

Kanematsu acquires the source of edible soybean supply in Ohio, USA

KANEMATSU CORPORATION
December 14, 2012

Kanematsu Corporation (Minato-ku, Tokyo, President: Masayuki Shimojima) announced today that the company is going to purchase the business property and assets of Harmony Agricultural Products In Ohio, LLC (“HAPI-O”), currently owned by Honda Trading America Corporation (California, USA, President: Atsuyuki Kondo). Kanematsu will establish a new company and start from next spring the business of Non-GMO Food Grade Soybean Processing and Sales, Grower’s Acreage Contracting and Seed Research & Development.

The new company (KG AGRI PRODUCTS, INC.) will be established through joint capital investment with Kanematsu Corp. group companies, providing 100% of total capital. KG Agri Products, Inc. will assume all of HAPI-O’s Non-GMO soybean business relationships both in Japan and the U.S., along with all commercial rights including the famous, long-running “TAMABIJIN” brand name fostered by Honda Trading Corporation.

Kanematsu has been actively involved and striving for many years in the merchandising of Non-GMO soybeans that are processed into Japanese Traditional Foods, such as Tofu, Miso, Natto and SoySauce etc.. As a top shareholder in the Japanese food grade soybean market, we are ready to take aim at expanding our market share from the current 10% to over 20% with this acquisition and new supply origination.

The result of this acquisition is that Kanematsu will now have a complete supply chain from Seed Research & Development, seed supply and grower’s acreage contracts through to sales activities all over the world. This will significantly increase our diversity and strengthen our competitiveness in the market place.

【Information of New company】

Name	: KG Agri Products, Inc.
Place	: Marysville, Ohio, U.S.A.
Capital	: US\$2million
Main business	: Edible soybeans’ Seed R&D, Acreage contracts with growers, Soybean processing, Soybean sales
Processing capacity	: 45,000Metric Tons (per year)
Establishment date	: December, 2012