

News Release



House Foods Group Inc.

May 13, 2019

Notice Regarding Capital and Business Alliance between House Foods Group Inc. and Yamami Company

House Foods Group Inc. (headquartered in Higashi-osaka, Osaka; Hiroshi Urakami, President; hereinafter “House Foods Group”) announced today that it has entered into a capital and business alliance agreement with Yamami Company (headquartered in Mihara, Hiroshima; Kiyoshi Yamana, President; hereinafter “Yamami”).

[Yamami’s Profile]

Name	Yamami Company
Address	73-5, Sodekake, Obara, Nutanishi-cho, Mihara-shi, Hiroshima
Representative	Kiyoshi Yamana, President
Established	January 29, 1975
Capital	1,215.55 million yen
Business description	Production and sales of tofu, deep-fried tofu, fried tofu, delicatessen, fish paste products, and other tofu products

[Reason for the Capital and Business Alliance]

Leveraging its sophisticated production technology as a “comprehensive producer” of soy products, Yamami produces and sells soy products such as tofu and deep-fried tofu with a focus on “reliable, safe and delicious products,” mainly in western Japan.

With the aim of “transforming into a health and quality company through food,” House Foods Group has been developing its tofu business in the United States, and has accumulated extensive know-how through years of R&D in soybean products.

Recently the health value of tofu is being reassessed, and proposals for broader applications as a health ingredient will be needed in the future.

Since both House Foods Group and Yamami share a commitment to vitalizing the market for soybean products, the two companies have decided to consider jointly creating unprecedented new value, developing each other’s businesses, and creating a new business, by combining their resources through this partnership.

[Overview of Business Alliance]

With regard to the following matters, the two companies will utilize their resources to consider the joint creation of high value-added soybean products and new businesses in the future.

- Develop new value-added products in Japan by utilizing House Foods Group’s US tofu business, soybean product research and development know-how, as well as the product development know-how of a wide range of processed seasoning foods.
- Improve the provided value of Yamami’s tofu products using health ingredients owned by the House Foods Group.
- Work to create a new business and collaborate with each other, for instance by looking at establishing a joint venture through investment by both companies.
- Consider and promote initiatives for collaboration between the two companies, including mutual sales support.

[Overview of Capital Alliance]

House Foods Group will acquire some of the shares issued by Yamami (number of shares planned to be acquired: 242,800 shares, 3.5% of the total number of issued shares) from existing shareholders of Yamami, through the off-floor trading (ToSTNeT-1) of Tokyo Stock Exchange, Inc.