FUJI OIL HOLDINGS INC.

Acquisition of Blommer Chocolate Company in the U.S. Teleconference Main Q&A

Date/time: November 19, 2018 (Mon.); 17:30pm - 18:30pm Speaker: Tomoki Matsumoto, Member of the Board, CFO

<About synergy>

Q. What kind of synergy do you expect to generate?

A. We anticipate the following internal improvements and Group synergy will generate a benefit of approximately 1.0 billion yen.

<Internal improvements>	-Promote optimization through the solid implementation of a production improvement program planned by the company. -Procurement cost reductions
<Group synergy>	-Promote efficiency in China markets through the combined optimization of existing Group plants and target company (BCC) plants -Use Group credit rating to reduce interest costs -Increase supply of hard butters for chocolate from oils and fats production sites in the USA

Q. What are the merits of acquiring the cacao bean processing business?

A. By strengthening management operations, we anticipate the following merits will exceed risks related to market price fluctuations.

-We will be able to establish our own strong connections with local producers without relying on competitors in control of upstream industries.

-From an ESG perspective, in the future we will be able to ensure stable procurement of certified cacao while also controlling procurement costs.

-We will be able to evolve business for existing plants by acquiring fermentation and roasting technology, which influences chocolate flavor and deliciousness.

-In the future, we will be able to benefit from the economics of scale by consolidating procurement.

<About Blommer Chocolate Company>

Q. Why has the company recently experience a significant decline in operating income?

A. In addition to one-time expenses related to management, the company did not apply hedge accounting for its cacao business so they were impacted by market price fluctuations resulting from conducting year-end market price assessments. Moving forward, they will evaluate and apply changes to accounting standards in order to alleviate the impact of market price fluctuations.

Q. Why is profitability low compared to the existing Fuji Oil chocolate business?
A. This is attributable to their high ratio of supplying to large multinational confectionery manufacturers involving relatively low-profit transactions and because their cacao business produces a relatively low profit margin in comparison to the chocolate processing business. However, moving forward we believe we can increase profit margins by applying our oils and fats technology and our chocolate processing technology towards engaging in the retail business, a strength of the Fuji Oil Group, as well as niche markets.

<Other>

Q. Will you incur one-time expenses related to buyout costs, IT integration, etc.?
A. We will carefully evaluate this as we move towards completing acquisition but we believe much of this overlaps with the aforementioned cost reductions and other internal improvements, and so we anticipate that the synergy benefits will outpace increased costs.