Managing Director’s Message

Helping to solve some of society’s challenges by contributing to the nutrition and health of people worldwide

Dairy products, the main type of products handled by Lacto Japan, are sometimes referred to as gifts from heaven, as they contain almost all the daily nutrients we need.

In recent times, major advances in food processing technology have allowed us to create a wide variety of different dairy products, such as condensed milk and products made from milk extracts. As a result, dairy products are now used in a wide range of areas such as the health food and medical fields, in addition to the traditional area of food ingredients. That means Lacto Japan is directly involved in supplying ingredients to people of all ages – from infant to elderly person.

Our business environment has undergone some dramatic changes, even in the meat products industry, another key area for Lacto Japan. Since the start of this century, we have seen unusual weather patterns in all parts of the world, the rise of emerging markets with vast populations, and imbalances between feed supply and demand due to the growing use of grain to make bio-ethanol, which has caused sharp fluctuations in feed prices.

In response, we have opened overseas offices in the major dairy and livestock producing areas of EU, Australia and U.S.A., and formed partnerships with some of the world’s leading suppliers to ensure we have access to stable supplies.

Amid rapid globalization in domestic food procurement, Japan has put in place some of the world’s most rigorous rules on food safety and security. We are doing everything possible to ensure customer satisfaction, such as implementing traceability systems that cover all areas of production right back to the feed given to dairy cattle, pigs and other livestock, monitoring factory hygiene conditions and production lines, and conducting quality control checks.

Going forward, we will continue to grow and develop as a company that makes a difference to society, helping to solve some of today’s challenges by contributing to people’s nutrition, health and enjoyment of food.

Motohisa Miura
Managing Director
Our Business

Lacto Japan is a specialist food trading company focused on dairy ingredients, cheese and processed meat, mainly operating in Japan and other markets in Asia.

Lacto Japan sources, processes and sells products such as dairy ingredients, cheese and processed meat. We have procurement, manufacturing and sales sites in ten countries worldwide, allowing us to supply high-quality ingredients at the optimal time to customers in Japan and Asian markets.

In Asia, we are also expanding our cheese manufacturing business and sales of our own-brand cheese.

Our core business is importing dairy ingredients, cheese and other meat products, drawing on our expertise in the dairy products business. We also operate in Asia, where we sell dairy products and manufacture cheese and sales of our own-brand cheese.

We have a unique position in the market by focusing on imports of dairy products. As a result, we now handle 39% of all imports of dairy products to Japan.

Using our strengths as an independent company with no corporate affiliations, we trade with diverse customers from various corporate groups. Our sourcing network also covers the world’s major milk-producing regions, allowing us to reliably supply products to a wide range of customers.

Key Features of Lacto Japan

1. Specialist Food Trading Company Focused on Importing Dairy Products
   - Our core business is importing dairy ingredients, cheese and other meat products, but we also import pork, ham and other meat products, drawing on our expertise in the dairy products business. We also operate in Asia, where we sell dairy products and manufacture cheese and sales of our own-brand cheese.

2. A Leading Company with 39% of Japan’s Dairy Product Import Market
   - We have built a unique position in the market by focusing on imports of dairy products. As a result, we now handle 39% of all imports of dairy products to Japan.

3. A Global Business with a Diverse Supplier and Large Customer Base
   - Using our strengths as an independent company with no corporate affiliations, we trade with diverse customers from various corporate groups. Our sourcing network also covers the world's major milk-producing regions, allowing us to reliably supply products to a wide range of customers.
Our Strengths

Lacto Japan’s strengths come from its focus on food products and its market information gathering capabilities. These strengths are applied at every level of the value chain, allowing us to source and deliver the products customers really need.

Over many years, we have built a value chain where Lacto Japan links overseas suppliers of food ingredients to domestic companies that make food products. These suppliers and manufacturers are also experts in food products. By building up experience at the nexus of those two groups, we have accumulated information that has helped us enhance our own expertise in a wide range of fields related to food ingredients, from raw materials and finished products, to manufacturing processes, production equipment and systems. Based on strong partnerships with suppliers, we are working to further reinforce our technology development capabilities. Armed with this expertise and information, our staff are supplying customers with products and services of the highest quality.

Highly specialized food product experts providing unrivaled services

Our staff provide customers with high added value by drawing on expertise built up over many years in the frontline of dairy and meat product distribution. Their expertise and know-how is also passed on to other employees through extensive human resources development and overseas training.

Advanced Expertise and Information Gathering Capabilities

Our customers in the food manufacturing sector are working to increase productivity, with more companies now outsourcing raw material processing and blending work to third parties. Based on technologies cultivated with the joint efforts of suppliers and users, we are taking some of the load of manufacturing and development off customers by processing the best food ingredients for them at the optimum time and place.

Customer demands are becoming more sophisticated and diverse, with food manufacturing companies now requesting dispersed sourcing routes, food ingredients safety management systems and other requirements. To address these needs, Lacto Japan staff work closely with suppliers to develop optimum business model proposals. We visit suppliers’ plants with customers to check manufacturing processes and to conduct meticulous testing in food distribution channels to ensure rigorous quality control as part of a comprehensive response to customer needs.

When selecting suppliers, we look at areas such as product quality, technology, product development and the company’s ability to address customer needs. Our suppliers are also required to have adequate food safety management systems in place at all stages of the production process. We regularly visit suppliers’ facilities to check standards are being met in production processes and to carry out microbiological tests and other tests in food distribution channels as part of a rigorous assessment of quality control.

Overcoming the challenges of dairy ingredients distribution

Dairy ingredients are more perishable than other food products, leading to unique challenges in distribution channels. The customs regime for dairy ingredients is also complex, entailing rigorous testing and procedures for the customs clearance. Japan also has particularly stringent food standards that need to be met. Our expertise helps us to overcome these hurdles and our links with leading suppliers in the world’s main milk-producing regions mean we can ensure stable supplies of products and services that meet the needs of our customers.

Using technologies developed together with users and suppliers to reduce the burden on customers

Our staff provide customers with high added value by drawing on expertise built up over many years in the frontline of dairy and meat product distribution. Their expertise and know-how is also passed on to other employees through extensive human resources development and overseas training.

Offering products and solutions that preempt customers needs

Customer demands are becoming more sophisticated and diverse, with food manufacturing companies now requesting dispersed sourcing routes, food ingredients safety management systems and other requirements. To address these needs, Lacto Japan staff work closely with suppliers to develop optimum business model proposals. We visit suppliers’ plants with customers to check manufacturing processes and to conduct meticulous testing in food distribution channels to ensure rigorous quality control as part of a comprehensive response to customer needs.
Leveraging our strengths as an independent food trading company

Using know-how accumulated from importing dairy ingredients, cheese and other dairy products, Lacto Japan has expanded its business reach into importing meat products such as pork and ham, and into sales of dairy products in Asia.

Dairy Ingredients and Cheese Business

We procure safe and reliable dairy ingredients and cheese from overseas sources for supply to dairy and confectionery, other food, beverage and feed product manufacturers in Japan.

The Lacto Japan Group handles a wide array of ingredients derived from raw milk. In addition to supplying the products highlighted in the diagram on the opposite page, we also supply prepared dairy ingredients, which are processed products containing sugar, fats and other secondary ingredients. These prepared dairy ingredients are used in a wide range of food products, such as ice cream and other frozen desserts, milk beverages, and processed foods such as stew. We handled over 500 different products.

Meat Products Business

We source a range of meat products such as pork and ham, salami from suppliers overseas, which we sell to food manufacturers, wholesalers and retailers in Japan.

We handle products such as chilled pork, frozen pork, ham, salami and other meat products. We moved into the import and sale of these products in the fiscal year ended November 2005 in order to diversify our business portfolio. We mainly source products from overseas, with safety and reliability as our first priority. These products are sold to customers in Japan, such as ham and sausage manufacturers.

Asian Business and Other

Sales of globally procured dairy ingredients to Asia. Expand manufacturing and sales of our own-brand cheese.

We operate a network of affiliates in Malaysia, Thailand, Indonesia, Philippines and China, centered on our subsidiary in Singapore, Lacto Asia Pte Ltd. The Asian business supplies the same products as our dairy ingredients business.

We source ingredients from major milk-producing regions in EU, Oceania and U.S.A., and supply them to Japanese firms and local food product manufacturers in countries where we have overseas subsidiaries, or to customers in neighboring countries. Our manufacturing sites in Singapore and Thailand also use these ingredients to make and sell our own-brand cheese.
Company History

1998 May Lacto Japan Co., Ltd. established in Asakusa-bashi, Taito-ku, Tokyo
  - Oct: Representation office opened in U.S.A.
  - Nov: Representation office opened in Singapore

1999 Jun Representative office opened in Australia
  - Oct: Subsidiary Lacto Asia Pte Ltd. established in Singapore

2000 Feb Representative office opened in the Netherlands
  - Apr: Appointed import agent for Agriculture & Livestock Industries Corporation (ALIC)

2003 Dec Subsidiary Foodtech Products Pte Ltd. established in Singapore

2004 Jun Head office moved to Nihonbashi Honcho, Chuo-ku, Tokyo

2005 Mar Began sourcing and selling meat products
  - Jul: Lacto Asia Pte Ltd. established through the merger of two subsidiaries in Singapore

2006 Apr Appointed import agent for Agriculture & Livestock Industries Corporation (ALIC)

2007 Sep Subsidiary Lacto Oceania Pty. Ltd. established in Australia

2010 Sep Subsidiary Lacto Asia (M) Sdn. Bhd. established in Malaysia

2012 Feb Joint venture PT. Pacific Lacto Jaya established in Indonesia

2013 Aug Subsidiary Foodtech Products Thailand Co Ltd. established in Thailand
  - Nov: Subsidiary Lacto Shanghao Co. Ltd. established in China

2015 Aug Listed on the Tokyo stock exchange
  - Oct: Subsidary Lacto Europe B.V. established in the Netherlands

2017 Sep Block listing moved from Second Section to First Section of Tokyo Stock Exchange

2018 May Head office moved to Nihonbashi, Chuo-ku, Tokyo

2019 Jan: Representation office opened in Thailand
  - Sep: Subsidiary Lacto Philippines Inc. established in the Philippines

2021 Feb Transition to a Company with an Audit and Supervisory Committee
  - Mar: Subsidiary LJ Foods Co., Ltd. established in Japan
  - Nov: Subsidiary Lacto Oceania Pty. Ltd. established in Australia

Overseas Network

- Singapore
  - Lacto Asia Pte Ltd.: URL: https://www.lacto.com.sg
    - Trading Division: 8 Eu Tong Sen Street #13-89 [Office Tower 1] The Central Singapore 059918
      - FAX: +65-6224-1755
      - MAIL: lacto@lacto-asia.com
  - Cheese Division: 1 Jalan Ampat 405-08 KA Foodlink Singapore 38330
    - TEL: +65-6286-1360
    - FAX: +65-6286-5034
    - MAIL: enquiry@ftcheese.com
- Philippines
  - Lacto Philippines Inc.: 4F Unit 4 C&D Commerce and Industry Plaza Building, McKinley Town Center, Park Avenue, Pinagsama, Taguig City, NCR, Fourth District, Philippines
    - TEL: +63-2-8248-8805
    - FAX: +63-2-8843-8201
- Malaysia
  - Lacto Asia (M) Sdn. Bhd.: No.196 Moo 1, Tambol Baanleem, Amphur Bangpa-In, Prakanongkrungdhataya Province, Thailand
    - TEL: +66-3-535-1500
    - FAX: +66-3-536-1513
    - MAIL: PTT.enquiry@ftcheese.com
- Thailand
  - Foodtech Products (Thailand) Co., Ltd.: No.39 Building Interchange 21, 32nd Floor Sukhumvit Road, North Klongtoey Sub-District, Wattana District, Bangkok, Thailand
    - TEL: +66-2-788-9927
    - FAX: +66-2-788-9926
    - MAIL: enquiry@ftcheese.com
- Indonesia
  - PT. Pacific Lacto Jaya: J1 Raya Serang KM 12, Cikupa Industrial Complex Block A10 Desa Sukadalam Kecamatan Cikupa Kabupaten Tangerang Banten 15710 Indonesia
    - TEL: +62-152-5940-7389
- Japan
  - Lacto Japan Co., Ltd.: 22nd Floor Taiyo Life Nihonbashi Building, 2-11-2 Nihonbashi, Chuo-ku, Tokyo, 103-0027 Japan
    - TEL: +81-3-281-9748
    - FAX: +81-570-055-390
    - MAIL: lacto@lacto.com
- Korea
  - Lacto Oceania Pty. Ltd.: Level 3, 35 Market Street, Melbourne VIC 3000 Australia
    - TEL: +61-3-9620-0709
    - FAX: +61-3-9620-0769
    - MAIL: melbourne@lactojapan.com

Corporate Data

Company Name: Lacto Japan Co., Ltd.
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Main Switchboard: TEL: +81-570-055-369 FAX: +81-3-6281-9748

Directors
- Managing Director: Motohisa Miura
  - Director: Masayuki Markawa
  - Director: Koji Sukino
  - Director: Takehiko Abe
  - Director: Shin Yoshimura
  - Director: Torasho Haga
  - Director: Hiroko Sakamoto

Established: May 1998
Capital: JPY 1,142 million
Number of Employees: 305 (Consolidated)

Business
- Foreign and domestic trade in agricultural and livestock products and processed products, food additives, food processing machinery, pharmaceuticals, quasi-pharmaceuticals, liquor and other beverages, and food products; agent, broker and consultant services

Main Products
- Whole milk powder, skim milk powder, butter, cream, whey powder, WPC (whey protein concentrate), casein, caseinate, milk preparation for ice cream, dairy beverages, chocolate, etc.; butter preparation (for margarine and ice cream), other prepared dairy mixtures (ingredients for milk powder for infant formula, prepared condensed milk, etc.); ice cream, lactose, processed egg products (dried eggs, frozen eggs, etc.), processed meat products, fresh meat (for table use and for processing), cheeses, liquor and processed food products, processed food products and functional food ingredients (dairy protein, collagen, glucosamine, etc.).