

August 1, 2014

### Establishment of Farm Production Corporation

Okaya & Co., Ltd. has decided to establish a farm production corporation in Matsushima-machi, Miyagi-gun, Miyagi, a production company of tomatoes, as a joint venture company with Sunfresh-Matsushima Co., Ltd.

Sunfresh-Matsushima Co., Ltd., a partner, is engaged in selling "Matsushima Tomatoes" to dominant retail stores, utilizing Dutch-style cultivation techniques.

We would like to inform you that we are to enter into the agricultural business as the Okaya & Co., Ltd. group for the first time. Both companies will cooperate to develop the market, expecting synergistic effects with our food business.

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|------------------------|--|
| 1. Corporate name      | Makishima Farm Co., Ltd. (tentative name)  |
| 2. Location            | Matsushima-machi, Miyagi-gun, Miyagi   |
| 3. Business purpose    | Producing and selling tomatoes, utilizing Dutch-style hydroponic techniques                                      |
| 4. Capital             | JPY 4 million (expected)<br>JPY 3 million by Sunfresh-Matsushima Co., Ltd.<br>JPY 1 million by Okaya & Co., Ltd. |
| 5. Establishment       | September 2014 (scheduled)   |
| 6. Start of production | December 2015 (scheduled)  |
| 7. Representative      | Masataka Utsumi<br>(President of Sunfresh-matsushima Co., Ltd.)  |
| 8. Cultivation scale   | 1ha  |
| 9. Sales plan          | JPY 1.2 million: Fiscal year ending in February 2017<br>(first year of production)                               |

<For reference>

#### Features of Dutch-style cultivation techniques

- Cultivation in environmental glass greenhouses
- It enables a stable harvest of high-quality crops and a massive yield per crop unit.

#### Sunfresh-matsushima Co., Ltd.

- Location Matsushima-machi, Miyagi-gun, Miyagi
- Establishment January 1996
- Representative Masataka Utsumi
- Capital JPY 3 million