

Sep 1, 2016

ADEKA CORPORATION

Announcement on the Stock Acquisition of Crown Co., Ltd.

ADEKA Corporation (Representative Director and President: Akio Kohri) has announced that Crown Co., Ltd. (Head office: Osaka City, Osaka Prefecture, hereinafter referred to as "Crown") will become its consolidated subsidiary through the acquisition of additional stock.

1. Reason for stock acquisition

Crown has been selling processed oils and fats, including edible fats and cooking oils, as well as processed foods, such as whipped cream, mainly to bakeries and cake shops in Kyoto, Osaka and Kobe since its establishment in 1962. Their products are in line with what our company produces. With strength in various lines of business and detailed customer care, its cover ratio is especially high in Osaka Prefecture and it is one of our important distributors due to its high profile and reliability.

We consider that making Crown, with its strong operational base in the Kansai retail market, one of our subsidiaries through this stock acquisition will contribute to strengthening the domestic base of our food business.

2. Summary of Crown

(1) Company Name	Crown Co., Ltd.	
(2) Location	3-6-35, Nishitenma, kita-ku, Osaka	
(3) Name & Title Representative	Kimiko Omachi (Representative Director and President)	
(4) Description of business	Wholesale of food materials including edible fats, cooking oils and processed foods	
(5) Capital	10 million yen	
(6) Date of establishment	May 1, 1962	
(7) Major stockholder and stock ownership ratio	Kimiko Omachi : 53.0% ADEKA CORPORATION : 17.0% Other : 30.0%	
(8) Relationship with ADEKA	Capital ties	ADEKA owns 17.0% of shares of Crown
	Human Resources	ADEKA has sent one part-time executive to Crown
	Business	Crown sells some of ADEKA's products.

/Continued overleaf

3. Stock ownership before and after acquisition

(1) Ratio of Shares held by ADEKA prior to transfer	17.0%
(2) Ratio of Shares to be transferred	34.0%
(3) Ratio of Shares held by ADEKA after transfer	51.0%

*The acquisition cost is not disclosed in accordance with an agreement between the parties. The amount is fair and appropriate and was agreed upon by the parties after negotiations.

4. Date of agreement and date of stock transfer

(1) Date of agreement	Jul 27, 2016
(2) Date of stock transfer	Aug 3, 2016

5. Future outlook

Crown will become the Company's consolidated subsidiary through this stock acquisition. We are now investigating the acquisition's influence on the Company's consolidated performance for the year ending March 31, 2017, and if it is necessary to revise sales estimates, or if there is anything that should be officially announced, we will immediately disclose such information.

■ Contacts

ADEKA CORPORATION

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