

*This document is an English translation of a statement written originally in Japanese for reference. The Japanese original version should be considered as the primary version.*

December 14, 2018

Company Name: ARIAKE JAPAN Co., Ltd.  
Representative: Tomoki Tagawa  
Representative Director and  
President  
(First Section of Tokyo Stock  
Exchange, Code No. 2815)  
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## Announcement of the Change in Consolidated Subsidiary (Share Transfer) and Recording of Extraordinary Profit (Expected)

To whom it may concern,

ARIAKE JAPAN Co., Ltd. ("**Company**") has resolved at the Board of directors meeting held today that all the shares in ARIAKE U.S.A., Inc. owned by the Company shall be transferred to Kerry Holding Co. (the "**Share Transfer**") as described below. After the completion of the Share Transfer, ARIAKE U.S.A., Inc. will no longer be the consolidated subsidiaries of the Company, and the Company is expecting to record extraordinary profit as a result thereof.

### 1. Reasons of Share Transfer

As the leading manufacturer in the field of natural seasoning, the Company and its affiliates have been making strenuous efforts to contribute to the food culture all over the world through our business, and the Company and its affiliates have established the optimal production networks eight bases throughout the world, specifically in the U.S.A., Asia and Europe, as well as the main base in Japan. Within the global business environment in which the Company group exists, surrounded by the worldwide food industry with

diversified food cultures and eating habits, ARIAKE group is promoting its business operation by “concentrating on core competence,” including distributing its management resources in a market with the potential of sustainable growth.

After prudent and considerable discussions under such circumstances, the Company has reconsidered its overseas business and determined to execute the Share Transfer, aiming to enhance its mid- to long- term corporate value by concentrating its management resources to geographical area outside the U.S.

2. Overview of the subsidiary subject to change (ARIAKE U.S.A., Inc.)

(1) Company Name	ARIAKE U.S.A., Inc.		
(2) Head Office	1711 North Liberty Street, Harrisonburg, VA 22802		
(3) Representative	Kineo Okada, Representative Director and President		
(4) Business	Manufacture and sale of natural seasoning		
(5) Capital	US\$18,000,000		
(6) Date of Establishment	February, 1985		
(7) Ownership	ARIAKE JAPAN : 100.0%		
(8) Relationships with ARIAKE JAPAN	Capital	100% subsidiary of ARIAKE JAPAN	
	Persons	The Senior Advisor of ARIAKE JAPAN is holding the post of Representative Director and President, and 2 employees of ARIAKE JAPAN are holding the post of Director of ARIAKE U.S.A.	
	Transactions	ARIAKE JAPAN purchases raw materials from ARIAKE U.S.A and liabilities of ARIAKE U.S.A are guaranteed by ARIAKE JAPAN.	
(9) Financial Results and Position for the Three most-recent Years (Unit: 1,000 US\$)			
Fiscal Year	Year ended December 2015	Year ended December 2016	Year ended December 2017
Net Assets	28,251	34,180	43,971
Total Assets	47,748	46,148	49,915
Net Assets Per Share	US\$156.95	US\$189.89	US\$244.29

Revenue	41,796	43,547	53,035
Operating Income	8,280	9,965	13,061
Ordinary Income	7,922	9,874	13,078
Net Income	5,181	5,928	9,791
Net Income Per Share	US\$28.79	US\$32.94	US\$54.40
Dividend Per Share	0	0	0

### 3. Overview of the Acquirer

(1) Company Name	Kerry Holdings Co.	
(2) Head Office	3400 Millington Rd., Beloit, WI 53511	
(3) Representative	Michael O'Neill, President and Chief Executive Officer	
(4) Principal Business	Kerry Holding Co. is the U.S. holding company of Kerry Group, which has Kerry Inc., a U.S. company, as its operating company (doing the business of manufacturing and selling food materials and additives, food in general, raw materials of beverages and beverage products, and raw materials of health foods, and manufacturing and selling pharmaceutical additives).	
(5) Capital	US\$100	
(6) Date of Establishment	December 1998	
(7) Net Assets	US\$456m	
(8) Total Assets	US\$462m	
(9) Ownership	Kerry Group PLC : 100.0%	
(10) Relationship with ARIAKE JAPAN	Capital	None applicable.
	Persons	None applicable.
	Transactions	None applicable.
	Status of Related Parties	None applicable.

4. Number and value of share of the subsidiary transferred by ARIAKE JAPAN and number of shares held before and after the transfer

(1) Number of Shares held before Transfer	180,000 shares
(2) Number of Shares Transferred	180,000 shares
(3) Transfer Price	20,000,000,000 Japanese yen. (Note)
(4) Number of Shares after Transfer	None (voting rights ratio: 0.0%)

Note: The final transfer price may fluctuate because the Agreement concerning the Share Transfer includes a transfer price adjustment clause based on the working capital as of the date of the Share Transfer.

5. Schedule

(1) Date of Resolution by the Board	December 14, 2018
(2) Date of Execution of Share Purchase Agreement	December 14, 2018
(3) Date of Share Transfer	February 1, 2019 (Scheduled date)

6. Posting of Extraordinary Income

As a result of this transaction, extraordinary income is expected to be booked in the consolidated and non-consolidated financial statements for the 2019 January to March quarter. Such amount is presently under review and the Company contemplates to promptly make a press release if there is any matter that needs to be published.

7. Future Outlook

The Company is currently reviewing impact on consolidated business results of 2019 January to March quarter, and contemplates to promptly make a press release if there is any matter that needs to be published.

END