KAWASAKI FLORA AUCTION MARKET





CORPORATE PHILOSOPHY

川崎花卉園芸の企業理念



たねまく Plant Seeds



のびる Grow Sprouts



ひらく Unfold Leaves



はなさく Bloom Flowers



むすぶ Bear Fruits 環境保全型の企業です
Preserve environment

教育を重視しています Place importance on education

利益を社会に還元します Give profits back to community

美しい職場づくりを目指します Create beautiful workplace

社会に貢献していきます
Contribute to developing society

Information on Flower Growers

We provide information on the producers - Who. Where When, What Quantity and At What Cost?

Information Sorted & Packaged for Retail Business

In providing retailers with information on the growers, we "sort & pacitatie" the information in a way best suited to the retail husiness.

Sharing Our Expertise

We share our expertise on product knowledge and offer suggestions such as efficient merchandising approach and effective marketing programs targeting consumers

Shippers

Japan Agricultural Cooperatives

JA-Aichi JA-Shinsyu

JA-Aizumidori JA-Agatsuma Okinawa [Taiyo] JA-Himawari

> Japan Business Federation



Intermediate Wholesale Companies





MONCEAU FLEURS

happy Maison de Verdi Co., Ltd



Domestic Flower **Producers**



KAWASAKI **FLORA** AUCTION MARKET

Wholesale Companies







Retail Business

Specialty Stores Flower Shops

Companies Carrying Flowers for Business Üse

Ceremony Business Hotels



Bun-Bun-Bee, EFFCO

Logistics T-LINE



Overseas Flower **Producers**

Import Companies





Special greenhouse for Orchid

Sharing Our Expertise

We share our expertite on menthandismuwhich takes consumer needs and province

Market Information

We provide rear-time demand information baset.

Consumers Needs

What price range, are preferred in the market?



Consumers

"Provide more fresh fine flowers to all the customers" FLOWER BUSINESS

Making the world bright and interesting is our job. We believe it contributes the society.

All of the members of Kawasaki group have this idea and work with this idea.

"What can we do for our goal?" We always remind it.

The most important thing is to produce platform for flower trading, the platform which is fair and useful.

We are the company to make true value chain that only we can make. That is to pass the spirits of producers to all consumers, every single scene of life with flowers of consumers to all producers.

We are the company who always think and make actions. We will make revolution in the system of flower distribution and keep reminding the roles as wholesaler to aim for most pleasing company.

"They are doing somewhat different, but everyone seems really fun!"

Hope we hear such comments.

ESEPTEMBER Analysis



《Considering from various perspectives》

■4P→4C

(1)PRICE → Cost to the customer

(2)PLACE → Convenience

(3)PRODUCT → Customer solution

(4)PROMOTION → Communication



Surrounded by seasonal flowers, feeling the seasons, I feel really rich.
Today in Japan, the feelings of decorating the life with flowers are decreasing

gradually.

With the theme "Flowers in daily life", we, as a group will make efforts every day.

Executive Vice President Yousuke Shibazaki



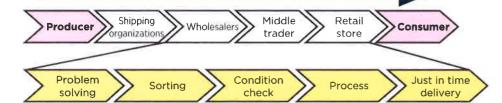
President Takikazu.Shibazaki



In recent years, the systems of auctions have changed from traditional way of auction. This is the change of the generation. Still, flowers

are raised with human hands. Kawasaki Flora Auction Market will be more globalized company with people.

> Senior Vice President Hideyuki Hashimoto



Cold Chain



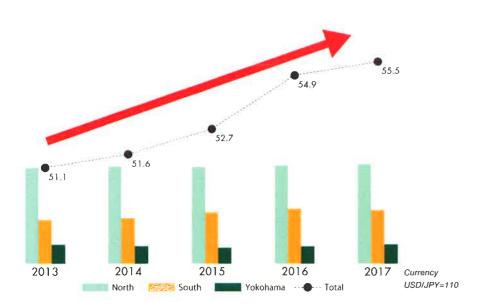
SALES FORCE & PERFORMANCE

Our sales force is committed to supporting the flower growers in producing higher-demand, higher-quality products. They are also committed to ensuring delivery of such superb flowers to the retailers/mass retailers in the freshest state at reasonable prices. At Kawasaki, we continue to leverage our expertise cultivated over many years and serve as valuable bridges connecting our business partners.

While continuing the traditional method of hand-signal auctioning and improving the computerized auction capabilities, we've also focused on promoting the online sales in recent years. The expansion of the distribution channels has been well received by our retail customers as it's achieved a significant reduction in the costs and burdens associated with the merchandising task while increasing their business opportunities.

At Kawasaki, we strive to provide reliable merchandise with assured quality and ensure our retail customers' satisfaction in their merchandising experience.













BUSINESS STRATGY

- 1. Provide distribution system equipped with our proprietary know-how
- 2.Offer valuable information derived from our reliable network of business partners
- 3.Establish a "Win-Win For All" relationship to benefit every partner along our value chain
- 4.Create synergies through our collaboration leveraging inter-connected information

Effective infrastructure connecting growers and retailers plays a key role in delivering superb flowers, in terms of quality and price, to consumers. At Kawasaki Flora Auction Market, we've developed a distribution network equipped with our propriety know-how and enabled a "Win-Win for All" environment to consistently benefit every business partner along our value chain: growers, various associations and retailers. While optimizing efficiency, we strive to create a "people-to-people" business network, which grasps voice of the partners and clearly translates their care for others into future profits.

For example, when providing retailers with information on the flower growers such as when, who, where, what types of flowers, and at what cost, we "sort and package" the information in a way best suited to the retail business.

Consequently our retailer customers are content with our communication efforts, which have enabled them to stock efficiently and try new species that they were always interested in. From retailers, we receive real-time market insights such as "types of flowers consumers desire" and "types of flowers currently popular in the market" and forward it to our growers.

The growers, in turn, translate the voice of consumers into profitable business practice by growing the flowers in high demand. We also share our expertise and offer suggestions to the growers on production approaches, which take the health of the soil into account, such as "growing Flower A after Flower B" to minimize a burden on the soil."









It is our mission to assist retailers in "creating a product mix appealing to consumers". It is also our mission to assist growers with "an earth-friendly production approach incorporating timely market information".

We are confident that all parties would benefit from our business partnership. "New Generation of Wholesale Company" to provide optimal support to every business partner along our flower distribution value chain - it is the KAWASAKI we aspire to be.

CHALLENGE & ACTION

While continuing to keep traditional techniques and customs such as handsignal auction, an origin of wholesale markets, Kawasaki has continued to take on new challenges.

As a part of such challenges, we've launched the "Female-Auctioneer Development Program" which has been attracting a great deal of attention in the industry. Amid deep-rooted perception of the flower industry as a male-dominated one, we have three female licensed auctioneers who actively conduct auctions after a completion of intensive training by our experienced auctioneers. With women's perspectives and thoughtful attention to details, the female auctioneers hold a tremendous promise for the future.

Another challenge we've taken on in recent years is the installation of the industry's and Japan's first cold-chain system within the Nanbu-Shijo Wholesale Market (one of the three wholesale markets in Kawasaki City). It had been previously considered difficult to preserve freshness of flowers. Our cold-chain system has realized such a challenging objective and received high recognition as a groundbreaking initiative. For orchid that requires strict temperature control, we've also installed special greenhouse dedicated for orchid. We consider quality as a first priority and have implemented these cutting-edge systems with our respects to the untiring efforts of the growers and retailers.

For the retail customers, we offer a contract service to handle tasks such as removing leaves, improving flowers' ability to draw water and adjusting lengths of flowers/plants. We hope to assist you in the daily retail operation through this contract service.

Lead Flower Industry To Further Flourish Through New Challenges & Actions

- 1.Implemented the industry's first cold-chain system within the Nanbu-Shijo Wholesale Market
- 2.Installed Kawasaki-city's first special greenhouse dedicated for orchid
- 3.Offering contract service to attend flowers/plants for the retail customers
- 4. Developing & Promoting Female Auctioneers



Special greenhouse for Orchid

Tet's KAWASAKII









ENVIRONMENTAL AWARENESS

Flowers - symbol of peace and prosperity. We believe flowers are a blessing of the nature that connects the human society and the nature world.

It is Kawasaki's mission to bring this blessing of the nature to the retail customers and consumers. It is also a critical mission of the flower industry as a whole to re-evaluate, develop and execute strategies to increase the environmental consciousness.

We strive to bring joy and piece of mind to people through our flower distribution business while preserving the global environment and native ecosystem at the same time. "Contribute to the society while protecting and coexisting with the richness of the nature" – This is the aspiration Kawasaki strives for.



- 1.Complying with the environmental laws and regulations
 We will comply with the environmental laws and regulations
 and the environmental preservation agreements signed by our
 company.
- **2.Continuing to reduce resource and energy consumptions**We will continue to make greet efforts to reduce consumption of electric power and paper products at the office and job sites.
- 3.Implementing continuous improvement for environmental management system

We will develop, manage and continuously improve environmental management system through our business activities.

4.Increasing consciousness

We will increase environmental consciousness of our employees through providing education and awareness activities.











NEW ROLE

What new roles will intermediate wholesalers play in the future? Urabe Shokai is an intermediate wholesaler located within the Kawasaki Hokubu-Shijo Wholesale Market and plays a role of a merchandising agent at the wholesale markets on behalf of the retail customers. He provides his knowledge and service to those retail businesses in other fields such as select shops, cafes, drugstores who wanted to sell flowers at their stores bud didn't have a chance to do so due to their lack of knowledge in flowers. Urabe Shokai has realized their wishes by purchasing and delivering high-quality flowers at reasonable prices on behalf of such retailers.

Urabe Shokai subdivides flowers traded in bulk at the wholesale markets and sells them in small quantities to the retailer customers. This service led their retail customers to enable a cost reduction by eliminating unnecessary need to purchase per case. Urabe Shokai also sells flowers as "finished products", pre-arranged flower bouquets with beautiful wrappings. This service has helped his customers simplify and accelerate their in-store operation by reducing the time and resources between purchasing and sales at the stores. We expect the intermediate wholesalers to continue enhancing their service and create more values to the retail customers going forward.



Let's KAWASAKI! 烤

Urabe Shokai's Initiatives:

Diversified Intermediate Wholesale Services to Create More Values to Retail Customers

- 1.Merchandising: Assume a role of merchandising agent for retailers2.Distribution: Subdivide flowers traded in bulk and sell in small quantities
- **3.Packing & Arrangement:** Offer retail customers pre-packed/pre-arranged flowers for consumers







FRANCHISE PROJECT

Would you like to become an owner of a stylish flower shop from Paris?

"Maison de Verdi Co., Ltd", a group company of Kawasaki's, has a franchise agreement with a floral company everybody is talking about in Paris. If you are interested in opening a flower shop, please feel free to contact us. Let us give you full support to make your dream come true.



Monceau Fleurs

Monceau Fleur was born in the land facing Monceau park of Paris in 1965.

Originated from Monceau Fleur, "Style to choose by picking freely from a lot of flowers" was a catalyst for spreading widely flower culture in homes.

Later, Monceau Fleur, who has been fascinated by the Europeans, has expanded to the world and now has grown into the world's largest flower shop chain.

We are helping to enrich people's lives with abundant assortment and reasonable price. Monceau Fleur is a French classical style shop where flower lovers gather.









happy

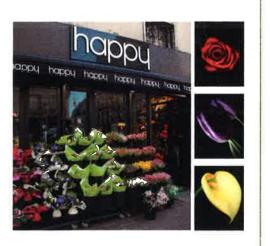
Happy's concept is to make people's lives "Happy" through flowers.

To enjoy flowers more casually. To create a shop full of unparalleled trends.

Happy was born from such a wish.

A store visitor, people to buy, people to see. Happy exists to deliver "Happiness" to everyone involved in Happy. By unifying the store color in black, we create an urban atmosphere and sophisticated image.

Various kinds of arrangements and bouquets are prepared, and a style that you can easily take out. Therefore, it is suitable business for management in a compact store in urban areas and stations so on.



MESSAGE



This photo shows everything what I wish to tell you.

Imagine you are now in Paris. It is in the evening on the first weekend of May. Take a look at a father and a daughter from the corner at Boulevard de Courcelles. They seem to be very happy with flowers.

I took this photo in front of a flower shop at the street corner in Paris just before the Mother's day.

We can create opportunities to bring such happy time for you with flowers. The father and the daughter are talking about the mother's favorite flowers and the expected smile on her face.

We are always thinking about how flowers can enrich people's lives.

The flowers have various meanings for us.
Something always around us
Rememberance
Memories
Respect for ancesters
Happiness
Essence of memorable moments

If I may borrow the words of T.S. Elliot to describe the power of flowers, a flower is a catalyst stimulating our feelings like arts.

Now we are expanding our network to integrate growers with clients. We are doing our best for flowers of fair pricing, good quality and safety.

We are the only the wholesale company that are very

conscious of the corporate social and environmental responsibilities.

We are determined to be the chosen company in the floral industry and to create market changes in our own ways by providing new products and services.

Takikazu Shibazaki, CEO Kawasaki Flora Auction Market., Ltd

FOR YOUR FLOWER LIFE

ABOUT US

会社概要

川崎花卉園芸株式会社

所 在 地 <本社>

川崎市中央卸売市場北部市場

〒216-0012 神奈川県川崎市宮前区水沢1丁目1番1号

TEL: 044-975-2714 FAX: 044-975-2765

URL: www.kawasakikaki.co.jp info@kawasakikaki.co.jp

<川崎市地方卸売市場南部市場>

〒212-0016 神奈川県川崎市幸区南幸町 3-126-1

TEL: 044-548-6287 FAX: 044-522-3575

<横浜支店>

〒232-0011 神奈川県横浜市南区日枝町1-27 TEL: 045-251-8773 FAX: 045-231-9644

設 立 昭和35年5月21日

代表取締役 柴崎太喜一

資 本 金 9040万円

株 主 総 数 154名

販売金額 2017年度 61億円

KAWASAKI FLORA AUCTION MARKET CO., LTD

COMPANY OVERVIEW

<Head Office>

Kawasaki City Central Wholesale Market North Market

1-1-1 Mizusawa, Miyamae-ku, Kawasaki City, Kanagawa Prefecture 216-0012 JAPAN

TEL: +81 44 975 2714 FAX: +81 44 975 2765

URL: www.kawasakikaki.co.jp info@kawasakikaki.co.jp

<Kawasaki City Local Wholesale Market South Market> 3-126-1 Minami-Saiwaicho, Saiwai-ku, Kawasaki City, Kanagawa Prefecture 212-0016 JAPAN TEL: +81 44 548 6287 FAX: +81 44 522 3575

<Yokohama Office>
1-27 Hiecho, Minami-ku, Yokohama City,
Kanagawa Prefecture 232-0011 JAPAN
TEL: +81 45 251 8773 FAX: +81 45 231 9644

Established May 21, 1960 CEO Takikazu Shibazaki Paid-in Capital 90.4 million yen Number of Stock Holders 154 Sales in 2017 6.1 billion yen