

## **INCJ announces joint acquisition of UK-based freeze-dried food manufacturer together with Nagatanien Holdings Co., Ltd.**

**Tokyo, December 2, 2016** – Innovation Network Corporation of Japan (“INCJ”) announced today the joint acquisition of Broomco (3554) Limited (“Broomco”), the parent company of UK-based freeze-dried food manufacturer Chaucer Food Group (“Chaucer”) together with Nagatanien Holdings Co., Ltd. (“Nagatanien”). Based on this agreement, INCJ will invest a maximum of 45 million USD.

Since its establishment in 1953, Nagatanien has grown as an instant food manufacturer, with strengths in freeze-dried products, noodles and long selling products including *ochazuke*.<sup>1</sup> With regards to freeze-dried products, Nagatanien began by producing ingredients for *ochazuke* such as salmon flakes, and have in recent years expanded to a wide-range of products including block-type *ochazuke*, miso soup and confectionary.

In order to sustain its development and improve its enterprise value going forward, Nagatanien recognizes the necessity for expanding its business domain and will continue efforts to foster new business through initiatives including cultivating new food categories and sales channels.

Chaucer was established in 1980 in the UK as a food manufacturer, and has since established its reputation for specializing in technology for freeze-dried fruits, vegetables and dairy products, and bread product development. Chaucer is expanding its business on a global scale, using globally procured materials in the manufacture of freeze-dried products and bread products at its production plants in the US, Europe and China, which supplies to the production plants of well-known major food and beverage manufacturers around the world.

Freeze drying is a method of quickly freezing and placing food in a dry vacuum. While this method enables long-term preservation, it also limits the loss of taste, texture and color. Due to its convenience and retention of flavor, as well as growth in health consciousness, the demand for foods produced by this method are increasing.

This joint acquisition will bring together advanced freeze-drying technology held by both

<sup>1</sup> Japanese dish consisting of rice with tea poured over it.

Nagatanien and Chaucer and will create the possibility for joint development of new products. Furthermore, by using Chaucer's global sales channels, Nagatanien can expand sales and reach a new customer base and expects to create new synergies through this acquisition.

INCJ will provide support from various aspects in order to develop a new business model enabling sustainable growth. This model will be created by encouraging Japanese companies, which had focused on domestic markets in the past, to utilize technology and assets of overseas companies to create synergies. INCJ aims to implement new innovation, generated by transcending the existing boundaries of companies, technologies and ideas.

#### **About Broomco (3554) Limited**

Established	2004
Business Outline	Holding Company
Headquarters	North Humberside, UK
Representative	CEO, Andrew James Ducker

#### **About Chaucer Food Group**

Established	1980
Business Outline	Manufacture and sale of bread and freeze-dried products including fruits
URL	<a href="http://www.chaucergroup.co.uk/">http://www.chaucergroup.co.uk/</a>

#### **About Nagatanien Holdings Co., Ltd.<sup>2</sup>**

Established	April 1953
Business Outline	Group-wide business management, etc.
Headquarters	Minato-ku, Tokyo
Representative	President, Taijiro Nagatani
URL	<a href="http://www.nagatanien-hd.co.jp/">http://www.nagatanien-hd.co.jp/</a>

#### **About Innovation Network Corporation of Japan (INCJ)**

INCJ was established in July 2009 as a public-private partnership that provides financial, technological and management support for next-generation businesses. INCJ specifically supports those projects that combine technologies and varied expertise across industries and materialize open innovation. INCJ has the capacity to invest up to ¥2 trillion (approx. US\$20 billion).

<sup>2</sup> Nagatanien Co., Ltd., which is part of the Nagatanien group manufactures and sells food and beverages including ochazuke, furikake seasoning and instant miso soup.

INCJ's management team is drawn from the private sector with diverse experience in investment, technologies and management. Through its Innovation Network Committee, INCJ assesses investment opportunities that contribute to industrial innovation in Japan in line with criteria set by the government.

Press contacts:

Innovation Network Corporation of Japan  
Corporate Planning Group, Communications, Irie, Sakai  
21st Floor, Marunouchi Eiraku Building  
1-4-1 Marunouchi, Chiyoda-ku, Tokyo  
Tel. (03) 5218-7202  
URL : <http://www.inci.co.jp/>

**Target:** Chaucer Food Group

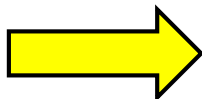
**Business-Outline:** Manufacture and sale of bread products and freeze-dried products

**Authorized Investment:** 45 million USD (maximum)

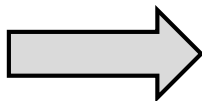
**Date of announcement:** December 2, 2016



**Investment**  
**Management support**



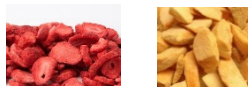
**Investment**  
**Management support**  
**Provide technical and production know-how**



## Chaucer

- Chaucer has excellent know-how in freeze-dried products as well as bread products and has built a global network of procurement, manufacturing and distribution
  - Accumulation of know-how in freeze-dried products focusing on fruits, vegetables and dairy products
  - Global procurement network focusing on Europe, South America, China and North Africa
  - Top level global manufacturing capacity
  - Sales network including leading overseas manufacturers and retailers of food and beverages

### Freeze Dried



- Sale and manufacture of freeze-dried products including fruits, vegetables and dairy products
  - ✓ Primarily berries and strawberries

### Bread Products



- Processed food materials based on bread
  - ✓ Crouton, pita chips and bruschetta
  - ✓ World leader in production volume for soup croutons

### Branded Snacks (Crunchies)



- With the acquisition of US food manufacturer, Chaucer entered a new market selling freeze-dried fruits and vegetable chips

- Support overseas expansion of Japanese food companies by utilizing Chaucer's globally established business
- Global expansion of Japanese freeze dried food and ingredients through joint development between Nagatanien and Chaucer