

Chinese Subsidiary Established

Matsuda Sangyo has established a new company in Qingdao, the People's Republic of China, to operate a food-related business. The company is now working toward the start of business operations in September this year. Details are as follows.

1. Reasons for Establishment of Subsidiary

Matsuda Sangyo has been studying food production, processing and sales markets in China through its representative office in the country (Matsuda Sangyo Co., Ltd. Qingdao Representative Office). As a result, we have decided to establish a wholly owned subsidiary in the Chinese city of Qingdao to carry out food product sales and other operations in China and third countries.

We plan to close the Qingdao Representative Office following the establishment of the new company.

2. Overview of Subsidiary

- (1) Name: MATSUDA SANGYO TRADING (QINGDAO) CO., LTD.
- (2) Location: A-911, TOP·YIHEINTERNATION, NO.10 HONGKONG MIDDLE ROAD, QINGDAO, 266071, CHINA
- (3) Representative: Masaji Yamashita
- (4) Established: June 12, 2012
- (5) Business: Import, export and wholesale of food products and the provision of related services
- (6) Fiscal year: December
- (7) Capital: ¥40,000 thousand
- (8) Investment ratio: MATSUDA SANGYO CO., LTD. 100%
- (9) Start of business: September 2012 (tentative)

3. Impact on earnings

The establishment of the subsidiary will have a minimal impact on earnings in the fiscal year ending March 2013.