62,038
Land	286,904
<b>Intangible fixed assets:</b>	<b>48,224</b>
Trademark rights	2,944
Software	42,225
Other intangible fixed assets	3,054
<b>Investments and other assets:</b>	<b>20,681,698</b>
Investment securities	4,829,625
Stocks in subsidiaries and affiliates	9,474,911
Capital investments	89,355
Long-term loans receivable	5,346,600
Long-term prepaid expenses	13,260
Prepaid pension expenses	411,935
Leasehold deposits	131,959
Funded insurance premiums	477,365
Allowance for doubtful accounts	(93,316)
<b>TOTAL ASSETS:</b>	<b>41,719,920</b>

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(thousands of yen)

<b>LIABILITIES:</b>	
<b>Current liabilities:</b>	<b>2,049,774</b>
Trade accounts payable	130,123
Short-term loans payable	1,098,272
Accounts payable - other	127,545
Accrued expenses	3,462
Accrued income taxes	604,344
Advances received	286
Deposits received	83,205
Reserve for bonuses	2,535
<b>Non-current liabilities:</b>	<b>6,417,111</b>
Long-term loans payable	4,644,400
Deferred tax liabilities	1,241,888
Reserve for officers' retirement allowances	515,046
Guarantee money accepted	15,777
<b>TOTAL LIABILITIES:</b>	<b>8,466,886</b>
<b>NET ASSETS:</b>	
<b>Shareholders' equity:</b>	<b>30,778,173</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>30,154,291</b>
Earned surplus reserve	29,750
Other earned surplus	30,124,541
Earned surplus carried forward to the following year	30,124,541
<b>Treasury stock</b>	<b>(1,242,500)</b>
<b>Valuation translation adjustments and others:</b>	<b>2,474,860</b>
Net unrealized gains on securities	2,474,423
Deferred gains (losses) on hedges	437
<b>TOTAL NET ASSETS:</b>	<b>33,253,033</b>
<b>TOTAL LIABILITIES AND NET ASSETS:</b>	<b>41,719,920</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, 2017 to November 30, 2018)

(thousands of yen)	
Net sales	3,792,147
Cost of sales	2,716,266
<b>Gross profit</b>	<b>1,075,880</b>
Selling, general and administrative expenses	1,051,208
<b>Operating income</b>	<b>24,671</b>
<b>Non-operating income:</b>	<b>1,153,609</b>
Interest income received	81,841
Dividends received	767,524
Others	304,243
<b>Non-operating expenses:</b>	<b>360,449</b>
Interest expenses	28,097
Others	332,351
<b>Ordinary income</b>	<b>817,831</b>
<b>Extraordinary income:</b>	<b>7,417,620</b>
Gain on sales of shares in associated companies	7,417,620
<b>Extraordinary losses:</b>	<b>78,953</b>
Loss on valuation of shares in associated companies	69,000
Loss on valuation of investment securities	9,953
<b>Income before income taxes</b>	<b>8,156,498</b>
Corporate, municipality and enterprise taxes	1,560,522
Adjustment to corporate taxes, etc.	(109,855)
<b>Net income</b>	<b>6,705,831</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, 2018

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	8	-
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, 2018

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 Co., Ltd.	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, Nakashimoto Co., Ltd. holds 35 thousand shares of treasury stock.

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[Officers]

As of November 30, 2018

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
Chairman and Director		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 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 President and Chief Executive Corporate Officer of Kewpie Corporation Corporate Advisor of Kewpie Corporation Chairman and Director of the Company (present post)	-

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Title	Job	Name	Date of birth	Brief history		Number of shares held (thousand shares)
President and Director		Amane Nakashima	September 26, 1959	April 1983	Joined the Industrial Bank of Japan, Limited (current, Mizuho Bank, Ltd.)	13
				October 1993	Joined the Company General Manager, Accounting Dept. of the Company	
				February 1995	Director of the Company	
				February 1997	Director of Kewpie Corporation	
				July 2000	General Manager, Legal Dept. of Kewpie Corporation	
				February 2003	Vice President and Director of the Company	
				February 2005	Director of the Company Executive Managing Director of Kewpie Corporation	
					General Manager, Environment Office of Kewpie Corporation	
				July 2005	General Manager, Social and Environment Promotion Office of Kewpie Corporation	
				October 2009	Senior General Manager, CSR Promotion Division of Kewpie Corporation	
				February 2010	President and Director of the Company (present post)	
				February 2014	Senior Executive Managing Director of Kewpie Corporation	
				February 2016	Chairman and Director of Kewpie Corporation (present post)	

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Title	Job	Name	Date of birth	Brief history		Number of shares held (thousand shares)
Director	General Manager, Internal Audit Office	Noriki Kanda	September 25, 1956	April 1979 October 2002 January 2011 January 2012 February 2012 January 2016 February 2016 October 2016 February 2017 February 2018	Joined the Company General Manager, Corporate Planning Office, 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 Co., Ltd. ("Aohata") (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 General Manager, Internal Audit Office 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		Kenji Kojima	March 1, 1958	April 1981 October 2002 February 2016 February 2018	Joined Kewpie Corporation Joined the Company President and Representative Director of Toka Co., Ltd. (present post) Director and Executive Corporate Officer of the Company (present post)	-
Director	In charge of Administration Division and General Manager, Corporate Planning Dept.	Haruhiko Masuda	May 27, 1957	April 1981 July 2007 October 2008 January 2012 March 2014 October 2014 February 2018 October 2018	Joined the Industrial Bank of Japan, Limited (current, Mizuho Bank, Ltd.) Senior Managing Director, Investment Banking Division of Bear Stearns (Japan), Ltd. Managing Director of the Royal Bank of Scotland plc President and Representative Director of Gordon Brothers Japan Co., Ltd. Joined the Company General Manager, Business Dept. of the Company General Manager, Corporate Planning Office of the Company Director of the Company (present post) In charge of Administration Division of the Company (present post) General Manager, Corporate Planning Dept. of the Company (present post)	-

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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	Joined Aohata	-
				October 2005	General Manager, Group Operation Promote Dept. of Aohata	
				January 2006	Director and General Manager, Group Operation Promote Dept. of Aohata	
				January 2009	Managing Director, Senior General Manager, Operation Promote Division and in charge of Product Development of Aohata	
				January 2011	Senior Managing Director and Senior General Manager, Operation Promote Division of Aohata	
				October 2011	Senior Managing Director of Aohata Responsible for Fruit and Raw Materials Division and Quality Assurance Division of Aohata	
				January 2012	President and Representative Director of Aohata (present post)	
				February 2012	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 October 2018</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 Senior 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 of Kewpie Corporation (present post), In charge of Marketing Division of Kewpie Corporation Director of the Company (present post) In charge of Customer Marketing Office of Kewpie Corporation (present post)</p>	-
Statutory Auditor		Chiaki Nakashima	December 25, 1965	November 2008	Statutory Auditor of the Company (present post)	20
Total						1,890