

KIKKOMAN

Kikkoman Corporation
Business Performance Presentation for the
Half-Year Ended September 30, 2007

Presentation Material

October 30, 2007



*I. Performance in Fiscal 2008 Interim and
Forecast for Fiscal 2008*

Takashi Ushiku, President and COO

*. Performance Target for fiscal 2011
Medium-term Action Plan of Kikkoman Group*

Noriaki Horikiri, Executive Corporate Officer



- The information in this presentation is based on Kikkoman's best knowledge at the time it was prepared.*
- This presentation does not constitute a promise or guarantee that the company will achieve its numerical targets or necessarily implement the strategies outlined.*

I. Performance in Fiscal 2008 Interim and Forecast for Fiscal 2008

Takashi Ushiku
President and COO



Topics for This Presentation

I. Key Themes in Fiscal 2008

II. Performance in Fiscal 2008 Interim Period

III. Forecast for Fiscal 2008



I. Key Themes in Fiscal 2008

KIKKOMAN

1) Cultivate Existing Markets and Develop New Markets

2) Increase Earnings in Domestic Businesses

3) Reform Business Structures

4) Raise Corporate Value in Marking
Kikkoman's 50th Anniversary in the U.S.

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II-1. Financial Highlights

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(unit: billions of yen)

		Fiscal 2008	Fiscal 2007	Change		Translation	Change	
		Interim	Interim	Increase / Decrease			Increase / Decrease	Excluding
		Amount	Amount	Amount	%	Difference	Amount	%
Japan	Net Sales	147.3	142.8	4.5	103.2	-	4.5	103.2
	Operating Income	4.2	3.8	0.5	112.2	-	0.5	112.2
Overseas	Net Sales	63.4	53.1	10.3	119.4	2.5	7.8	114.6
	Operating Income	7.0	5.5	1.5	127.2	0.3	1.2	122.1
Eliminations	Net Sales	(8.0)	(6.2)	(1.8)	-	(0.0)	(1.8)	-
	Operating Income	(0.0)	(0.0)	0.0	-	(0.0)	0.0	-
Consolidated Total	Net Sales	202.7	189.7	13.0	106.9	2.5	10.5	105.5
	Operating Income	11.2	9.2	2.0	121.4	0.3	1.7	118.4
Net Income		5.7	5.0	0.7	113.5	0.2	0.5	109.7
¥/US\$		119.03	115.63	3.40	102.9			
¥/EURO		162.05	142.32	19.73	113.9			

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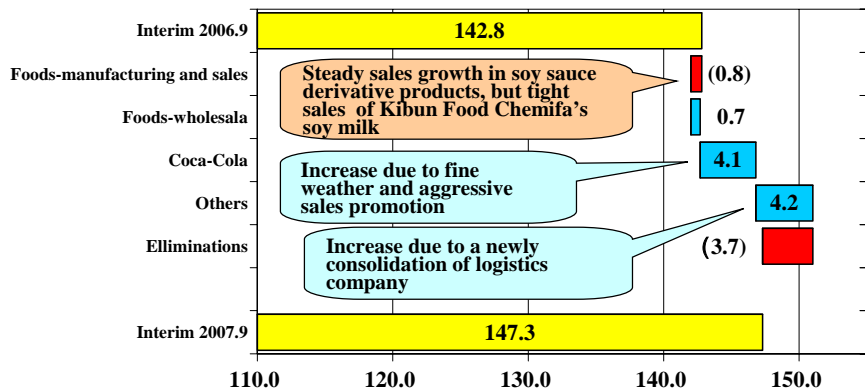


II-2. Change in Net Sales –Japan–

KIKKOMAN

+¥4.5 billion

(Unit: billions of yen)



For more information, please see page 6, 11 and 14 of "Supplementary Schedules".

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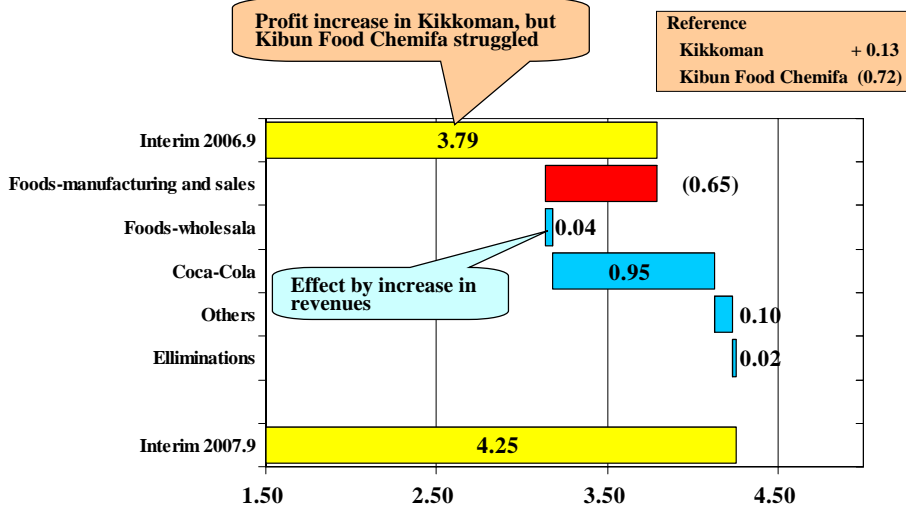


II-3. Change in Operating Income –Japan–

KIKKOMAN

+¥0.46 billion

(Unit: billions of yen)



For more information, please see page 8, 10 and 14 of "Supplementary Schedules".

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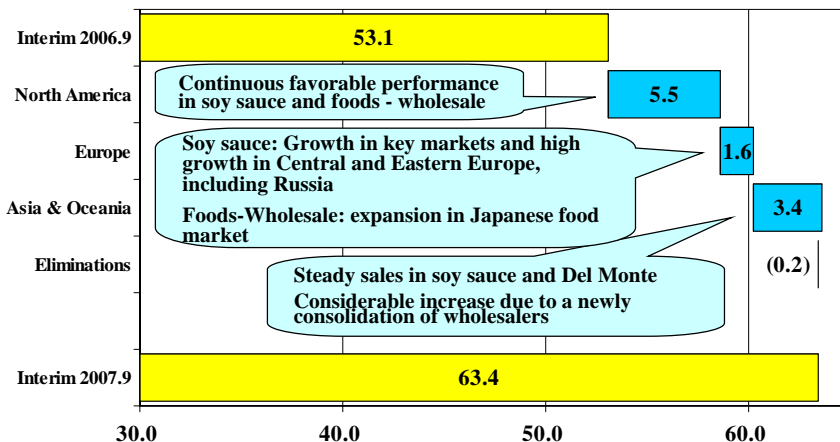


II-4. Change in Net Sales –Overseas–

KIKKOMAN

(Unit: billions of yen)

+¥10.3 billion



For more information, please see page 6 and 15 of "Supplementary Schedules".

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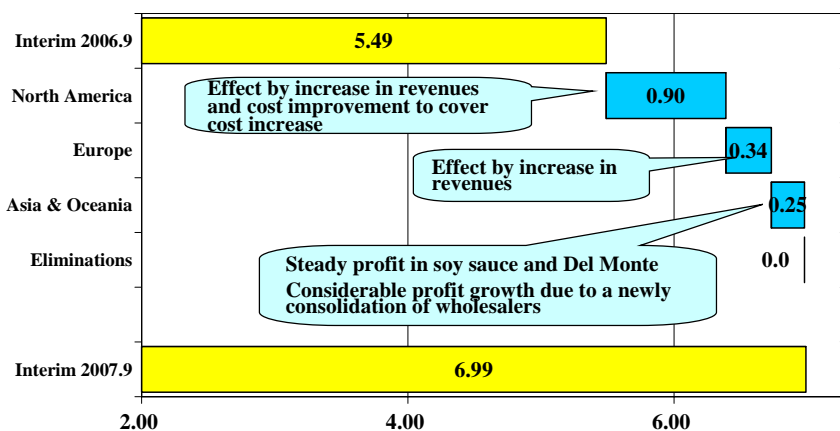


II-5. Change in Operating Income –Overseas–

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(Unit: billions of yen)

+¥1.50 billion



For more information, please see page 9, 10 and 15 of "Supplementary Schedules".

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II-6. Summary of Consolidated Balance Sheets

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1. Total Asset = 347.7	+1.8 (Unit: billions of yen)
2. Change in scope of consolidation	+4.0
3. Translation Difference	+1.8
Actual Difference	(4.0)

Assets	(4.0)	Liabilities and Net Assets	(4.0)
Current Assets	+2.1	Liabilities Total	(4.0)
Cash and time deposits	(0.8)	Interest bearing debt (loans +1.0)	+1.0
Trade notes and accounts receivable	+1.9	Trade notes and accounts payable, Other accounts payable	+1.0
Inventories	+0.1	Deferred tax liabilities	(2.5)
Other current assets	+1.0	Accrued employees' pension and severance costs	(4.8)
Fixed Assets	(6.1)	Other	+1.3
Property, plant and equipment	+0.3	Net Assets	+0.0
Investments and other assets	(4.0)	Retained earnings	+ 6.6
Investment in securities	(6.5)	Unrealized holding gain on securities	(5.5)
Long-term prepaid expenses	+3.5	Other	(1.1)

For more information, please see page 19 of "Supplementary Schedules". 11



II-7. Summary of Consolidated Statements of Cash Flows

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Summary of Net CF(+ + +) = **+1.2** (Unit: billions of yen)

Cash Flows from Operating Activities	+10.1	Cash Flows from Investing Activities	(7.6)
Net income	+ 11.7	a) Acquisition of property, plant and equipment	(8.8)
Depreciation and amortization	+ 8.6	Acquisition of investment in securities	(4.2)
Accrued employees' pension and severance costs	(3.2)	Proceeds from sales of property, plant and equipment	+3.9
Income taxes paid	(4.6)	Proceeds from sales of investments in securities	+ 0.4
Other	(2.5)	Other	+ 1.1
+a) Free Cash Flows	+ 1.3		
-a) Cash Flows from Investing Activities (excluding Acquisition of property, plant and equipment)	+ 1.2		
Cash Flows from Financing Activities	(1.3)	Other	+0.0
Increase in short-term bank loans and long-term debt	+2.1		
Cash dividends paid and etc.	(3.4)		

For more information, please see page 20 of "Supplementary Schedules"

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III-1. Forecast for Fiscal 2008 (compared with Original Forecast)

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(unit: billions of yen)

	Fiscal 2008 Revised Forecast	Fiscal 2008 Original Forecast	Change Increase / Decrease		Translation Difference	Change Increase / Decrease Excluding Translation Difference	
	Amount	Amount	Amount	%		Amount	%
Net Sales	414.0	413.0	1.0	100.2	3.7	(2.7)	99.3
Japan	303.5	305.9	(2.4)	99.2	-	(2.4)	99.2
Kikkoman	122.5	125.0	(2.5)	98.0	-	(2.5)	98.0
Coca-Cola Business	123.0	120.0	3.0	102.5	-	3.0	102.5
Kibun Food Chemifa	23.5	25.9	(2.4)	90.9	-	(2.4)	90.9
Overseas	126.5	122.3	4.2	103.4	3.8	0.4	100.3
Eliminations	(16.0)	(15.2)	(0.8)	-	(0.0)	(0.8)	-
Operating Income	23.0	24.0	(1.0)	95.8	0.4	(1.4)	94.4
Japan	10.0	11.7	(1.8)	85.0	-	(1.8)	85.0
Kikkoman	3.5	4.5	(1.0)	77.8	-	(1.0)	77.8
Coca-Cola Business	3.3	2.8	0.5	117.9	-	0.5	117.9
Kibun Food Chemifa	1.5	2.2	(0.7)	68.2	-	(0.7)	68.2
Overseas	13.1	12.3	0.8	106.1	0.4	0.4	103.2
Eliminations	-	-	-	-	-	-	-
Net Income	11.0	11.5	(0.5)	95.7	0.2	(0.7)	93.7
¥/US\$	117.00	115.00	2.00	101.7			
¥/EURO	160.00	150.00	10.00	106.7			

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III-1. Forecast for Fiscal 2008 (compared with Original Forecast)

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Net Sales & Operating Income by Geographical Segment

(unit: billions of yen)

		Fiscal 2008 Revised Forecast		Fiscal 2008 Original Forecast		Change Increase / Decrease		Translation Difference	Change Increase / Decrease Excluding Translation Difference	
		Amount	%	Amount	%	Amount	%		Amount	%
Japan	Net Sales	303.5	100.0	305.9	100.0	(2.4)	99.2	-	(2.4)	99.2
	Operating Income	10.0	3.3	11.7	3.6	(1.8)	85.0	-	(1.8)	85.0
Overseas	Net Sales	126.5	100.0	122.3	100.0	4.2	103.4	3.8	0.4	100.3
	Operating Income	13.1	10.3	12.3	10.1	0.8	106.1	0.4	0.4	103.2
Eliminations	Net Sales	(16.0)	100.0	(15.2)	100.0	(0.8)	-	(0.0)	(0.8)	-
	Operating Income	-	-	-	-	-	-	-	-	-
Consolidated Total	Net Sales	414.0	100.0	413.0	100.0	1.0	100.2	3.7	(2.7)	99.3
	Operating Income	23.0	5.6	24.0	5.8	(1.0)	95.8	0.4	(1.4)	94.4
	¥/US\$	117.00		115.00		2.00	101.7			
	¥/EURO	160.00		150.00		10.00	106.7			

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III-1. Forecast for Fiscal 2008 (compared with Original Forecast)

KIKKOMAN

Net Sales & Operating Income by Business Segment

(unit: billions of yen)

		Fiscal 2008 Revised Forecast		Fiscal 2008 Original Forecast		Change Increase / Decrease		Translation Difference	Change Increase / Decrease Excluding Translation Difference	
		Amount	%	Amount	%	Amount	%		Amount	%
		Foods-Manufacturing and sales	Net Sales	206.0	100.0	208.8	100.0		(2.8)	98.6
	Operating Income	14.4	7.0	16.1	7.7	(1.7)	89.6	0.2	(1.9)	88.1
Foods-Wholesale	Net Sales	77.7	100.0	75.5	100.0	2.2	102.9	2.2	0.0	100.1
	Operating Income	3.9	5.0	3.4	4.6	0.5	113.5	0.1	0.4	110.3
Coca-cola	Net Sales	123.0	100.0	120.0	100.0	3.0	102.5	-	3.0	102.5
	Operating Income	3.3	2.7	2.8	2.3	0.5	117.9	-	0.5	117.9
Other	Net Sales	15.5	100.0	16.5	100.0	(1.0)	93.8	0.0	(1.1)	93.6
	Operating Income	1.4	9.0	1.7	10.3	(0.3)	82.3	(0.0)	(0.3)	82.4
Eliminations and Corporate	Net Sales	(8.2)	100.0	(7.9)	100.0	(0.3)	-	(0.0)	(0.3)	-
	Operating Income	-	-	-	-	-	-	-	-	-
Consolidated Total	Net Sales	414.0	100.0	413.0	100.0	1.0	100.2	3.7	(2.7)	99.3
	Operating Income	23.0	5.6	24.0	5.8	(1.0)	95.8	0.4	(1.4)	94.4
	¥/US\$	117.00		115.00		2.00	101.7			
	¥/EURO	160.00		150.00		10.00	106.7			

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III-2. Forecast for Fiscal 2008 (compared with Fiscal 2007 Actual)

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(unit: billions of yen)

		Fiscal 2008 Revised Forecast	Fiscal 2007 Actual	Change Increase / Decrease		Translation Difference	Change Increase / Decrease Excluding Translation Difference	
		Amount	Amount	Amount	%		Amount	%
		Net Sales	414.0	392.6	21.4		105.4	1.9
Japan	303.5	294.9	8.6	102.9	-	8.6	102.9	
Kikkoman	122.5	120.0	2.5	102.1	-	2.5	102.1	
Coca-Cola Business	123.0	116.8	6.2	105.3	-	6.2	105.3	
Kibun Food Chemifa	23.5	24.2	(0.7)	97.0	-	(0.7)	97.0	
Overseas	126.5	110.9	15.6	114.1	1.9	13.7	112.4	
Eliminations	(16.0)	(13.2)	(2.8)	-	(0.0)	(2.8)	-	
Operating Income	23.0	21.6	1.4	106.3	0.2	1.2	105.4	
Japan	10.0	10.6	(0.7)	93.7	-	(0.7)	93.7	
Kikkoman	3.5	4.0	(0.5)	86.5	-	(0.5)	86.5	
Coca-Cola Business	3.3	2.5	0.8	133.0	-	0.8	133.0	
Kibun Food Chemifa	1.5	2.3	(0.8)	65.5	-	(0.8)	65.5	
Overseas	13.1	11.1	2.0	117.8	0.2	1.8	116.1	
Eliminations	-	(0.1)	0.1	-	-	0.1	-	
Net Income	11.0	10.7	0.3	102.4	0.1	0.1	101.3	
	¥/US\$	117.00	117.00	-	100.0			
	¥/EURO	160.00	146.33	13.67	109.3			

For more information, please see page 22 and 23 of "Supplementary Schedules"

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III-2. Forecast for Fiscal 2008 (compared with Fiscal 2007 Actual)

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Net Sales & Operating Income by Geographical Segment

(unit: billions of yen)

		Fiscal 2008 Revised Forecast		Fiscal 2007 Actual		Change Increase / Decrease		Translation Difference	Change Increase / Decrease Excluding Translation Difference	
		Amount	%	Amount	%	Amount	%		Amount	%
Japan	Net Sales	303.5	100.0	294.9	100.0	8.6	102.9	-	8.6	102.9
	Operating Income	10.0	3.3	10.6	3.6	(0.7)	93.7	-	(0.7)	93.7
Overseas	Net Sales	126.5	100.0	110.9	100.0	15.6	114.1	1.9	13.7	112.4
	Operating Income	13.1	10.3	11.1	10.0	2.0	117.8	0.2	1.8	116.1
Eliminations	Net Sales	(16.0)	100.0	(13.2)	100.0	(2.8)	-	(0.0)	(2.8)	-
	Operating Income	-	-	(0.1)	-	0.1	-	-	0.1	-
Consolidated Total	Net Sales	414.0	100.0	392.6	100.0	21.4	105.2	1.9	19.5	105.0
	Operating Income	23.0	5.6	21.6	5.5	1.4	106.3	0.2	1.2	105.4
	¥/US\$	117.00		117.00		-	100.0			
	¥/EURO	160.00		146.33		13.67	109.3			

For more information, please see page 23 of "Supplementary Schedules". 17



III-2. Forecast for Fiscal 2008 (compared with Fiscal 2007 Actual)

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Net Sales & Operating Income by Business Segment

(unit: billions of yen)

		Fiscal 2008 Revised Forecast		Fiscal 2007 Actual		Change Increase / Decrease		Translation Difference	Change Increase / Decrease Excluding Translation Difference	
		Amount	%	Amount	%	Amount	%		Amount	%
Foods- Manufacturing and sales	Net Sales	206.0	100.0	201.8	100.0	4.2	102.1	1.0	3.2	101.6
	Operating Income	14.4	7.0	15.1	7.5	(0.7)	95.2	0.1	(0.9)	94.3
Foods- Wholesale	Net Sales	77.7	100.0	67.6	100.0	10.1	114.9	0.8	9.3	113.7
	Operating Income	3.9	5.0	3.0	4.4	0.9	130.2	0.0	0.9	128.7
Coca-cola	Net Sales	123.0	100.0	116.8	100.0	6.2	105.3	-	6.2	105.3
	Operating Income	3.3	2.7	2.5	2.1	0.8	133.0	-	0.8	133.0
Others	Net Sales	15.5	100.0	7.3	100.0	8.2	211.9	0.0	8.1	211.4
	Operating Income	1.4	9.0	1.0	14.3	0.4	133.5	(0.0)	0.4	133.6
Eliminations and Corporate	Net Sales	(8.2)	100.0	(0.9)	100.0	(7.3)	-	(0.0)	(7.3)	-
	Operating Income	-	-	0.0	-	(0.0)	-	-	(0.0)	-
Consolidated Total	Net Sales	414.0	100.0	392.6	100.0	21.4	105.4	1.9	19.5	105.0
	Operating Income	23.0	5.6	21.6	5.5	1.4	106.3	0.2	1.2	105.4
	¥/US\$	117.00		117.00		-	100.0			
	¥/EURO	160.00		146.33		13.67	109.3			

For more information, please see page 24 of "Supplementary Schedules". 18

II. Performance Target for fiscal 2011

Medium-term Action Plan of Kikkoman Group

Noriaki Horikiri
Executive Corporate Officer



Topics for This Presentation

I. Basic Strategies of Medium-term Action Plan

II. Performance Target for Fiscal 2011



I. Basic Strategies of Medium-term Action Plan

KIKKOMAN

1) Cultivate Existing Markets and Develop New Markets Overseas

2) Increase Earnings in Domestic Businesses

3) Reform Business Structures

4) Reinforce Operating Capabilities

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I-1. Cultivate Existing Markets and Develop New Markets Overseas

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Accelerate Global Development of the Soy Sauce Business

Maintain and Expand High-profit Businesses

North America: Continue to promote high added value products and cultivate and develop foodservice and industrial use markets

Europe: Cultivate major markets and develop Central and Eastern European markets, and the Russian market

Asia & Oceania: Cultivate ASEAN market and develop Chinese market



Drive Global Development of Foods-wholesale Business

Capitalize on Expansion in Japanese Food Market to Accelerate Growth



Promote Full-scale Development of the Del Monte Business in Asia & Oceania

Expand product lineup and develop Chinese and other markets



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I-2. Increase Earnings in Domestic Businesses

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Promote Growth Strategy

Soy sauce and soy sauce derivative products:

Add value and expand Japanese-style seasonings mixes

Del Monte: Expand health-oriented drinks and chilled products lineup



Strengthen Profitability

Promote the addition of value

Increase efficiency in production

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I-3. Reform Business Structures

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Create New Earnings Streams

Japan: Develop and advance health-related businesses

Overseas: Nurture soy milk drinks and health foods



Utilize Equity-based Business Alliances

Capture synergies through equity-based business alliances

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I-4. Reinforce Operating Capabilities

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Reinforce Product Development Capabilities

Build up R&D technologies on a global scale and strengthen product development in a way that matches each local market



R&D bases of Kikkoman Group

Reinforce Brand Power

Continue to invigorate the brand through development of the program to celebrate Kikkoman's 50th anniversary in the U.S. in 2007



Emphasize Corporate Social Responsibility

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II-1. Performance Targets for Fiscal 2011

KIKKOMAN

Performance Targets for Fiscal 2011 (Geographical Segment)

(unit: billions of yen)

		Fiscal 2007 Actual	Fiscal 2011 Target
Japan	Net sales	294.9	337.0
	Operating Income	10.6	13.2
Overseas	Net sales	110.9	160.0
	Operating Income	11.1	18.0
Eliminations	Net sales	(13.2)	(17.0)
	Operating Income	(0.1)	
Consolidated Total	Net sales	392.6	480.0
	Operating Income	21.6	31.2
Operating Income Ratio		6%	7%
ROE		6%	8%

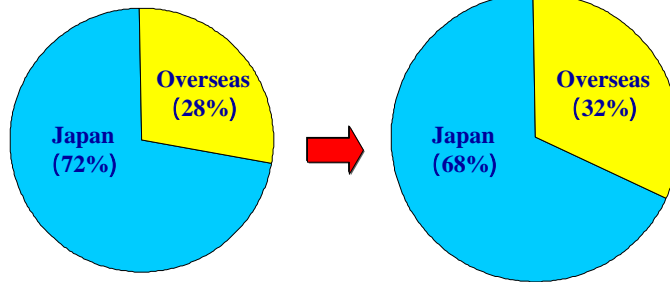
Note: All figures are targets.

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II-1. Net Sales by Geographical Segment

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Fiscal 2007 Actual
¥ 392.6 billion

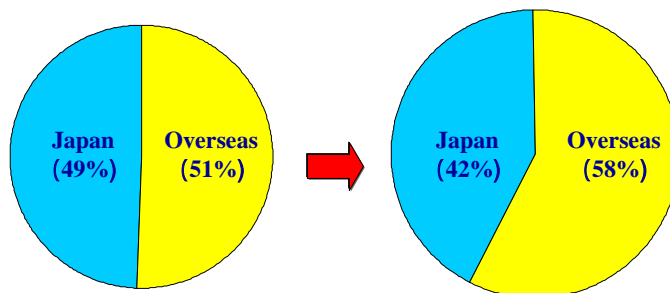
Fiscal 2011 Target
¥ 480.0 billion

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II-1. Operating Income by Geographical Segment

KIKKOMAN



Fiscal 2007 Actual
¥ 21.6 billion

Fiscal 2011 Target
¥ 31.2 billion

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II-2. Performance Targets for Fiscal 2011

KIKKOMAN

Performance Targets for Fiscal 2011 (Business Segment)

(unit: billions of yen)

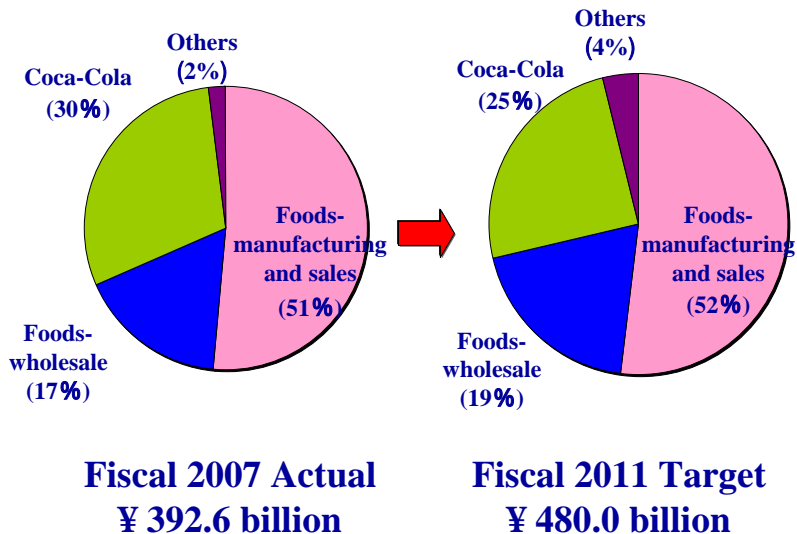
		Fiscal 2007 Actual	Fiscal 2011 Target
Foods – manufacturing and sales	Net sales	201.8	252.4
	Operating Income	15.1	20.9
Foods – wholesale	Net sales	67.6	94.7
	Operating Income	3.0	4.4
Coca-Cola	Net sales	116.8	120.0
	Operating Income	2.5	3.0
Others	Net sales	7.3	18.7
	Operating Income	1.0	2.6
Eliminations	Net sales	(0.9)	(5.8)
	Operating Income	0.0	0.3
Consolidated Total	Net sales	392.6	480.0
	Operating Income	21.6	31.2

Note: All figures are targets. ²⁹



II-2. Net Sales by Business Segment

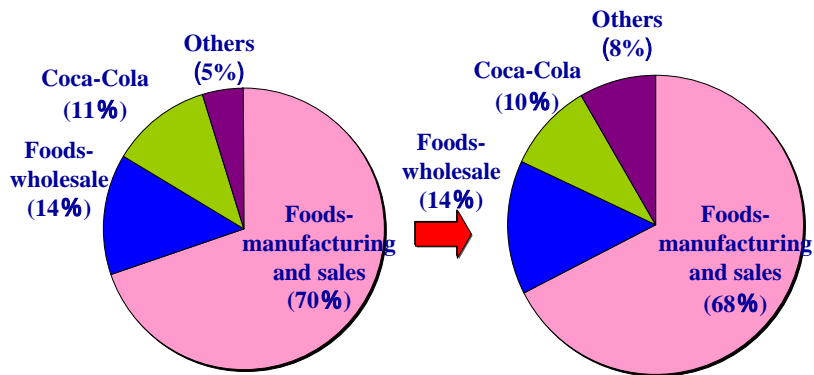
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II-2. Operating Income by Business Segment

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Fiscal 2007 Actual
¥ 21.6 billion

Fiscal 2011 Target
¥ 31.2 billion

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おいしい挑戦、つづく。



キッコーマン・アメリカ進出50周年

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