

Oct. 28 2015

Kokubu & Co., Ltd.

Marubeni Corporation

Kokubu & Co., Ltd. and Marubeni Corporation to mutually invest in Kokubu Shutoken Corporation, Nacx Nakamura Corporation and Yamaboshiya Co., Ltd., and sign master agreement on business alliance

Kokubu & Co., Ltd. (Headquarters: Chuo City, Tokyo Metropolitan; President and CEO: Kanbei Kokubu; below, “Kokubu”) and Marubeni Corporation (Headquarters: Chiyoda City, Tokyo Metropolitan; President and CEO, Director: Fumiya Kokubu; below, “Marubeni”) have reached an agreement on Kokubu’s capital participation in Nacx Nakamura Corporation (below, “Nacx Nakamura”) and Yamaboshiya Co., Ltd., Marubeni’s capital participation in Kokubu Shutoken Corporation (below, “Kokubu Shutoken”), and the signing of a master agreement on a business alliance based on these mutual capital participations.

Details are as below.

1. The purpose of the alliance

The Japanese retail industry must now deal with changes such as the increase of an aging population, single-person households, and dual income households. Further rise of raw materials, fluctuating exchange rates, and rising labor and infrastructure costs are factors that push down profits. In addition, competition beyond the boundaries of the industry is becoming more severe, and industry consolidation through mergers and acquisitions is becoming more active.

In order to respond to the rapidly changing business environment, Kokubu and Marubeni have decided to, based on the ground of mutual trust, proactively combine and share with each other management know-how, functions, network of business partners etc. With the purpose of constructing the foundation for intermediary distribution, which is heavily supported by all classes of food distribution business, the two companies have decided to, by mutually conducting investments in Kokubu Shutoken, Nacx Nakamura and Yamaboshiya (below, “the said companies”), implement joint business and seek to increase the said companies’ corporate values.

Furthermore, the said companies also aim to deliver new value to their business partners through the construction of a new business model in food wholesale

business, which they plan to achieve through collaborations with combined management resources.

2. Contents of the alliance

The domains of this alliance are food wholesale business in the Tokyo metropolitan area, nation-wide low-temperature food wholesale business and confectionery wholesale business, and collaboration between Kokubu and Marubeni in food business. The alliance contents are as follows.

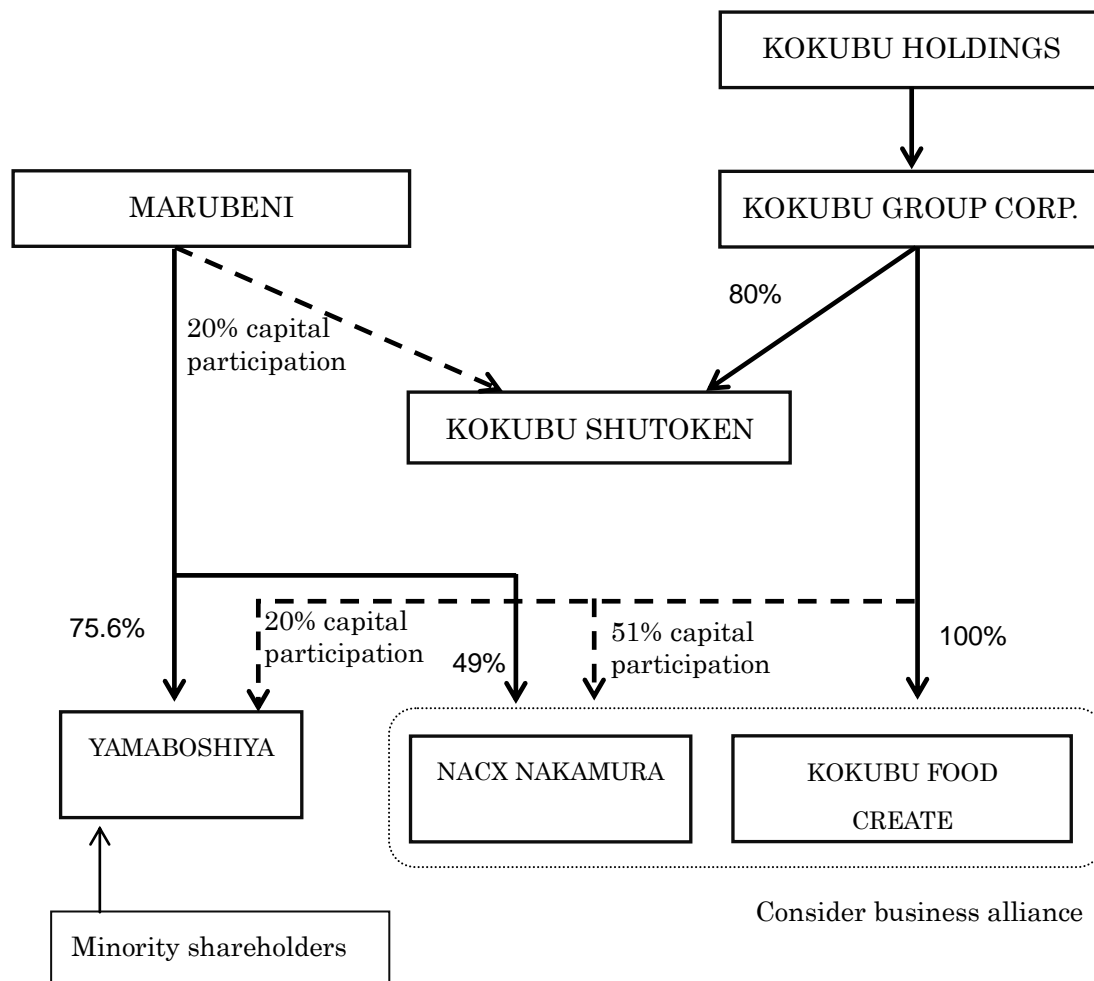
- (1) Marubeni is to conduct 20% capital participation in Kokubu Shutoken, a subsidiary of Kokubu that focuses its operations in the Tokyo metropolitan area, in order to strengthen and expand the latter's business foundation.
- (2) Kokubu is to conduct 51% capital participation in Nacx Nakamura, a subsidiary of Marubeni, in order to strengthen its low-temperature wholesale business. In addition, Kokubu and Marubeni are to promote collaboration between Nacx Nakamura and Kokubu Food Create Tokyo Corporation, a subsidiary of Kokubu.
- (3) Kokubu is to conduct 20% capital participation in Yamaboshiya Co., Ltd., a subsidiary of Marubeni, in order to strengthen its confectionery wholesale business.
- (4) Kokubu and Marubeni are to pursue improvement in the said companies' corporate values through this mutual investment scheme, and to establish a mutual Alliance Promotion Committee to study detailed collaboration contents with the aim of constructing a new business model in the food wholesale business based on their combined resources.

3. Schedule

- Jan. 1 2016 (planned) : Kokubu to complete group reorganization.
- End of Feb. 2015 (planned) : Kokubu and Marubeni to conduct capital participation in the said companies.

[Outline]

(Dotted lines represent new investments conducted in this alliance)



※Following the reorganization of Kokubu Group, Kokubu Corporation will change its name to Kokubu Group Corporation and Kokubu Shutoken Corporation will take over Kokubu Corporation's food wholesale business in the Tokyo metropolitan area.

【Company Profile】

1. Kokubu Shutoken Corporation

Company Name	Kokubu Shutoken Corporation
Headquarters Location	5F East Square Tokyo, 1-6-35 Shinsuna, Koto, Tokyo, Japan
Representative	Satoru Naito
Main Business	Wholesaling business (liquor products and food products)
Annual Sales	405 billion Yen (estimated sales for the fiscal year ended Dec. 31, 2016)
Capital	1.1 billion Yen
Shareholders	Kokubu: 80%; Marubeni: 20%

2. Nacx Nakamura Corporation

Company Name	Nacx Nakamura Corporation
Headquarters Location	1-8-24, Nishinomiyahara, Yodogawa-ku, Osaka, Osaka Prefecture, 532-0004, Japan
Representative	Ichiro Maeda
Main Business	Wholesale and distribution businesses mainly dealing with frozen products.
Annual Sales	98 billion yen (results for the fiscal year ended Mar. 31, 2015)
Capital	1.5 billion yen
Shareholders	Kokubu: 51%; Marubeni: 49%

3. Yamaboshiya Co.,Ltd.

Company Name	Yamaboshiya Co.,Ltd.
Headquarters Location	Sakaisuji Inabata Building,3rd Floor, 1-15-14 Minamisenba Chuo-ku, Osaka, Osaka Prefecture, 542-0081, Japan
Representative	Norio Konishi
Main Business	Wholesale and distribution businesses mainly dealing with confectionery.
Annual Sales	260 billion yen (results for the fiscal year ended Mar. 31, 2015)

Capital	2.2 billion yen
Shareholders	Marubeni: 75.6%; Kokubu: 20%

4. Kokubu Food Create Corporation

Company Name	Kokubu Food Create Corporation
Headquarters Location	1-2-6 Nihombashi, Chuo-ku, Tokyo 103-8241, Japan
Representative	Keisuke Yamazaki
Main Business	Wholesale and distribution businesses mainly dealing with frozen and low temperature products.
Annual Sales	61 billion yen (results for the fiscal year ended Dec. 31, 2014)
Capital	90 million yen
Shareholders	Kokubu: 100%

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