

Consolidated Statements of Income

Kikkoman Corporation and Consolidated Subsidiaries
Years ended March 31, 2010 and 2009

	Millions of yen		Thousands of U.S. dollars
	2010	2009	2010
Net sales	¥285,690	¥412,649	\$3,071,935
Cost of sales	166,924	254,543	1,794,881
Gross profit	118,765	158,105	1,277,043
Selling, general and administrative expenses (Notes 9 and 12)	97,680	137,736	1,050,322
Operating income	21,085	20,368	226,720
Other income (expenses):			
Interest and dividend income	747	964	8,032
Amortization of negative goodwill	–	407	–
Equity in earnings (losses) of unconsolidated subsidiaries and affiliates	500	69	5,376
Interest expenses	(1,543)	(1,465)	(16,591)
Gain on sales of securities	3	25	32
Dividends from liquidation of securities	4	–	43
Gain on sales of property, plant and equipment	299	1,351	3,215
Gain on reversal of accrued employees' pension and severance costs	105	–	1,129
Gain on establishment of pension trust fund	–	2,695	–
Gain on return of substitutional portion of national government welfare pension program	–	172	–
Loss on disposal of property, plant and equipment	(1,310)	(1,227)	(14,086)
Loss on revaluation of investments in securities	(417)	(324)	(4,483)
Loss on sales of investments in subsidiaries and affiliates	–	(982)	–
Loss on impairment of fixed assets	(2,079)	(1,642)	(22,354)
Special additional severance benefits	(45)	(393)	(483)
Write-down of inventories	–	(33)	–
Loss on revaluation of golf club memberships	(36)	(19)	(387)
Loss on provision for environmental remediation	(319)	–	(3,430)
Expenses related to change corporate names of subsidiaries and affiliates	(63)	–	(677)
Expenses related to the change in the group's structure to a holding company structure	(694)	–	(7,462)
Expenses related to change in corporate identity	–	(761)	–
Expenses related to voluntary recall of products	–	(622)	–
Other, net	(1,407)	(1,841)	(15,129)
Income before income taxes and minority interests	14,830	16,742	159,462
Income taxes (Note 10):			
Current	6,229	11,511	66,978
Deferred	(86)	1,760	(924)
	6,142	13,271	66,043
Income before minority interests	8,687	3,471	93,408
Minority interests	(85)	(724)	(913)
Net income (Note 15)	¥ 8,602	¥ 2,746	\$ 92,494

See accompanying notes to consolidated financial statements.