



The original disclosure in Japanese was released on March 30, 2020 at 15:30 (GMT+9)

To whom it may concern,

Company name:	Takara Holdings Inc.
Company representative:	Mutsumi Kimura, President
Securities code and stock exchange listings:	2531 Tokyo (1st section)
Inquiries:	Takuya Kakemi, General Manager of Investor Relations Dept.
TEL:	(075) 241-5124

Notice Regarding Consolidated Subsidiary (Takara Shuzo International Co., Ltd.)
Acquiring Stock (Subsidiarization) of Tokyo Mutual Trading Co., Ltd.

Kyoto, Japan—Takara Holdings announced today that on March 30, 2020, consolidated subsidiary Takara Shuzo International Co., Ltd. (“Takara Shuzo International”) acquired 51.0% of the shares issued and outstanding of Tokyo Mutual Trading Co., Ltd. (“Tokyo Mutual Trading”), a company primarily engaged in export and sales of food products, etc. to the United States, and made it a consolidated subsidiary of Takara Holdings.

1. Reason for Acquiring Stock

After the Takara Group acquired stock of Foodex S.A.S., a Japanese food wholesaler in France, in April 2010 and entered the Japanese Food Wholesale Business in overseas markets, we have successively welcomed local wholesalers from Europe, the United States, and Australia and have continued to expand the wholesale network for Japanese foods. In July 2017, aiming to achieve even faster growth for global business by maintaining and strengthening our business foundation, which includes achieving faster, more accurate decision-making and building a business foundation that includes our overseas sites, Takara Shuzo Co., Ltd. spun off its overseas business to form Takara Shuzo International. Under the Takara Group Medium-Term Management Plan FY2020 currently underway which sets out a basic policy to “Dramatically expand our scope of business by enlarging our overseas Japanese food wholesaler network, together with developing our business foundation and strengthening our position with the goal of becoming a leading company in the global Japanese alcoholic beverages and foods market,” we are promoting the expansion of the Japanese Food Wholesale Business in overseas markets by expanding sales of Japanese alcoholic beverages leveraging our position as the top seller of Japanese alcoholic beverages worldwide and strengthening the Japanese food wholesaler network primarily in Europe and the United States.

Our particular focus in recent years has been to expand business in the United States with an extensive Japanese food market, and Mutual Trading Co., Inc. (“Mutual Trading”), which became a consolidated subsidiary in November 2016, is aggressively developing business by steadily improving net sales prompted by the tailwind of increasing demand as well as extending and enhancing its logistics warehouses to accommodate further growth. Tokyo Mutual Trading is Mutual Trading’s largest supplier in the procurement of products from Japan.

By welcoming Tokyo Mutual Trading into the Takara Group, we can further strengthen the relationship with our suppliers and enhance our functions for product development and its supply to the United States. In the future, Tokyo Mutual Trading will serve as an export base for all Takara Group Japanese food wholesalers around the world, to promote shared purchasing and strengthen the competitive advantage of the Takara Group.

Global interest in Japanese foods is rising on the back of expansion in the global market for Japanese foods mainly as a result of the growing number of health enthusiasts in recent years. The Takara Group will further strengthen sales of Japanese alcoholic beverages and build a wholesale network for Japanese foods to actively expand business, as it strives to enhance its corporate value and spread Japanese alcoholic beverages and the culinary culture of Japan.

2. Overview of Tokyo Mutual Trading

(1) Name	Tokyo Mutual Trading Co., Ltd.		
(2) Location	4-26-4 Taito, Taito-ku, Tokyo		
(3) Representative	Takuya Washio, Representative Director and President		
(4) Business	Export, import and sale of foods, alcoholic beverages, miscellaneous goods, etc.		
(5) Capital	60 million yen		
(6) Established	October 7, 1947		
Principal shareholders (7) and percentage of shares held	Atsuko Kanai, Hiroto Kanai, Harley Kiyoshi Inaba and ten of others (100%)		
(8) Relationships between the listed company and the said company	Capital relationship	There is no relevant capital relationship.	
	Personnel relationship	There is no relevant personal relationship.	
	Transaction relationship	There is no relevant transaction relationship.	
(9) Number of officers and employees	6 Officers and 26 employees as of March 2020		
(10) Fiscal year-end	March 31		
(11) Operating performance and financial position over the past three years	Units: million yen		
Fiscal year	Fiscal year ended March 31, 2017	Fiscal year ended March 31, 2018	Fiscal year ended March 31, 2019
Net assets	1,028	1,349	1,773
Total assets	1,812	2,378	2,888
Net sales	8,260	9,264	10,665
Operating income	257	541	684
Net income	163	334	441

3. Overview of Takara Shuzo International

(1) Name	Takara Shuzo International Co., Ltd.		
(2) Location	20 Naginataboko-cho, Shijo-dori Karasuma Higashi-iru, Shimogyo-ku, Kyoto Japan		
(3) Representative	Mutsumi Kimura, Representative Director and President		
(4) Business	Management of group companies, and export and sale of alcoholic beverages, seasonings, etc.		
(5) Capital	10 million yen		
(6) Established	July 3, 2017		
Principal shareholders (7) and percentage of shares held	Takara Holdings Inc. 100%		

4. Number of shares to be acquired, acquisition price and percentage of ownership before and after acquisition of shares

(1)	Number of shares owned before transfer	0 shares (ownership ratio of voting rights: 0.0%)
(2)	Number of shares to be acquired	510,000 shares
(3)	Acquisition price	1,326 million yen
(4)	Number of shares owned after transfer	510,000 shares (ownership ratio of voting rights: 51.0%)

5. Impact on Earnings

The impact on the consolidated business results for the fiscal year ending March 31, 2020 is expected to be immaterial.