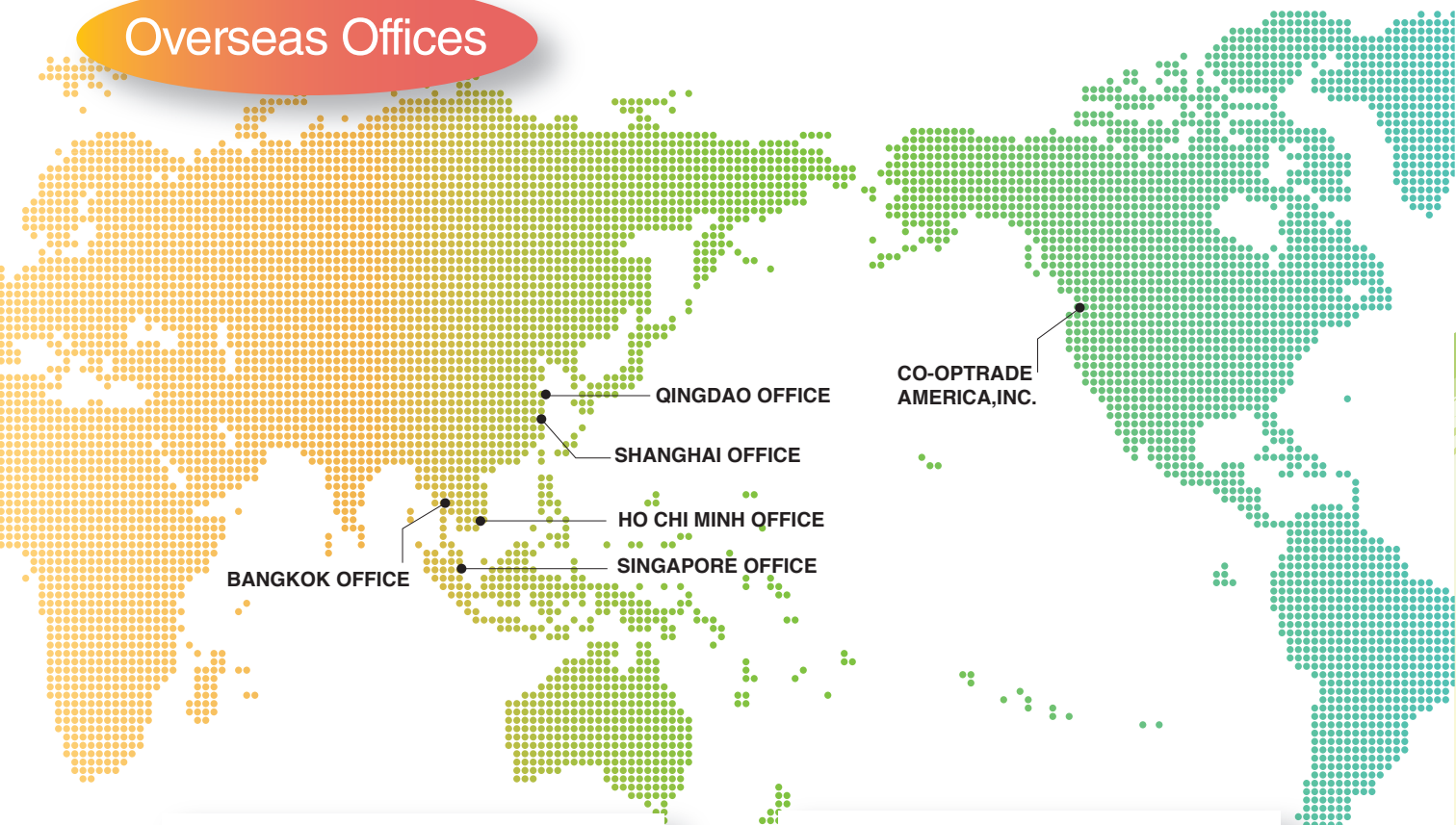


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# CO·OP

## 2014 FACTS & FIGURES

March 21, 2014 to March 20, 2015

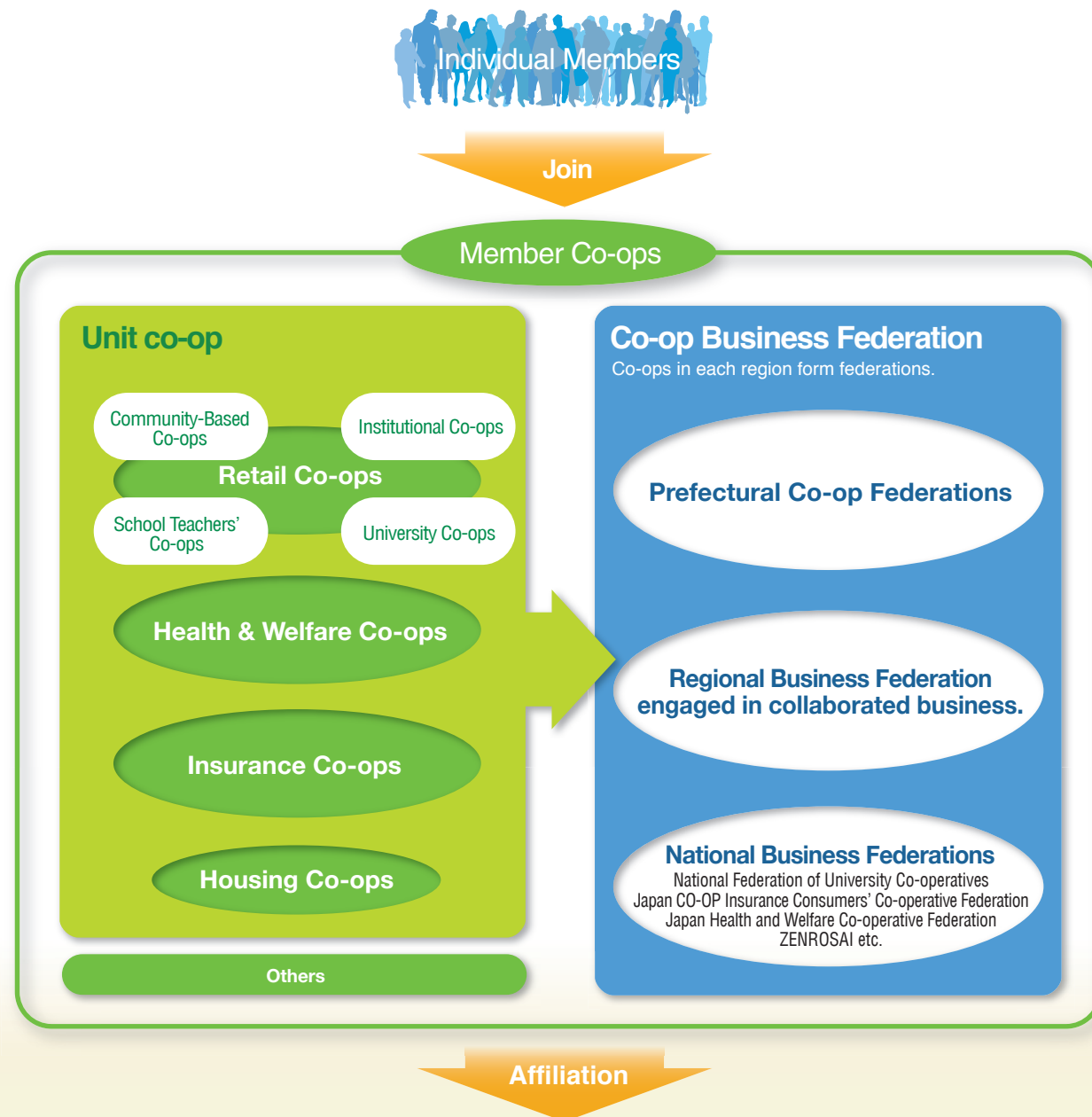
The **CO·OP Facts and Figures 2014** is a collection of statistical tables describing the business overview of consumer co-ops, co-op business federations and JCCU.

## JCCU and Member Co-ops at a glance

The Japanese Consumers' Co-operative Union (hereafter JCCU) was established in March 1951 as the national federation of consumer co-operatives in Japan.

JCCU and its member co-ops operate their businesses independently of each other and do not constitute headquarters/branch relationships. Presently JCCU represents 571 societies including co-op business federations.

### Structure of JCCU and Member Co-ops



JAPANESE CONSUMERS' CO-OPERATIVE UNION

#### Mission Statement

Creating a more human lifestyle and sustainable society through the concerted efforts of individual citizens.

## Consumer Co-op Societies in Japan

	unit	FY2013	FY2014	%14/13	FY2013 (million US\$)
Number of Consumer co-ops		577	571	-1.0	—
Retail co-ops		448	443	-1.1	—
Health co-ops		108	106	-1.9	—
Housing & Insurance co-ops		8	9	12.5	—
Membership	thousand	27,339	27,809	1.7	—
Total share capital	billion yen	762	771	1.2	6,203
Total business turnover	billion yen	3,352	3,365	0.4	27,073
Retail sales amount	billion yen	3,027	3,035	0.3	24,420
JCCU wholesale amount	billion yen	378	375	-0.9	3,015

\*The number includes primary societies which are not directly affiliated with JCCU but affiliated with JCCU member business federations  
 Note: The amount of U.S. Dollar is converted based on yen-dollar exchange rate (TTS) prevailing at August 14, 2015; 1U.S. Dollar=124.30 yen

## Community-Based Retail Co-ops

	unit	FY2013	FY2014	%14/13	FY2013 (million US\$)
Number of co-ops		134	131	-2.2	—
Membership	thousand	20,122	20,583	2.3	—
Total turnover	billion yen	2,685	2,704	0.7	21,754
Store sales	billion yen	881	874	-0.8	7,031
Home delivery service sales	billion yen	1,671	1,697	1.5	13,652
Others	billion yen	133	134	0.8	1,078
Amount of monthly purchase/member	yen	10,831	10,558	-2.5	us\$85
Total share capital	billion yen	631	639	1.2	5,141
Average share capital/member	yen	31,365	31,027	-1.1	us\$250
Co-op bonds	million yen	54,817	60,764	10.8	489
Number of stores		980	978	-0.2	—
Total stores sales area	m <sup>2</sup>	1,175,796	1,257,813	7.0	—
Number of employees		71,542	72,366	1.2	—
Total Market share	%	2.64	2.65	0.01 (point)	—

\*Community-Based Retail co-ops do not include institutional and university co-ops  
 Note: The amount of U.S. Dollar is converted based on yen-dollar exchange rate (TTS) prevailing at August 14, 2015; 1U.S. Dollar=124.30 yen

#### 2020 Vision of Japanese Co-ops

We are dedicated to working with the people to realize a new society where smiles and trust abound.

# Retail Co-ops

Retail Co-ops supply a wide range of consumer goods and services to their members. There are five types of retail co-ops indicated by ●.

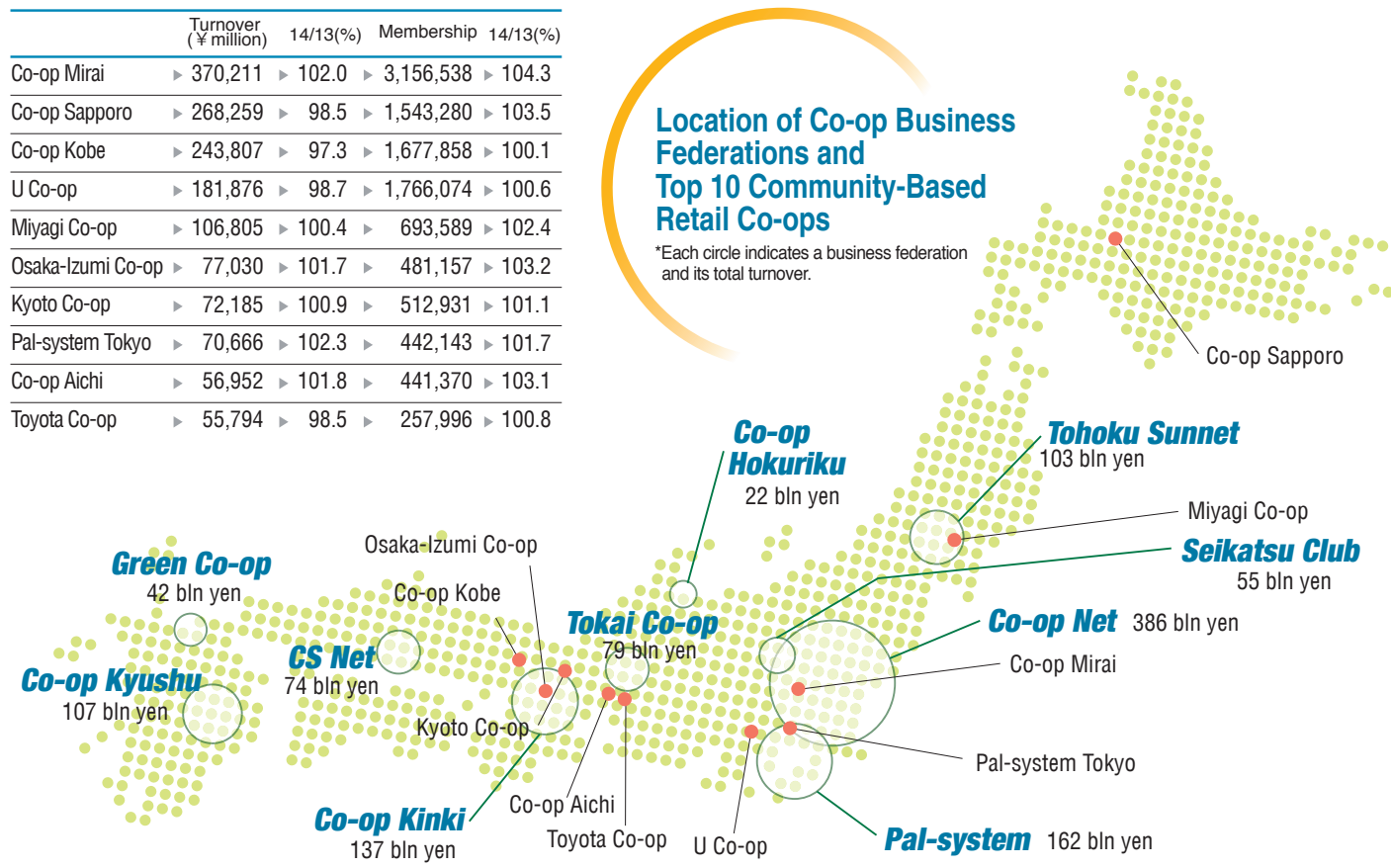
● **Community-Based Retail Co-ops** serve local residents through home delivery, store and catalog sales.

## Top 10 Community-Based Retail Co-ops in Japan

	Turnover (¥ million)	14/13(%)	Membership	14/13(%)
Co-op Mirai	▶ 370,211	▶ 102.0	▶ 3,156,538	▶ 104.3
Co-op Sapporo	▶ 268,259	▶ 98.5	▶ 1,543,280	▶ 103.5
Co-op Kobe	▶ 243,807	▶ 97.3	▶ 1,677,858	▶ 100.1
U Co-op	▶ 181,876	▶ 98.7	▶ 1,766,074	▶ 100.6
Miyagi Co-op	▶ 106,805	▶ 100.4	▶ 693,589	▶ 102.4
Osaka-Izumi Co-op	▶ 77,030	▶ 101.7	▶ 481,157	▶ 103.2
Kyoto Co-op	▶ 72,185	▶ 100.9	▶ 512,931	▶ 101.1
Pal-system Tokyo	▶ 70,666	▶ 102.3	▶ 442,143	▶ 101.7
Co-op Aichi	▶ 56,952	▶ 101.8	▶ 441,370	▶ 103.1
Toyota Co-op	▶ 55,794	▶ 98.5	▶ 257,996	▶ 100.8

## Location of Co-op Business Federations and Top 10 Community-Based Retail Co-ops

\*Each circle indicates a business federation and its total turnover.



● **University Co-ops** serve students and faculty members in universities and colleges through operating bookstores, convenience stores, cafeterias and other services.

Co-op societies	219
Members	1,542,373
Turnover (¥million)	183,800
Full-time employees	1,922

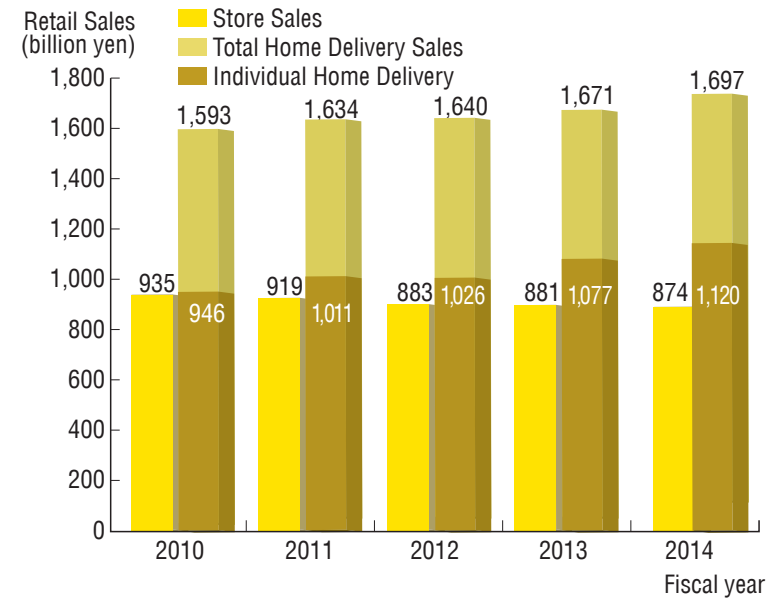
\*source: National Federation of University Co-operative Associations

● **School Teachers' Co-ops** serve teachers at both public and private elementary, junior and senior high schools, mainly through catalog mail-order sales and home delivery.

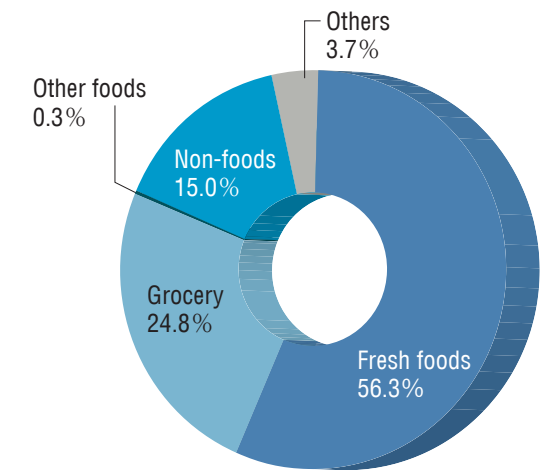
● **Institutional Co-ops** serve employees at their work places through operating stores and canteens.

● **Expanded Institutional Co-ops** serve both employees and residents in neighboring residential areas.

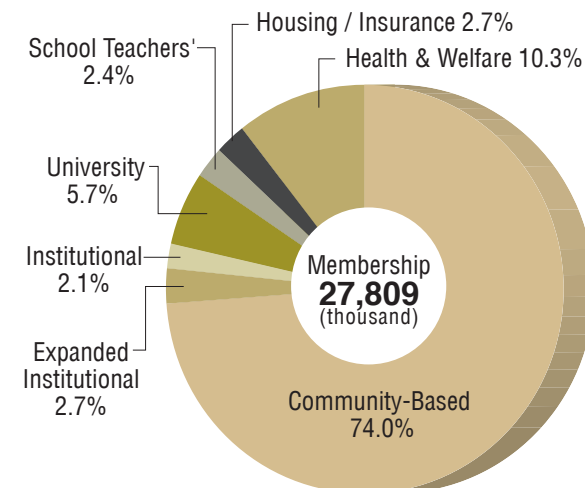
## Community-Based Retail Sales by Type of Operation



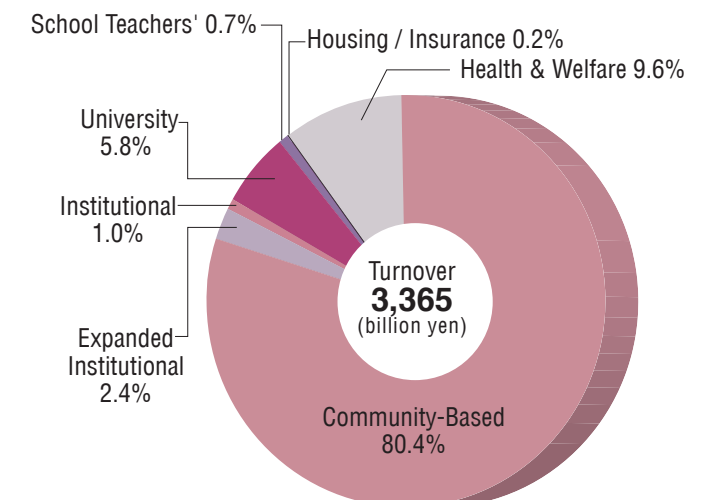
## Percentage of Community-Based Retail Sales by Product Category



## Percentage of Membership by Type of Consumer Co-ops



## Percentage of Turnover by Type of Consumer Co-ops



## Health and Welfare Co-ops

**Health and Welfare Co-ops** provide medical and nursing care services to local residents, and manage hospitals, primary health care centers, nursing care homes, home-visit care stations, rehabilitation facilities and at-home help services for the elderly.

Japanese Health and Welfare Co-operative Federation (HeW CO-OP JAPAN), which is affiliated to JCCU, is a national federation of the health and welfare co-ops.

### HeW CO-OP JAPAN

Co-op Societies	109
Members	2,885,834
Hospitals with 20 or more beds	76
Clinics with less than 20 beds	344
Beds	12,382
Doctors	1,933
Nurses	12,206
Other staff	21,736
Turnover(¥million)	325,600

\*source: Japanese Health and Welfare Co-operative Federation

## Insurance Co-ops

**Insurance Co-ops** offer life and other insurance products that suit members' needs with more reasonable premiums and better coverage.

There are two types of insurance federations that are affiliated with JCCU; the Japan CO-OP Insurance Consumers' Co-operative Federation (JCIF) which is a union of 148 JCCU member societies from across the nation and the other, the National Federation of Workers and Consumers Insurance Co-operatives (ZENROSAI) which offers insurance mainly to trade union members.

### JCIF

Co-op societies	148
Policies	8,236,619
Premium income (¥million)	170,475
Claims paid (¥million)	62,937
Full-time employees	395

\*source: the Japan CO-OP Insurance Consumers' Co-operative Federation

### ZENROSAI

Co-op societies	58
Policies	33,170,000
Premium income (¥million)	595,900
Claims paid (¥million)	321,700
Full-time employees	3,570

\*source: the National Federation of Workers and Consumers Insurance Co-operatives

## Housing Co-ops

**Housing Co-ops** provide houses, make extension or reconstruction of buildings etc. to co-op members at reasonable price.

ZENJUREN is a national federation of housing co-operative societies, which coordinates the business activity of housing co-ops. It includes independent regional housing co-ops that are affiliated with JCCU, that provide services to their members in cooperation with real estate developers.

### ZENJUREN

Co-op societies	14
Members	429,299
Housing units constructed	139
Full-time employees	341

\*source: National Federation of Housing Co-operative Societies (ZENJUREN)

## Fiscal 2014 JCCU Business Overview

(March 21, 2014 to March 20, 2015)

### Profile

As the sole national federation of consumer co-operatives in Japan, JCCU fulfils the following functions:

- Formulation of co-op national policies.
- Representation of co-op's views at national and international levels.
- Planning, development and supply of CO-OP Brand Products.
- Procurement and distribution of products including national brand products and imports.
- Other business operations including catalog and online sales.
- Coordination of member activities at national level.
- Guidance of member co-op management and staff education through correspondence courses and seminars.

#### Head Office (Co-op Plaza)

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Tokyo 150-8913 Japan  
Tel: +81-3-5778-8103  
Fax: +81-3-5778-8104

Established	March 1951
President	ASADA Katsumi
Member societies (incl. Business Federations)	330
Full-time employees	1,440
JCCU wholesale amount (Million yen)	374,735
Membership dues (Thousand yen)	1,074,052
Share capital (Thousand yen)	9,130,020

### Profit and Loss Statement

	¥ thousand
<b>Sales</b>	374,735,031
Cost of sales	332,861,842
<b>Gross Surplus</b>	41,873,189
Membership dues	1,074,052
Contractual commission	7,270,379
Revenue from management service and laboratory	38,826
Other revenue	2,459,098
<b>Total Surplus</b>	53,776,814
Operating expenses	50,928,120
Operating surplus	2,848,693
Non-operating revenue	1,435,245
Non-operating expenses	84,897
Current Surplus	4,199,041
Extraordinary profits	123,868
Extraordinary losses	101,290
<b>Surplus for the Fiscal Year before Taxation</b>	4,221,619
Taxes	819,464
<b>Net Surplus for the Fiscal Year</b>	3,402,155

### Balance Sheet

ASSETS	¥ thousand
Current assets	84,372,790
Fixed assets	
Tangible assets	62,359,900
Intangible assets	6,783,312
Other fixed assets	55,421,298
Total Fixed Assets	124,564,511
<b>Total Assets</b>	<b>208,937,301</b>
LIABILITIES AND CAPITAL	¥ thousand
Current liabilities	88,279,351
Fixed liabilities	15,403,432
Total Liabilities	103,682,783
Share Capital	9,130,020
Reserves	
Legal reserves	9,026,000
Voluntary reserves	79,578,000
Unallocated surplus	7,047,848
Total Reserves	95,651,848
Shareholder's equity	104,781,868
<b>Net asset</b>	<b>105,254,518</b>
<b>Total Liabilities and Capital</b>	<b>208,937,301</b>

## CO-OP Brand Products

Collaborating with member co-ops, JCCU develops CO-OP Brand Products to distribute to members through co-ops nationwide. CO-OP Brand Products are developed and improved based on members' opinions and requests with our own high standards of quality and safety. Today, the total number of items stands 4,077 with sales turnover of about 406 billion yen covering about 15.6% of the total sales of retail co-ops.

### Brand Statement and 5 Commitments

In 2015, JCCU has released its new brand statement with 5 commitments as the basic concept underlying CO-OP Brand Products.

#### Brand Statement



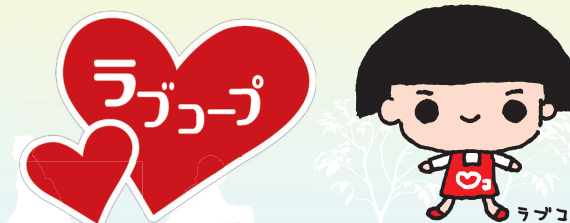
"Making thoughts a reality" (SMILING CO-OP)

#### 5 Commitments

1. Pursuing the development of better quality products by placing importance to safety and reliability
2. Pursuing the development of valuable products by listening to and incorporating the opinions of members
3. Fostering empathy by connecting thoughts
4. Bringing smiles and good health at dining table
5. Contributing to the community and the society

### Promoting Members Loyalty for CO-OP Brand Products

In 2014, JCCU launched a "Love Co-op campaign" for two years to spread the usefulness of CO-OP Brand Products among members and non-members. Through this campaign JCCU provides a chance for members to participate in product tasting, monitoring, group interviews and recipes episode collection and reflects the opinions and comments in development and improvement processes of CO-OP Brand Products.



Above: Campaign character

### Re-launching Existing Products



Based on the new brand statement and the 5 commitments, JCCU is advancing improvement of all the existing CO-OP Brand Products in 3 years, checking the products comprehensively (quality, taste, specification, package design, etc.) and changing the package to a new uniform design.

### New Sub-brand Products

To meet diversifying members' needs, a new sub-brand "Co-op Quality" was launched in June 2015. JCCU is aiming to launch several new sub-brands in 3 years.



Above: Sub-brand "CO-OP Quality"

### Other Business

• Ordering through catalog is one of the formats of the home delivery business by the consumer co-ops. The catalog business allows members to place order through seasonal catalog or via online for items such as furniture, home décor goods, clothing, household goods as well as sundry articles, which are delivered directly to members home upon ordering. Members also place orders for gift items during the summer and the winter gift seasons, which are delivered directly to designated recipients.

• Insurance products are offered by JCIF to members through JCCU member societies. For more details about insurance co-ops, please see p.4.