

Flash Report for Fiscal 2008 1Q

Kikkoman Corporation



Consolidated Financial Results

July 30, 2007

Three-month period ended June 30, 2007

Listed company name: **Kikkoman Corporation**
Code No.: 2801
Shares listed: Tokyo (1st Section), Osaka (1st Section)
Head office: 250 Noda, Noda City, Chiba
Contact: Takaharu Nakamura, Corporate Officer
Public Relations and Investor Relations Department
[E-mail: ir@mail.kikkoman.co.jp](mailto:ir@mail.kikkoman.co.jp)

U.S. dollar amounts in this release are translated from yen, for convenience only, at the rate of ¥123.00 = U.S.\$1.00, the approximate rate of exchange on June 30, 2007.



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1. Business Performance for the Three-month Period Ended June 30, 2007
(April 1, 2007 to June 30, 2007)

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, 2007 -Jun.30, 2007	¥99,830	8.1	¥5,929	27.9	¥5,966	22.4
Apr. 1, 2006 -Jun.30, 2006	¥92,369	10.9	¥4,636	23.3	¥4,875	25.3
Apr. 1, 2006 -Mar.31, 2007	¥392,611	9.1	¥21,646	16.6	¥20,983	20.9

	Net income		Net income per share (yen)	Net income per share (Assuming full dilution) (yen)
	Amount	Y o Y (%)		
Apr. 1, 2007 -Jun.30, 2007	¥3,188	4.7	¥16.47	¥16.46
Apr. 1, 2006 -Jun.30, 2006	¥3,044	30.0	¥15.73	¥15.72
Apr. 1, 2006 -Mar.31, 2007	¥10,739	6.1	¥55.49	¥55.45

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

2) Financial Position

(Millions of yen)

	Total assets	Net Assets	Shareholders' equity ratio	Net Assets per share (yen)
Jun.30, 2007	¥359,659	¥210,898	50.0%	¥928.23
Jun.30, 2006	¥347,170	¥198,667	48.1%	¥862.89
Mar.31, 2007	¥348,995	¥206,919	50.3%	¥906.84

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, 2007 – Jun.30, 2007	¥4,508	(¥4,521)	¥359	¥25,052
Apr. 1, 2007 – Jun.30, 2006	¥2,070	(¥7,372)	(¥1,823)	¥28,066
Apr. 1, 2006 – Mar.31, 2007	¥24,663	(¥27,634)	(¥9,549)	¥23,474



**2. Forecasts of Business Performance for the Fiscal Year Ending March 31, 2008
(April 1, 2007 to March 31, 2008)**

There has been no change to forecasts, as operating results largely tracked the forecasts issued on April 25, 2007.

(Millions of yen)

	Net sales	Operating Income	Recurring income	Net income	Net income per share(yen)
Apr. 1, - Sep.30, 2007	¥200,000	¥10,000	¥ 9,500	¥ 5,200	26.87
Apr.1, 2007- Mar.31, 2008	¥413,000	¥24,000	¥22,500	¥11,500	59.42

3. Notes Relating to the Preparation of Quarterly Financial Statements

1) Changes to Important Subsidiaries (Specified Subsidiaries) During the First Quarter: None

Changes in scope of consolidation except specified subsidiaries were as follows.

Newly consolidated companies: 5

Newly unconsolidated company: 0

Companies newly accounted for by the equity method: 0

Companies no longer accounted for by the equity method: 3

Note: The fiscal year-ends of two consolidated subsidiaries in Europe, Kikkoman Foods Europe B.V. and Kikkoman Trading Europe GmbH changed from December 31 to March 31 effective from the current fiscal year.

2) Election of Simplified Accounting Method

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

3) Changes in Accounting Procedure from Most Recent Fiscal Year

Following revisions to the corporate tax law, effective from the fiscal year under review, certain consolidated subsidiaries will record depreciation expenses according to the tax code with respect to property, plant and equipment acquired after April 2007. The effect of these revisions on operating income, recurring income and net income will be immaterial.



4. Qualitative Information Concerning Consolidated Business Performance

In Japan, while the Soy Sauce and Other Foods divisions struggled, sales were steady in the Soy Sauce Derivative Products Division and Coca-Cola; this contributed to net sales and operating income, which exceeded those of the same period of the previous year. Overseas, the Company continued to maintain steady growth in the soy sauce and food wholesale operations. As a result, net sales, operating income and recurring income all increased year on year.

Results were as follows.

1) Consolidated Statement of Income

(Millions of yen, %)

	FY2007 1Q		FY2008 1Q		Increase /Decrease			Translation difference	Increase /Decrease except translation difference	
	4.1.06 – 6.30.06		4.1.07 – 6.30.07		Amount	YoY	%		Amount	YoY
	Amount	%	Amount	%						
Net Sales	92,369	100.0	99,830	100.0	7,460	108.1	-	1,723	5,737	106.2
Operating Income	4,636	5.0	5,929	5.9	1,293	127.9	0.9	210	1,082	123.3
Recurring Income	4,875	5.3	5,966	6.0	1,091	122.4	0.7	196	895	118.4
Net Income	3,044	3.3	3,188	3.2	143	104.7	(0.1)	115	27	100.9
Exchange Rate (¥/US\$)	114.84		120.70		5.86					

2) Geographical Segment Information

(Millions of yen, %)

		FY2007 1Q		FY2008 1Q		Increase /Decrease			Translation difference	Increase /Decrease except translation difference	
		4.1.06 – 6.30.06		4.1.07 – 6.30.07		Amount	YoY	%		Amount	YoY
		Amount	%	Amount	%						
Japan	Net Sales	69,154	100.0	71,689	100.0	2,534	103.7	-	-	2,534	103.7
	Operating Income	2,058	3.0	2,411	3.4	352	117.1	0.4	-	352	117.1
Overseas	Net Sales	26,300	100.0	32,193	100.0	5,892	122.4	-	1,741	4,151	115.8
	Operating Income	2,646	10.1	3,591	11.2	945	135.7	1.1	210	734	127.8
Eliminations	Net Sales	(3,085)	100.0	(4,052)	100.0	(966)	-	-	(17)	(948)	-
	Operating Income	(68)	-	(73)	-	(5)	-	-	(0)	(5)	-
Consolidated total	Net Sales	92,369	100.0	99,830	100.0	7,460	108.1	-	1,723	5,737	106.2
	Operating Income	4,636	5.0	5,929	5.9	1,293	127.9	0.9	210	1,082	123.3
Exchange Rate (¥/US\$)		114.84		120.70		5.86					



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4. Qualitative Information Concerning Consolidated Business Performance (Continued)

3) Business Segment Information

(Millions of yen, %)

		FY2007 1Q		FY2008 1Q		Increase /Decrease			Translation difference	Increase /Decrease except translation difference	
		4.1.06 – 6.30.06		4.1.07 – 6.30.07		Amount	YoY	%		Amount	YoY
		Amount	%	Amount	%				Amount		
Foods-manufacturing and sales	Net Sales	50,859	100.0	52,565	100.0	1,706	103.4	-	814	891	101.8
	Operating Income	3,896	7.7	4,287	8.2	391	110.0	0.5	167	223	105.7
Foods-wholesale	Net Sales	15,706	100.0	19,173	100.0	3,466	122.1	-	903	2,563	116.3
	Operating Income	726	4.6	1,021	5.3	294	140.6	0.7	42	252	134.7
Coca-Cola	Net Sales	24,405	100.0	26,296	100.0	1,890	107.7	-	-	1,890	107.7
	Operating Income	(168)	-	284	1.1	453	-	-	-	453	-
Others	Net Sales	1,624	100.0	3,908	100.0	2,283	240.6	-	12	2,271	239.8
	Operating Income	188	11.6	338	8.7	150	180.1	2.9	0	150	179.8
Eliminations	Net Sales	(226)	100.0	(2,113)	100.0	(1,886)	-	-	(6)	(1,879)	-
	Operating Income	(6)	-	(3)	-	2	-	-	(0)	3	-
Consolidated total	Net Sales	92,369	100.0	99,830	100.0	7,460	108.1	-	1,723	5,737	106.2
	Operating Income	4,636	5.0	5,929	5.9	1,293	127.9	0.9	210	1,082	123.3
Exchange Rate (¥/US\$)		114.84		120.70		5.86					

Note: The fiscal year-ends of two consolidated subsidiaries in Europe, Kikkoman Foods Europe B.V. and Kikkoman Trading Europe GmbH changed from December 31 to March 31 effective from the current fiscal year.



4. Qualitative Information Concerning Consolidated Business Performance (Continued)

Results by business segment were as follows.

(Foods—Manufacturing and Sales)

In Japan, while the Soy Sauce and Other Foods divisions struggled, sales were steady in the Soy Sauce Derivative Products Division. Overseas, the Company posted robust sales growth in the North American market, mainly in the home and industrial use sectors. It also performed strongly in Europe, Asia and Oceania.

As a result, segment sales were ¥52,565 million, up 3.4% on the same period of the previous year. Operating income was ¥4,287 million, up 10.0%.

(Foods—Wholesale)

Net sales and operating income in this segment far exceeded those of the previous year. This was attributable to continued strong sales growth due to expansion in oriental food markets overseas, as well as the consolidation of wholesale companies in Asia and Oceania.

As a result, segment net sales were ¥19,173 million, up 22.1%. Operating income was ¥1,021 million, up 40.6%.

(Coca-Cola)

Despite a harsh operating environment characterized by intensifying sales competition with other companies, the Company achieved healthy sales, thanks to fine weather and aggressive sales promotion during the quarter.

As a result, segment net sales were ¥26,296 million, up 7.7%, and operating income was ¥284 million.

(Others)

During the quarter under review, due to a change in the scope of consolidation and other factors, segment net sales rose to ¥3,908 million, up 140.6%, while operating income increased to ¥338 million, up 80.1%.



5. Qualitative Information Regarding Consolidated Financial Position

1) Total assets, total liabilities and net assets

Total assets at the end of the first quarter were ¥359,659 million, an increase of ¥10,664 million from March 31, 2007. This was mainly due to an increase in notes and accounts receivable and investments and other assets, as well as to increased property plant and equipment and cash and time deposits following new consolidation.

Total liabilities at the end of the first quarter were up ¥6,684 million to ¥148,761 million, mainly due to an increase in short-term bank loans.

Total net assets at the end of the first quarter increased by ¥3,979 million from March 31, 2007 to ¥210,898 million, mainly due to increases in translation adjustments and retained earnings.

2) Cash flows

Cash and cash equivalents at the end of the first quarter was ¥25,052 million. This reflected an increase in cash and cash equivalents of ¥749 million as well as the effect of changes in cash and cash equivalents following changes in the accounting periods of certain consolidated subsidiaries and an increase in cash and cash equivalents due to new consolidations.

Cash flows for each activity and reasons are as follows.

(Cash Flows From Operating Activities)

Operating activities provided net cash of ¥4,508 million. This was mainly due to income before income taxes and minority interests and depreciation and amortization.

(Cash Flows From Investing Activities)

Investing activities used net cash of ¥4,521 million. This was mainly attributable to outgoings for the acquisition of property, plant and equipment and investments in securities.

(Cash Flows From Financing Activities)

Financing activities provided net cash of ¥359 million. This was mainly due to inflows from short-term banks loans, offset by outflows for the payment of cash dividends.



**6. Forecasts of Business Performance for the Fiscal Year Ending March 31, 2008
(April 1, 2007 to March 31, 2008)**

There has been no change to forecasts, as operating results largely tracked the forecasts issued on April 25, 2007.

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.



7. Summary of Consolidated Balance Sheets

	March 31, 2007	June 30, 2007	June 30, 2007
	<i>(Millions of yen)</i>		<i>(Thousands of U.S. dollars)</i>
Assets			
Current assets:			
Cash and time deposits	¥ 24,505	¥ 25,974	\$ 211,171
Trade notes and accounts receivable	50,656	53,290	433,252
Allowance for doubtful receivables	(967)	(1,018)	(8,276)
	<u>49,689</u>	<u>52,271</u>	<u>636,146</u>
Inventories	29,910	30,931	251,472
Deferred tax assets	4,728	4,442	36,114
Other current assets	7,558	8,280	67,317
Total current assets	<u>116,391</u>	<u>121,901</u>	<u>991,065</u>
Property, plant and equipment, at cost:			
Land	32,560	33,221	270,089
Buildings and structures	106,130	109,040	886,504
Machinery, equipment and vehicles	158,594	161,600	1,313,821
Other	55,207	56,631	460,415
Construction in progress	3,983	5,032	40,911
	<u>356,477</u>	<u>365,527</u>	<u>2,971,764</u>
Accumulated depreciation	(222,954)	(229,065)	(1,862,317)
Property, plant and equipment, net	<u>133,522</u>	<u>136,461</u>	<u>1,109,439</u>
Investments and other assets:			
Investments in securities	47,202	48,786	396,634
Investments in and advances to unconsolidated subsidiaries and affiliates	12,451	10,622	86,358
Goodwill	27,775	27,445	223,130
Other intangible assets	6,239	5,843	47,504
Deferred tax assets	3,573	3,474	28,244
Other assets	1,838	5,124	41,659
Total investments and other assets	<u>99,081</u>	<u>101,296</u>	<u>823,545</u>
Total assets	<u>¥ 348,995</u>	<u>¥ 359,659</u>	<u>\$ 2,924,057</u>



7. Summary of Consolidated Balance Sheets (continued)

	March 31, 2007	June 30, 2007	June 30, 2007
	<i>(Millions of yen)</i>		<i>(Thousands of U.S. dollars)</i>
Liabilities and shareholders' equity			
Current liabilities:			
Short-term bank loans	¥ 13,004	¥ 15,751	\$ 128,057
Current portion of long-term debt	11,444	12,398	100,797
Trade notes and accounts payable	16,242	18,139	147,472
Other accounts payable	14,549	14,079	114,463
Accrued employees' bonus	2,169	1,419	11,537
Accrued directors' bonus	122	32	260
Accrued income taxes	2,477	1,949	15,846
Other current liabilities	6,820	7,443	60,512
Total current liabilities	<u>66,831</u>	<u>71,215</u>	<u>578,984</u>
Long-term liabilities:			
Long-term debt	41,070	40,549	329,667
Accrued employees' pension and severance costs	16,448	17,228	140,065
Accrued officers' severance benefits	1,930	1,936	15,740
Deferred tax liabilities	8,399	8,214	66,780
Other long-term liabilities	7,395	9,616	78,179
Total long-term liabilities	<u>75,245</u>	<u>77,545</u>	<u>630,447</u>
Net Assets:			
Shareholders' equity			
Common stock, without par value:			
Authorized: 600,000,000 shares			
Issued: 197,202,300 shares at June 30, 2007	11,599	11,599	94,301
Capital surplus	5,782	5,783	47,016
Retained earnings	145,091	146,726	1,192,894
Treasury stock, at cost:			
June 30, 2007 – 3,649,120 shares	(2,786)	(2,812)	(22,862)
Total shareholders' equity	<u>159,687</u>	<u>161,296</u>	<u>1,311,350</u>
Difference of appreciation and conversion:			
Unrealized holding gain on securities	16,926	16,903	137,423
Deferred hedge gain / loss	167	206	1,675
Translation adjustments	(719)	1,795	14,593
Unfunded retirement benefit obligation of overseas subsidiaries	(539)	(540)	(4,390)
Total difference of appreciation and conversion	<u>15,835</u>	<u>18,364</u>	<u>149,301</u>
Minority Interests	<u>31,396</u>	<u>31,237</u>	<u>253,959</u>
Total net assets	<u>206,919</u>	<u>210,898</u>	<u>1,714,618</u>
Total liabilities and net assets	<u>¥ 348,995</u>	<u>¥ 359,659</u>	<u>\$ 2,924,057</u>



8. Summary of Consolidated Statements of Income

	Three-month period ended June 30		
	2006	2007	2007
	<i>(Millions of yen)</i>		<i>(Thousands of U.S. dollars)</i>
Net sales	¥ 92,369	¥ 99,830	\$ 811,626
Cost of sales	55,191	60,135	488,902
Gross profit	37,178	39,694	322,715
Selling, general and administrative expenses	32,541	33,764	274,504
Operating income	4,636	5,929	48,203
Other income (expenses):			
Interest and dividend income	439	485	3,943
Equity in earnings of unconsolidated subsidiaries and affiliates	104	47	382
Interest expense	(283)	(236)	(1,919)
Gain on sales of property, plant and equipment	703	–	–
Gain on sales of securities	–	358	2,911
Loss on impairment of fixed assets	–	(44)	(358)
Loss on sales of property, plant and equipment	(61)	–	–
Special additional severance benefits	–	(17)	(138)
Expense for Kikkoman's 50th Anniversary in America Project	–	(491)	(3,992)
Other, net	(21)	(258)	(2,098)
	880	(158)	(1,285)
Income before income taxes and minority interests	5,517	5,771	46,919
Income taxes	2,255	2,396	19,480
Income before minority interests	3,261	3,374	27,431
Minority interests	(217)	(186)	(1,512)
Net income	¥ 3,044	¥ 3,188	\$ 25,919



9. Summary of Consolidated Statements of Cash Flows

	Three-month period ended June 30		
	2006	2007	2007
	<i>(Millions of yen)</i>		<i>(Thousands of U.S. dollars)</i>
Cash flows from operating activities			
Income before income taxes and minority interests	¥ 5,517	¥ 5,771	\$ 46,919
Depreciation and amortization	3,777	3,922	31,886
Loss on impairment of fixed assets	–	44	358
Accrued employees' pension and severance costs	(341)	(60)	(488)
Accrued officers' severance benefits	(118)	(13)	(106)
Interest and dividend income	(439)	(485)	(3,943)
Interest expense	283	236	1,919
Equity in earnings of unconsolidated subsidiaries and affiliates	(104)	(47)	(382)
Gain on sales of property, plant and equipment	(703)	–	–
Gain on sales of securities	–	(358)	(2,911)
Loss on disposal of property, plant and equipment	157	78	634
Notes and accounts receivable	1,107	(823)	(6,691)
Inventories	65	555	4,512
Notes and accounts payable	(147)	362	2,943
Other	(4,277)	(2,504)	(20,358)
Subtotal	4,776	6,679	54,301
Interest and dividends received	656	571	4,642
Interest paid	(270)	(290)	(2,358)
Income taxes paid	(3,091)	(2,452)	(19,935)
Net cash provided by operating activities	2,070	4,508	36,650
Cash flows from investing activities			
Acquisition of property, plant and equipment	(4,048)	(3,649)	(29,667)
Proceeds from sales of property, plant and equipment	5,701	42	341
Acquisition of intangible assets	(94)	(102)	(829)
Acquisition of investments in securities	(3,381)	(1,660)	(13,496)
Proceeds from sales of investments in securities	51	377	3,065
Purchase of subsidiary's stock	(6,043)	–	–
Addition to loans receivable	(122)	(9)	(73)
Collection of loans receivable	267	257	2,089
Other	296	222	1,805
Net cash used in investing activities	(7,372)	(4,521)	(36,756)



9. Summary of Consolidated Statements of Cash Flows (continued)

	Three-month period ended June 30		
	2006	2007	2007
	<i>(Millions of yen)</i>		<i>(Thousands of U.S. dollars)</i>
Cash flows from financing activities			
Increase (decrease) in short-term bank loans	1,928	4,042	32,862
Repayment of long-term debt	(933)	(347)	(2,821)
Purchases of treasury stock	(50)	(59)	(480)
Cash dividends paid	(2,761)	(3,272)	(26,602)
Other	(6)	(3)	(24)
Net cash provided (used) in financing activities	<u>(1,823)</u>	<u>359</u>	<u>2,919</u>
Effect of exchange rate changes on cash and cash equivalents	(4)	404	3,285
Increase (decrease) in cash and cash equivalents	<u>(7,129)</u>	<u>749</u>	<u>6,089</u>
Cash and cash equivalents at beginning of year	35,642	23,474	190,846
Net increase in cash and cash equivalents due to change in subsidiaries' year-ends	<u>(1,072)</u>	<u>(55)</u>	<u>(447)</u>
Increase arising from inclusion of subsidiaries in consolidation	625	884	7,187
Cash and cash equivalents at end of year	<u>¥ 28,066</u>	<u>¥ 25,052</u>	<u>\$ 203,675</u>



10. 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 which include soy sauce and other seasonings, sauces, Del Monte processed fruit and vegetables, sake and wine, soy milk, food products for business purpose and food products for health; wholesale sales of oriental food products which include eastern foods; Coca-Cola, which includes Coca-Cola and other beverages; and other businesses which include pharmaceuticals, real estate rental, restaurants and chemical products.

1) Business Segments

Three-month period ended June 30, 2006

	Foods – manufacturing and sales	Foods – wholesale	Coca-Cola	Others	Total	Eliminations and corporate	Consoli- dated
	<i>(Millions of yen)</i>						
Sales and operating income:							
Sales to third parties	¥ 50,697	¥ 15,641	¥ 24,405	¥ 1,624	¥92,369	¥ -	¥92,369
Intragroup sales and transfers	161	65	-	0	226	(226)	-
Total sales	50,859	15,706	24,405	1,624	92,596	(226)	92,369
Operating expenses	46,962	14,979	24,574	1,436	87,953	(220)	87,733
Operating income	¥ 3,896	¥ 726	¥ (168)	¥ 188	¥ 4,642	¥ (6)	¥ 4,636

Three-month period ended June 30, 2007

	Foods – manufacturing and sales	Foods – wholesale	Coca-Cola	Others	Total	Eliminations and corporate	Consoli- dated
	<i>(Millions of yen)</i>						
Sales and operating income:							
Sales to third parties	¥ 52,314	¥ 19,116	¥ 26,267	¥ 2,132	¥ 99,830	¥ -	¥ 99,830
Intragroup sales and transfers	250	56	29	1,776	2,113	(2,113)	-
Total sales	52,565	19,173	26,296	3,908	101,943	(2,113)	99,830
Operating expenses	48,277	18,151	26,011	3,569	96,010	(2,109)	93,900
Operating income	¥ 4,287	¥ 1,021	¥ 284	¥ 338	¥ 5,933	¥ (3)	¥ 5,929

Three-month period ended June 30, 2007

	Foods – manufacturing and sales	Foods – wholesale	Coca-Cola	Others	Total	Eliminations and corporate	Consoli- dated
	<i>(Thousands of U.S. dollars)</i>						
Sales and operating income:							
Sales to third parties	\$ 425,317	\$ 155,415	\$ 213,553	\$ 17,333	\$ 811,626	\$ -	\$ 811,626
Intragroup sales and transfers	2,033	455	236	14,439	17,179	(17,179)	-
Total sales	427,358	155,878	213,789	31,772	828,805	(17,179)	811,626
Operating expenses	392,496	147,569	211,472	29,016	780,569	(17,146)	763,415
Operating income	\$ 34,854	\$ 8,301	\$ 2,309	\$ 2,748	\$ 48,236	\$ (24)	\$ 48,203



10. Segment Information (continued)

2) Geographical Segments

Geographical segment information for the Company and its consolidated subsidiaries for the three-month period ended June 30, 2007 and year ended June 30, 2006 is summarized as follows:

	Three-month period ended June 30, 2006				Eliminations and corporate	Consolidated
	Japan	North America	Other	Total		
	<i>(Millions of yen)</i>					
Sales to third parties	¥66,274	¥21,718	¥4,376	¥92,369	¥ -	¥92,369
Interarea sales and transfers	2,880	328	106	3,315	(3,315)	-
Total sales	69,154	22,047	4,483	95,685	(3,315)	92,369
Operating expenses	67,095	19,854	4,029	90,980	(3,247)	87,733
Operating income	¥ 2,058	¥ 2,192	¥ 453	¥ 4,705	¥ (68)	¥ 4,636

	Three-month period ended June 30, 2007				Eliminations and corporate	Consolidated
	Japan	North America	Other	Total		
	<i>(Millions of yen)</i>					
Sales to third parties	¥67,893	¥24,873	¥7,063	¥99,830	¥ -	¥99,830
Interarea sales and transfers	3,795	389	116	4,302	(4,302)	-
Total sales	71,689	25,263	7,180	104,132	(4,302)	99,830
Operating expenses	69,277	22,477	6,374	98,129	(4,228)	93,900
Operating income	¥ 2,411	¥ 2,786	¥ 805	¥ 6,003	¥ (73)	¥ 5,929

	Three-month period ended June 30, 2007				Eliminations and corporate	Consolidated
	Japan	North America	Other	Total		
	<i>(Thousands of U.S. dollars)</i>					
Sales to third parties	\$551,976	\$202,220	\$57,423	\$811,626	\$ -	\$811,626
Interarea sales and transfers	30,854	3,163	943	34,976	(34,976)	-
Total sales	582,837	205,390	58,374	846,602	(34,976)	811,626
Operating expenses	563,228	182,740	51,821	797,797	(34,374)	763,415
Operating income	\$ 19,602	\$ 22,650	\$ 6,545	\$ 48,805	\$ (593)	\$ 48,203