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For Immediate Release

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## Notice of Change in Shareholder Incentive Program

KAGOME CO., LTD. (the “Company”) hereby announces that it has decided to change its shareholder incentive program. Details are as follows.

### 1. Reason for the change

The Company has been delivering an assortment of its products twice a year under the shareholder incentive program introduced in 2001. It has been implementing the program to create an open company, one of the goals set out as its corporate philosophy, through communication with Kagome Fan Shareholders, whose number, which was 6,549 when the program was introduced, has exceeded 170,000 today. The Company is grateful for the excellent support provided by such a large number of shareholders.

The Company has decided to provide **its original commemorative gift** to **shareholders who have held its shares for more than 10 years** (to be provided once and only in the 10<sup>th</sup> year of such holding) with a hope that they will continue to own the shares for a long period of time.

With regard to the delivery of complimentary gifts for shareholders provided under the program, the Company had been sending an assortment of **its products worth 1,000 yen** (if the number of shares owned is from 100 to 999), or an assortment of **its products worth 3,000 yen** (if the number of shares owned is 1,000 or more), **twice a year, respectively**. However, we have decided to provide an assortment of **its products worth 2,000 yen** (if the number of shares owned is from 100 to 999), or **worth 6,000 yen** (if the number of shares owned is 1,000 or more), **once a year, respectively**, due mainly to an increase in delivery service costs. The complimentary gifts will be sent to **only those shareholders who have continuously held the Company’s shares for more than six months**.

Going forward, the Company will maintain active communication with Kagome Fan Shareholders through a range of programs including complimentary gifts for shareholders. Your continued support will be appreciated.

## 2. Details of the change

### <Current program>

| Number of shares              | Record date for eligibility | Description of complimentary gifts                   | Month of delivery |
|-------------------------------|-----------------------------|--|-------------------|
| From 100 shares to 999 shares | June 30                     | Assortment of the Company's products worth 1,000 yen | October           |
|                               | December 31                 | Assortment of the Company's products worth 1,000 yen | April             |
| More than 1,000 shares        | June 30                     | Assortment of the Company's products worth 3,000 yen | October           |
|                               | December 31                 | Assortment of the Company's products worth 3,000 yen | April             |

### <New program>

| Number of shares              | Record date for eligibility | Period of continuous holding          | Description of complimentary gifts                   | Month of delivery | Holding for 10 years <sup>*3</sup>        |
|-------------------------------|-----------------------------|---------------------------------------|--|-------------------|---|
| From 100 shares to 999 shares | June 30 <sup>*1</sup>       | Longer than half a year <sup>*2</sup> | Assortment of the Company's products worth 2,000 yen | October           | Original commemorative gift <sup>*4</sup> |
| More than 1,000 shares        | June 30 <sup>*1</sup>       | Longer than half a year <sup>*2</sup> | Assortment of the Company's products worth 6,000 yen | October           |   |

\*1: The dividend record date continues to be December 31.

\*2: A continuous holding period of longer than a half year refers to a condition in which a shareholder shall be continuously registered under the same shareholder number in the shareholder register on the record date for eligibility (June 30) and December 31 in the previous year.

\*3: A shareholders who satisfies the following conditions is considered to be a shareholder holding shares for 10 years. The shareholder should be continuously registered under the same shareholder number from the registration date until the relevant base date for eligibility.

| Registered date in the shareholder registration | Record date for eligibility / Month of the delivery of a commemorative gift |
|---|---|
| On or before March 31, 2009                     | June 30, 2019 / October 31, 2019  |
| April 1, 2009 to March 31, 2010                 | June 30, 2020 / October 31, 2019  |
| April 1, 2010 to March 31, 2011                 | June 30, 2021 / October 31, 2019  |
| April 1, 2011 to March 31, 2012                 | June 30, 2022 / October 31, 2019  |
| April 1, 2012 to March 31, 2013                 | June 30, 2023 / October 31, 2019  |
| April 1, 2013 to March 31, 2014                 | June 30, 2024 / October 31, 2019  |
| April 1, 2014 to June 30, 2015                  | June 30, 2025 / October 31, 2019  |
| July 1, 2015 to June 30, 2016                   | June 30, 2026 / October 31, 2019  |
| July 1, 2016 to June 30, 2017                   | June 30, 2027 / October 31, 2019  |
| July 1, 2017 to June 30, 2018                   | June 30, 2028 / October 31, 2019  |

(There was change in the classification of registered dates in 2015 due to the change of closing dates)

\*4: The Company will announce the details of its original commemorative gift by around June 2019 through its website and other means.

### 3. Schedule of the change

The current shareholder incentive program ends on June 30, 2018, the next record date for eligibility. The new incentive program will apply from July 2018 onwards.

<Inquiries on the status of registration in the shareholder registration>

Mitsubishi UFJ Trust and Banking Corporation

Securities Agency Division

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Service available from 9:00 through 17:00 on weekdays