

## Flash Report for Fiscal 2006 1Q

# Kikkoman Corporation



## Consolidated Financial Results

August 12, 2005

Three-month period ended June 30, 2005

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U.S. dollar amounts in this release are translated from yen, for convenience only, at the rate of ¥111 = U.S.\$1.00, the approximate rate of exchange on June 30, 2005.



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## 1. Notes Relating to the Preparation of Quarterly Financial Statements

### 1) Application of Simplified Method: Yes

Tax expenses, including corporate tax, are recorded using the simplified method.

### 2) Changes in Accounting Treatment From Most Recent Fiscal Year: Yes

Effective from April 1, 2005, Kikkoman is applying accounting standards relating to the impairment of property, plant and equipment.

### 3) Changes in Scope of Consolidation

Newly consolidated companies: 2

Newly unconsolidated companies: 1

Companies newly accounted for by the equity method: 2

### 4) Changes in Fiscal Years

One domestic consolidated subsidiary and five North American consolidated subsidiaries that changed their fiscal year-ends from December 31 to March 31.

Japan: Pacific Trading Co., Ltd.

North America: Kikkoman Foods, Inc., Kikkoman International Inc., JFC International Inc., Japan Food Canada Inc., and Hapi Products, Inc.

## 2. Business Performance for the Three-month Period Ended June 30, 2005 (April 1, 2005 to June 30, 2005)

### 1) Business Performance

(Millions of yen)

	Net sales		Operating income		Recurring income	
	Amount	Y o Y (%)	Amount	Y o Y (%)	Amount	Y o Y (%)
Apr. 1,2005 -Jun.30, 2005	¥83,255	1.7	¥3,760	(7.8)	¥3,890	(2.8)
Apr. 1,2004 -Jun.30, 2004	¥81,858	3.0	¥4,079	-	¥4,004	-
Apr. 1,2004 -Mar.31, 2005	¥344,625	3.0	¥17,847	4.6	¥16,649	7.9

	Net income		Net income per share (yen)	Net income per share (Assuming full dilution) (yen)
	Amount	Y o Y (%)		
Apr. 1,2005 -Jun.30, 2005	¥2,342	(8.9)	¥12.10	-
Apr. 1,2004 -Jun.30, 2004	¥2,572	-	¥13.19	-
Apr. 1,2004 -Mar.31, 2005	¥9,487	2.2	¥48.16	-



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Notes 1) Amounts less than ¥1 million, except for per share amounts, have been omitted in the following tables.

2) No results are available for the same period of the previous fiscal year, because this fiscal year is the first time Kikkoman has released quarterly operating results, with the exception of net sales.

### < Qualitative Information Concerning Consolidated Operating Results >

Consolidated net sales for the first quarter of fiscal 2006, the period from April 1, 2005 to June 30, 2005, rose 1.7% year on year to ¥83,255 million. In terms of earnings, operating income was ¥3,760 million, down 7.8% year on year; recurring income was ¥3,890 million, down 2.8% year on year; and net income was ¥2,342 million, down 8.9% year on year.

Results by business segment were as follows.

#### (Foods—Manufacturing and Sales)

In Japan, while the Soy Sauce and Sake and Wine divisions struggled, the Soy Sauce Derivative Products and Del Monte divisions delivered steady growth.

In overseas business, sales continued to grow. However, operating income declined mainly due to differences in the timing of sales promotion activities, reflecting the change in fiscal year-ends of North American consolidated subsidiaries, which meant that quarter-on-quarter comparisons for the first quarter of fiscal 2006 for these entities are between the periods from April 1 to June 30, 2005 and January 1 to March 31, 2004.

As a result, segment net sales rose 2.6% to ¥44,061 million, while operating income declined 9.2% to ¥3,116 million.

#### (Foods—Wholesale)

Sales continued to grow in this segment on the back of expansion in oriental food markets overseas.

The segment thus posted a year-on-year increase in net sales of 9.2% to ¥14,005 million. Operating income was also up, climbing 57.4% to ¥611 million.



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### (Coca-Cola)

This segment continued to face a difficult operating environment as competition for sales intensified among companies. Kikkoman responded to these difficult conditions by vigorously conducting sales activities, including launching a new product in the expanding green tea beverage market.

The segment posted net sales of ¥24,373 million, down 4.0% year on year. Furthermore, the segment recorded an operating loss of ¥232 million.

### (Others)

Net sales increased 10.4% to ¥1,107 million and operating income climbed 45.2% to ¥264 million.

## 2) Financial Position

(Millions of yen)

	Total assets	Shareholders' equity	Shareholders' equity ratio	Shareholders' equity per share (yen)
Jun.30, 2005	¥301,049	¥150,409	50.0%	¥776.58
Jun.30, 2004	¥279,594	¥142,365	50.9%	¥729.78
Mar.31, 2005	¥295,802	¥147,370	49.8%	¥760.33

## 3) Cash Flows

(Millions of yen)

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Apr. 1,2005 – Jun.30, 2005	¥2,745	(¥2,765)	¥4,675	¥25,156
Apr. 1,2004 - Jun.30, 2004	-	-	-	-
Apr. 1,2004 -Mar.31, 2005	¥20,405	(¥31,224)	¥4,456	¥18,815

Note 1) No consolidated cash flow information is presented for the first quarter of fiscal 2005, because Kikkoman has only been releasing quarterly cash flows since the third quarter of fiscal 2005.



**<Qualitative Information Concerning Changes in Consolidated Financial Position >**

Current assets at June 30, 2005 were ¥6,265 million higher than March 31, 2005 due to factors such as an increase in cash and time deposits. On the other hand, fixed assets declined ¥1,018 million over the same period mainly due to a decrease in property, plant and equipment. As a result, total assets at June 30, 2005 stood at ¥301,049 million, ¥5,247 million higher than at March 31, 2005.

Current liabilities decreased ¥16,027 million from March 31, 2005 mainly due to the repayment of short-term bank loans. Long-term liabilities, meanwhile, increased ¥18,781 million due to factors such as the issuance of bonds. As a result, total liabilities at June 30, 2005 stood at ¥128,558 million, ¥2,753 million higher than at March 31, 2005.

Shareholders' equity increased ¥3,038 million to ¥150,409 million mainly due to increases in the translation adjustments account and retained earnings.

Cash and cash equivalents at June 30, 2005 were ¥25,156 million. This reflected an increase of ¥4,813 million compared with the end of the previous fiscal year and an increase arising from the change of fiscal year-ends of certain consolidated subsidiaries.

Cash flows for each activity and reasons are as follows:

**(Cash Flows From Operating Activities)**

Operating activities provided net cash of ¥2,745 million. The main components of this were income before income taxes and minority interests and depreciation and amortization.

**(Cash Flows From Investing Activities)**

Investing activities used net cash of ¥2,765 million, mainly for the acquisition of property, plant and equipment.

**(Cash Flows From Financing Activities)**

Financing activities provided net cash of ¥4,675 million, with inflows from the issuance of bonds outweighing outflows for the repayment of debt.



**3. Forecasts of Business Performance for the Fiscal Year Ending March 31, 2006  
(April 1, 2005 to March 31, 2006)**

There has been no change to forecasts, as operating results largely tracked forecasts issued with fiscal 2005 results on April 26, 2005.

Forecasts are based on information available to management at the time of announcement. Due to a number of inherent uncertainties in forecasts, actual results may differ materially from forecasts.



#### 4. Summary of Consolidated Balance Sheets

	<b>June 30, 2005</b>	<b>June 30, 2004</b>	<b>June 30, 2005</b>
	<i>(Millions of yen)</i>		<i>(Thousands of U.S. dollars)</i>
<b>Assets</b>			
Current assets:			
Cash and time deposits	¥ 25,688	¥ 26,647	\$ 231,423
Trade notes and accounts receivable	43,730	42,019	393,964
Allowance for doubtful receivables	(708)	(760)	(6,378)
	<u>43,021</u>	<u>41,258</u>	<u>387,577</u>
Inventories	26,418	24,952	238,000
Deferred tax assets	3,739	3,724	33,685
Other current assets	8,176	7,413	73,658
Total current assets	<u>107,044</u>	<u>103,996</u>	<u>964,360</u>
Property, plant and equipment, at cost:			
Land	30,948	32,041	278,811
Buildings and structures	93,475	91,172	842,117
Machinery, equipment and vehicles	142,274	136,305	1,281,748
Other	54,567	53,585	491,595
Construction in progress	2,159	812	19,450
	<u>323,426</u>	<u>313,916</u>	<u>2,913,748</u>
Accumulated depreciation	(210,631)	(202,158)	(1,897,577)
Property, plant and equipment, net	<u>112,794</u>	<u>111,758</u>	<u>1,016,162</u>
Investments and other assets:			
Investments in securities	33,400	32,572	300,901
Investments in and advances to unconsolidated subsidiaries and affiliates	34,254	16,812	308,595
Intangible assets	7,178	7,489	64,667
Deferred tax assets	3,907	3,791	35,198
Other assets	2,468	3,172	22,234
Total investments and other assets	<u>81,209</u>	<u>63,838</u>	<u>731,613</u>
Total assets	<u>¥ 301,049</u>	<u>¥ 279,594</u>	<u>\$ 2,712,153</u>



4. Summary of Consolidated Balance Sheets (continued)

	June 30, 2005	June 30, 2004	June 30, 2005
	<i>(Millions of yen)</i>		<i>(Thousands of U.S. dollars)</i>
<b>Liabilities and shareholders' equity</b>			
Current liabilities:			
Short-term bank loans	¥ 11,721	¥ 18,814	\$ 105,595
Current portion of long-term debt	7,597	1,391	68,441
Trade notes and accounts payable	13,149	12,335	118,459
Other accounts payable	12,283	12,008	110,658
Accrued expenses	1,300	1,381	11,712
Accrued income taxes	1,591	2,107	14,333
Other current liabilities	5,682	4,818	51,189
Total current liabilities	<u>53,326</u>	<u>52,858</u>	<u>480,414</u>
Long-term liabilities:			
Long-term debt	36,616	24,656	329,874
Accrued employees' pension and severance costs	23,775	25,425	214,189
Accrued officers' severance benefits	1,590	1,313	14,324
Deferred tax liabilities	4,126	5,123	37,171
Other long-term liabilities	9,123	7,663	82,189
Total long-term liabilities	<u>75,232</u>	<u>64,182</u>	<u>677,766</u>
Minority interests	22,081	20,187	198,928
Shareholders' equity:			
Common stock:			
Authorized: 300,000,000 shares			
Issued: 197,202,300 shares	11,599	11,599	104,495
Additional paid-in capital	5,773	5,770	52,009
Retained earnings	128,709	120,980	1,159,541
Unrealized holding gain on securities	10,971	11,281	98,838
Translation adjustments	(4,080)	(6,194)	(36,757)
	<u>152,973</u>	<u>143,436</u>	<u>1,378,135</u>
Treasury stock, at cost:			
June 30, 2005 – 3,520,155 shares	(2,564)	–	(23,099)
June 30, 2004 – 2,122,375 shares	–	(1,071)	–
Shareholders' equity, net	<u>150,409</u>	<u>142,365</u>	<u>1,355,036</u>
Contingent liabilities			
Total liabilities and shareholders' equity	<u>¥ 301,049</u>	<u>¥ 279,594</u>	<u>\$ 2,712,153</u>



5. Summary of Consolidated Statements of Income

	Three-month period ended June 30		
	2005	2004	2005
	<i>(Millions of yen)</i>		<i>(Thousands of U.S. dollars)</i>
Net sales	¥ 83,255	¥ 81,858	\$ 750,045
Cost of sales	49,265	48,730	443,829
Gross profit	33,989	33,127	306,207
Selling, general and administrative expenses	30,229	29,047	272,333
Operating income	3,760	4,079	33,874
Other income (expenses):			
Interest and dividend income	406	428	3,658
Equity in earnings of unconsolidated subsidiaries and affiliates	115	63	1,036
Interest expense	(154)	(151)	(1,387)
Gain on sales of securities	344	9	3,099
Gain on sales of property, plant and equipment	79	268	712
Loss on impairment of fixed assets	(403)	–	(3,631)
Costs related to vending machines to accept the tender of new yen bills	(118)	–	(1,063)
Other, net	(237)	(416)	(2,135)
	30	201	270
Income before income taxes and minority interests	3,791	4,281	34,153
Income taxes	1,607	1,716	14,477
Income before minority interests	2,183	2,565	19,667
Minority interests	159	7	1,432
Net income	¥ 2,342	¥ 2,572	\$ 21,099



## 6. Summary of Consolidated Statements of Cash Flows

	Three-month period ended June 30, 2005	Year ended March 31, 2005	Three-month period ended June 30, 2005
	<i>(Millions of yen)</i>		<i>(Thousands of U.S. dollars)</i>
<b>Cash flows from operating activities</b>			
Income before income taxes and minority interests	¥ 3,791	¥ 16,336	34,153
Depreciation and amortization	3,290	13,622	29,640
Accrued employees' pension and severance costs	(4)	(2,418)	(36)
Accrued officers' severance benefits	(153)	180	(1,378)
Interest and dividend income	(406)	(774)	(3,658)
Interest expense	154	544	1,387
Equity in earnings of unconsolidated subsidiaries and affiliates	(115)	(580)	(1,036)
Gain on sales of property, plant and equipment	(79)	(378)	(712)
Gain on sales of securities	(344)	(246)	(3,099)
Loss on impairment of fixed assets	403	-	3,631
Loss on disposal of property, plant and equipment	89	1,204	802
Loss on sales of property, plant and equipment	-	190	-
Loss on revaluation of investments in securities	-	5	-
Notes and accounts receivable	329	(2,430)	2,964
Inventories	884	(1,024)	7,964
Notes and accounts payable	(561)	99	(5,054)
Other	(2,084)	1,253	(18,775)
Subtotal	5,194	25,583	46,793
Interest and dividends received	511	982	4,604
Interest paid	(214)	(518)	(1,928)
Income taxes paid	(2,746)	(5,641)	(24,739)
Net cash provided by operating activities	2,745	20,405	24,730
<b>Cash flows from investing activities</b>			
Acquisition of property, plant and equipment	(4,277)	(12,598)	(38,532)
Proceeds from sales of property, plant and equipment	112	991	1,009
Acquisition of intangible assets	(216)	(1,244)	(1,946)
Acquisition of investments in securities	(123)	(13,331)	(1,108)
Proceeds from sales of investments in securities	355	2,483	3,198
Addition to loans receivable	(94)	(7,601)	(847)
Collection of loans receivable	329	858	2,964
Other	1,148	(781)	10,342
Net cash used in investing activities	(2,765)	(31,224)	(24,910)
<b>Cash flows from financing activities</b>			
Increase (decrease) in short-term bank loans	(13,290)	9,887	(119,730)
Proceeds from long-term debt	20,080	-	180,901
Repayment of long-term debt	(120)	(1,449)	(1,081)
Cash dividends paid	(1,954)	(2,201)	(17,604)
Purchases of treasury stock	(14)	(1,523)	(126)
Other	(25)	(257)	(225)
Net cash used in financing activities	4,675	4,456	42,117
Effect of exchange rate changes on cash and cash equivalents	159	47	1,432
Increase (decrease) in cash and cash equivalents	4,813	(6,314)	43,360
Cash and cash equivalents at beginning of year	18,815	25,100	169,505
Net increase in cash and cash equivalents due to change in subsidiaries' year-ends	1,526	-	13,748
Increase arising from inclusion of subsidiaries in consolidation	-	29	-
Cash and cash equivalents at end of year	¥ 25,156	¥ 18,815	\$ 226,631



## 7. Segment Information

The Company and its consolidated subsidiaries are primarily engaged in the processing and sales of products in Japan and overseas in four major segments: manufacturing and sales of foods, including soy sauce and other seasonings, sauces, Del Monte processed fruit and vegetables, and sake and wine; wholesale sales of oriental food products, including eastern foods; Coca-Cola, which includes Coca-Cola and other beverages; and other businesses which include pharmaceuticals, real estate rental and restaurants.

### 1) Business Segments

#### Three-month period ended June 30, 2005

	Foods – manufacturing and sales	Foods – wholesale	Coca-Cola	Others	Total	Eliminations and corporate	Consoli- dated
	<i>(Millions of yen)</i>						
I. Sales and operating income:							
Sales to third parties	¥ 43,925	¥ 13,848	¥ 24,373	¥ 1,107	¥83,255	¥ -	¥83,255
Intragroup sales and transfers	136	157	-	0	293	(293)	-
Total sales	44,061	14,005	24,373	1,107	83,549	(293)	83,255
Operating expenses	40,944	13,394	24,606	843	79,789	(294)	79,495
Operating income	¥ 3,116	¥ 611	(¥ 232)	¥ 264	¥ 3,759	¥ 0	¥ 3,760

#### Three-month period ended June 30, 2005

	Foods – manufacturing and sales	Foods – wholesale	Coca-Cola	Others	Total	Eliminations and corporate	Consoli- dated
	<i>(Thousands of U.S. dollars)</i>						
I. Sales and operating income:							
Sales to third parties	\$ 395,721	\$ 124,757	\$ 219,577	\$ 9,973	\$ 750,045	\$ -	\$ 750,045
Intragroup sales and transfers	1,225	1,414	-	0	2,640	(2,640)	-
Total sales	396,946	126,171	219,577	9,973	752,694	(2,640)	750,045
Operating expenses	368,865	120,667	221,676	7,595	718,820	(2,649)	716,171
Operating income	\$ 28,072	\$ 5,505	(\$ 2,090)	\$ 2,378	\$ 33,865	\$ 0	\$ 33,874

#### Three-month period ended June 30, 2004

	Foods – manufacturing and sales	Foods – wholesale	Coca-Cola	Others	Total	Eliminations and corporate	Consoli- dated
	<i>(Millions of yen)</i>						
I. Sales and operating income:							
Sales to third parties	¥ 42,832	¥ 12,640	¥ 25,381	¥ 1,003	¥81,858	¥ -	¥81,858
Intragroup sales and transfers	133	190	-	-	323	(323)	-
Total sales	42,965	12,830	25,381	1,003	82,181	(323)	81,858
Operating expenses	39,533	12,442	25,304	821	78,102	(323)	77,778
Operating income	¥ 3,432	¥ 388	¥ 76	¥ 182	¥ 4,079	¥ 0	¥ 4,079



## 7. Segment Information (continued)

### 2) Geographical Segments

Geographical segment information for the Company and its consolidated subsidiaries for the three-month period ended June 30, 2004 and year ended March 31, 2004 is summarized as follows:

	Three-month period ended June 30, 2005				Eliminations and corporate	Consolidated
	Japan	North America	Other	Total		
	<i>(Millions of yen)</i>					
Sales to third parties	¥62,584	¥16,961	¥3,709	¥83,255	¥ -	¥83,255
Interarea sales and transfers	2,168	728	104	3,001	(3,001)	-
Total sales	64,752	17,690	3,814	86,257	(3,001)	83,255
Operating expenses	63,179	15,857	3,438	82,476	(2,981)	79,495
Operating income	¥ 1,573	¥ 1,832	¥ 375	¥3,781	¥ (20)	¥ 3,760

  

	Three-month period ended June 30, 2004				Eliminations and corporate	Consolidated
	Japan	North America	Other	Total		
	<i>(Thousands of U.S. dollars)</i>					
Sales to third parties	\$563,820	\$152,802	\$33,414	\$750,045	\$ -	\$750,045
Interarea sales and transfers	19,532	6,559	937	27,036	(27,036)	-
Total sales	583,351	159,369	34,360	777,090	(27,036)	750,045
Operating expenses	569,180	142,856	30,973	743,027	(26,856)	716,171
Operating income	\$ 14,171	\$ 16,505	\$ 3,378	\$ 34,063	\$ (180)	\$ 33,874

  

	Three-month period ended June 30, 2004				Eliminations and corporate	Consolidated
	Japan	North America	Other	Total		
	<i>(Millions of yen)</i>					
Sales to third parties	¥63,181	¥15,352	¥3,324	¥81,858	¥ -	¥81,858
Interarea sales and transfers	1,909	972	138	3,020	(3,020)	-
Total sales	65,091	16,324	3,462	84,878	(3,020)	81,858
Operating expenses	63,252	14,442	3,098	80,792	(3,013)	77,778
Operating income	¥ 1,839	¥ 1,882	¥ 364	¥4,086	¥ (6)	¥ 4,079



## 8. Supplementary Schedules

### 1) Consolidated Results for Fiscal 2006 1Q and Effect of Exchange Rate Differences on Translation of Overseas Subsidiaries' Financial Statements

#### Consolidated Statement of Income

(Millions of yen, %)

	FY2006 1Q		FY2005 1Q		Increase /Decrease			Translation difference	Increase /Decrease except translation difference	
	4.1.05 – 6.30.05		4.1.04 – 6.30.04		Amount	YoY	%		Amount	YoY
	Amount	%	Amount	%						
Net Sales	83,255	100.0	81,858	100.0	1,397	101.7	-	265	1,131	101.4
Operating Income	3,760	4.5	4,079	5.0	( 319)	92.2	(0.5)	28	( 347)	91.5
Recurring Income	3,890	4.7	4,004	4.9	( 113)	97.2	(0.2)	27	( 141)	96.5
Net Income	2,342	2.8	2,572	3.1	( 229)	91.1	(0.3)	17	( 247)	90.4
Exchange Rate (¥/US\$)	108.12		107.13		0.99					

#### Geographical Segment Information

(Millions of yen, %)

		FY2006 1Q		FY2005 1Q		Increase /Decrease			Translation difference	Increase /Decrease except translation difference	
		4.1.05 – 6.30.05		4.1.04 – 6.30.04		Amount	YoY	%		Amount	YoY
		Amount	%	Amount	%						
Japan	Net Sales	64,752	100.0	65,091	100.0	( 338)	99.5	-	-	( 338)	99.5
	Operating Income	1,573	2.4	1,839	2.8	( 265)	85.6	(0.4)	-	( 265)	85.6
Overseas	Net Sales	21,318	100.0	19,670	100.0	1,647	108.4	-	272	1,375	107.0
	Operating Income	2,207	10.4	2,247	11.4	( 39)	98.2	(1.0)	28	( 67)	97.0
Eliminations	Net Sales	( 2,815)	100.0	( 2,904)	100.0	88	97.0	-	( 6)	95	96.7
	Operating Income	( 20)	-	( 6)	-	( 14)	-	-	( 0)	( 14)	-
Consolidated total	Net Sales	83,255	100.0	81,858	100.0	1,397	101.7	-	265	1,131	101.4
	Operating Income	3,760	4.5	4,079	5.0	( 319)	92.2	(0.5)	28	( 347)	91.5
Exchange Rate (¥/US\$)		108.12		107.13		0.99					



8. Supplementary Schedules (Continued)

1) Consolidated Results for 2006 1Q and Effect of Exchange Rate Differences on Translation of Overseas Subsidiaries' Financial Statements (Continued)

Business Segment Information

(Millions of yen, %)

		FY2006 1Q		FY2005 1Q		Increase /Decrease			Translation difference	Increase /Decrease except translation difference	
		4.1.05 – 6.30.05		4.1.04– 6.30.04							
		Amount	%	Amount	%	Amount	YoY	%	Amount	YoY	
Foods-manufacturing and sales	Net Sales	44,061	100.0	42,965	100.0	1,096	102.6	-	97	998	102.3
	Operating Income	3,116	7.1	3,432	8.0	( 315)	90.8	( 0.9)	20	( 335)	90.2
Foods-wholesale	Net Sales	14,005	100.0	12,830	100.0	1,175	109.2	-	163	1,011	107.9
	Operating Income	611	4.4	388	3.0	222	157.4	1.4	8	214	155.3
Coca-Cola	Net Sales	24,373	100.0	25,381	100.0	( 1,007)	96.0	-	-	( 1,007)	96.0
	Operating Income	( 232)	-	76	0.3	( 309)	-	-	-	( 309)	-
Others	Net Sales	1,107	100.0	1,003	100.0	104	110.4	-	5	98	109.9
	Operating Income	264	23.9	182	18.2	82	145.2	5.7	( 0)	83	145.6
Eliminations	Net Sales	( 293)	100.0	( 323)	100.0	29	90.9	-	( 0)	30	90.7
	Operating Income	0	-	0	-	0	-	-	( 0)	0	-
Consolidated total	Net Sales	83,255	100.0	81,858	100.0	1,397	101.7	-	265	1,131	101.4
	Operating Income	3,760	4.5	4,079	5.0	( 319)	92.2	( 0.5)	28	( 347)	91.5
Exchange Rate (¥/US\$)		108.12		107.13		0.99					

Note: The income statements for the first quarter of fiscal 2006 for the one domestic consolidated subsidiary and five North American consolidated subsidiaries that changed their fiscal year-ends are for the period from April 1 to June 30, 2005. The first quarter of the previous fiscal year is the period from January 1 to March 31, 2004.

Japan: Pacific Trading Co., Ltd.

North America: Kikkoman Foods, Inc., Kikkoman International Inc., JFC International Inc., Japan Food Canada Inc., and Hapi Products, Inc.