(Translation)
For Immediate Release

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Notice of Change of Shareholder Return Policy

KAGOME CO., LTD. (the "Company") hereby announces that at a meeting held on August 6, 2019, the Board of Directors decided to change its shareholder return policy. Details are as follows.

1. Reason for changing the shareholder return policy

The Company recognizes that returning profits to shareholders is one of its highest management priority issues. The Company has been aiming to consistently pay cash dividends with the payout ratio of 40% as a guide, based on consolidated financial results.

To further increase the flexibility and stability of shareholder returns, the Company has now decided to aim for a total return ratio of 40% based on consolidated financial results during the period of the Mid-Term Management Plan, which the Company is executing over three years from 2019 to 2021. The Company has also decided to consistently pay an annual cash dividend of 35 yen or more.

With the aim of becoming a strong company that can maintain sustainable growth by resolving social issues through food, the Company will continue to work actively to return profits to shareholders.

2. Contents of the change of shareholder return policy

(Before change)
・ "Consistently pay cash dividends with the payout ratio of 40% as a guide based on consolidated financial results"

(After change)

・ "Total return ratio(*) of 40% based on consolidated financial results"

・ "Consistently pay an annual cash dividend of 35 yen or more"

*Total return ratio: One of the indicators showing the ratio of shareholder return that is obtained by dividing the sum of dividends and share buy-back by net income.

*Share buy-back will be conducted flexibly during the period of the Mid-Term Management Plan.