

Business Performance Presentation for Fiscal 2024 2Q

Six-Month Period Ended September 30, 2023

Kikkoman Corporation
November 2, 2023

Management Approach

Shozaburo Nakano, President and CEO

Performance in the Six Months Ended September 30, 2023 and Forecast for Fiscal 2024

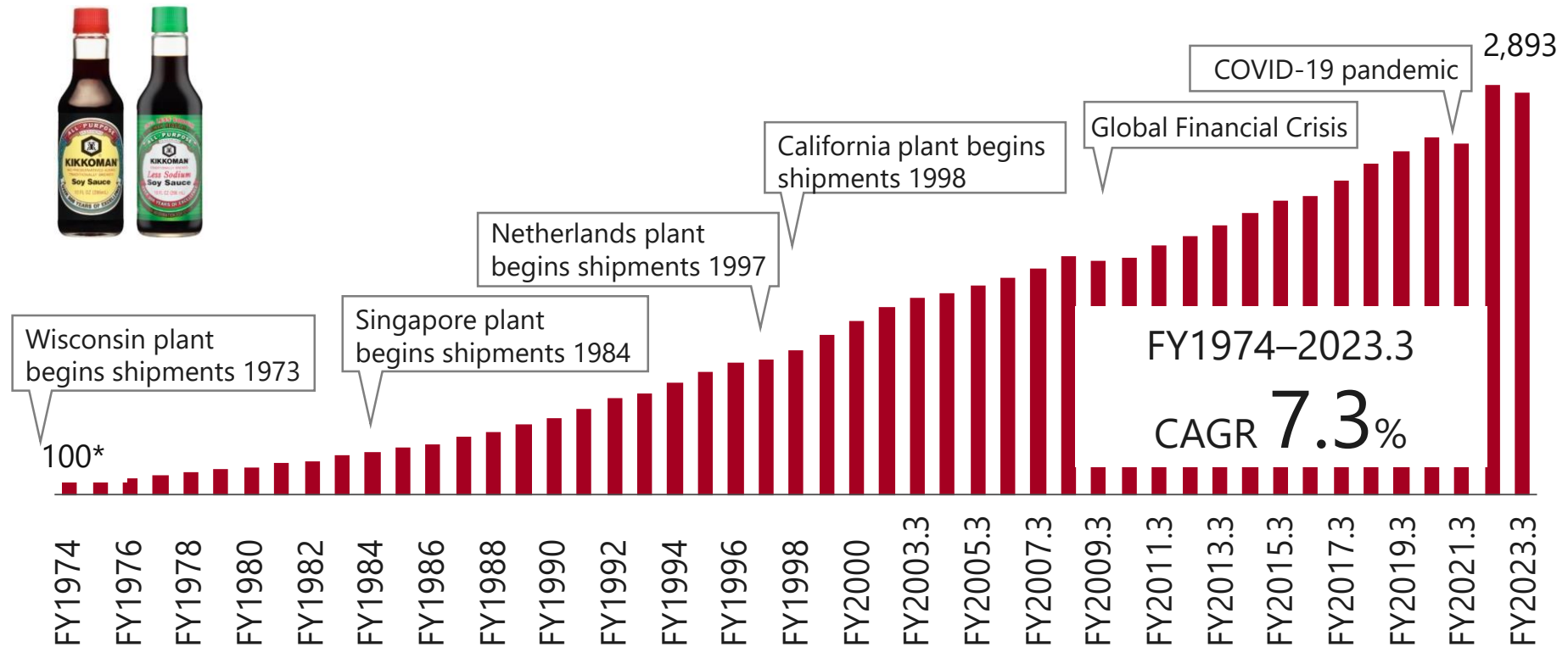
Takao Kamiyama, Director, Executive Corporate Officer and CFO

Management Approach

Shozaburo Nakano

President and CEO

(1) Long-Term Growth Overseas | Soy Sauce Business



Kikkoman Soy Sauce Sales Volume Overseas

(1) Long-Term Growth Overseas | Soy Sauce Business

Events celebrating the 50th anniversary of the US soy sauce plant (KIKKOMAN FOODS, INC.)

Anniversary Ceremony and Gala Dinner



- US–Japan Food Distribution Symposium
- Wisconsin–US–Japan Economic Development Conference



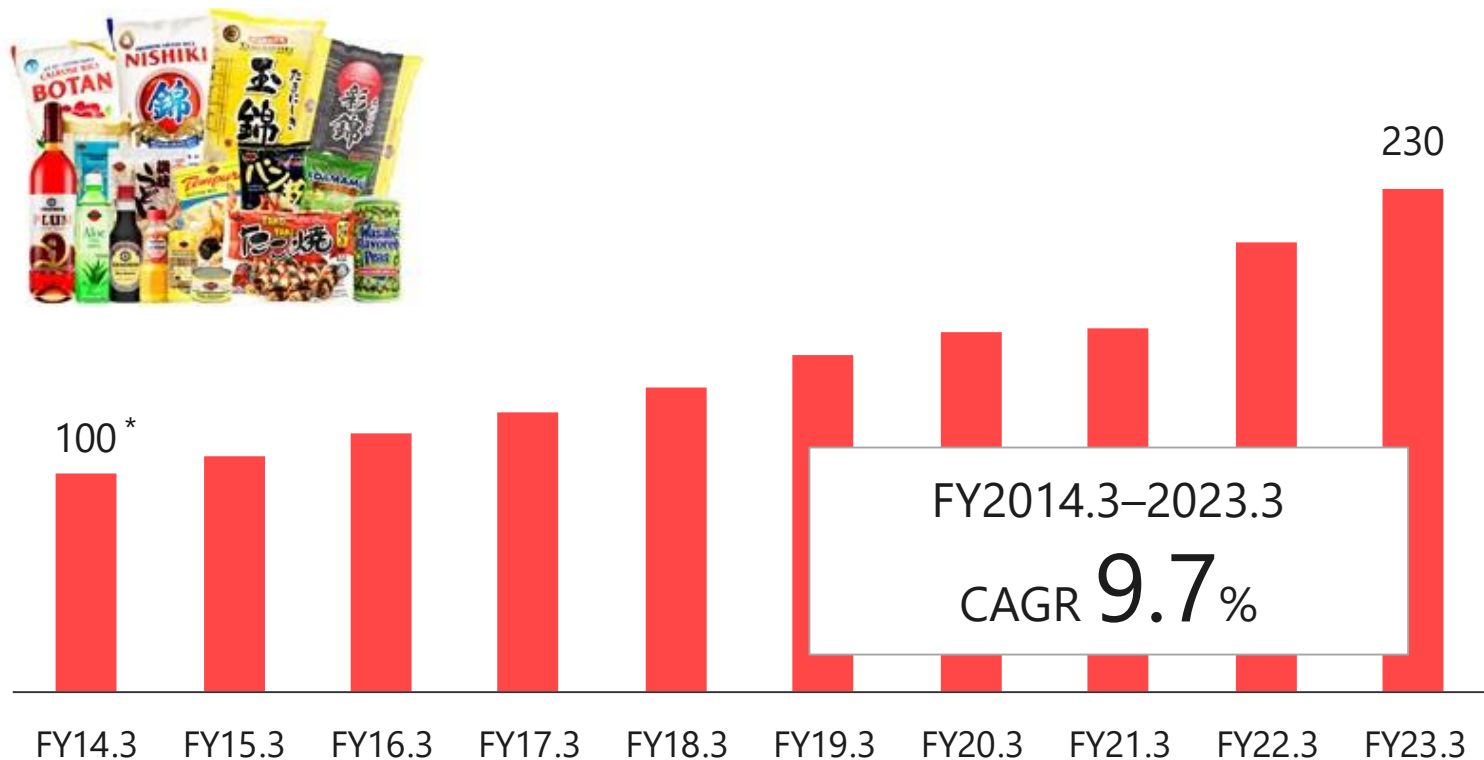
Support for communities (donations)



A reception for employees, former employees' visits to the plant



(1) Long-Term Growth Overseas | Foods—Wholesale Business



Sales (Amount) of Foods—Wholesale Business

* Figures in the table above represent actual change on a local currency basis, excluding the translation difference, indexed to consolidated sales in FY14.3 as 100.

(2) Improving Profitability in Japan

- Pricing policy
- High value-added products

➔ **Strengthening
value appeal**



- Improving productivity

Enhancing production systems

- A new seasonings plant (Food Products Division) will start to operate in 2024 (Noda, Chiba).
- Reorganizing the plants of Nippon Del Monte Corporation by 2025 (timely disclosure on October 25)

(3) Increasing shareholder returns

Raising the target consolidated payout ratio to 35%

Plan to raise the target payout ratio from dividends for the fiscal year ending March 2024.

A smaller investment unit (a 5-for-1 stock split)

Effective date: April 1, 2024

For expanding the investor base

Flexible purchase of treasury stock

kikkoman

seasoning your life



Performance in the Six Months Ended September 30, 2023 and Forecast for Fiscal 2024

Takao Kamiyama
Director, Executive Corporate Officer and CFO

Today's Agenda

(1) Performance in the Six Months Ended
September 30, 2023

(2) Forecast for Fiscal 2024

(1)-1 Performance in H1

Consolidated P/L (Compared with Previous Year)

H1 Actual

Unit: billion yen

	FY24.3 H1 Actual	FY23.3 H1 Actual	Change increase (decrease)	%	Breakdown of change		
					Translation difference	Actual difference	%
Revenue	322.7	305.4	17.4	105.7	13.0	4.3	101.4
Japan	79.1	78.5	0.6	100.7		0.6	100.7
Overseas	246.5	229.4	17.1	107.5	13.0	4.1	101.8
Business Profit	38.2	31.8	6.4	120.2	2.1	4.4	113.7
Japan	6.3	6.6	(0.4)	94.4		(0.4)	94.4
Overseas	32.6	25.6	7.0	127.3	1.9	5.1	119.8
Kikkoman (Holding Company)	4.0	4.5	(0.4)	90.2		(0.4)	90.2
Eliminations	(4.7)	(5.0)	0.2		0.2	0.1	
Operating Profit	33.5	30.3	3.1	110.4	1.6	1.6	105.2
Profit before income taxes	37.9	32.5	5.4	116.6	1.8	3.6	111.2
Profit for the year Attributable to Owners of Parent	28.8	23.3	5.5	123.7	1.2	4.3	118.4

USD 141.3 133.5 7.8
 EUR 153.5 138.8 14.7

(1)-2 Performance in H1

Revenue Overseas (Compared with Previous Year)

H1 Actual

Unit: billion yen

Revenue			FY24.3 H1 Actual	FY23.3 H1 Actual	Change increase (decrease)	%	Breakdown of change		
							Translation difference	Actual difference	%
Overseas	North America	Soy Sauce	44.8	39.9	5.0	112.4	2.5	2.5	106.2
		Other Foods	5.1	7.5	(2.4)	68.0	0.3	(2.7)	63.9
		Foods—Manufacturing and Sales	49.9	47.4	2.6	105.4	2.8	(0.2)	99.5
		Foods—Wholesale	133.3	124.5	8.8	107.1	7.2	1.6	101.3
		Total	176.2	165.5	10.7	106.5	9.6	1.1	100.7
	Europe	Foods—Manufacturing and Sales	12.0	10.8	1.2	111.1	1.2		100.4
		Foods—Wholesale	19.7	17.2	2.5	114.4	1.6	0.9	105.1
		Total	29.4	26.0	3.4	113.1	2.5	0.9	103.4
	Asia & Oceania	Soy Sauce	10.2	9.1	1.1	112.4	0.4	0.7	108.1
		Del Monte	4.2	4.0	0.2	103.8	0.2		99.1
		Foods—Manufacturing and Sales	14.3	13.0	1.3	109.8	0.6	0.7	105.4
		Foods—Wholesale	24.4	21.4	2.9	113.7	0.5	2.4	111.4
		Total	38.4	34.2	4.2	112.4	1.1	3.2	109.2
	Others		29.9	31.9	(2.0)	93.6		(2.0)	93.6
	Eliminations		(27.5)	(28.3)	0.8		(0.2)	1.0	
	Total		246.5	229.4	17.1	107.5	13.0	4.1	101.8

USD 141.3 133.5 7.8

EUR 153.5 138.8 14.7

(1)-3 Performance in H1

Business Profit Overseas (Compared with Previous Year)

H1 Actual

Unit: billion yen

Business Profit			FY24.3 H1 Actual	FY23.3 H1 Actual	Change increase (decrease)	%	Breakdown of change		
			Translation difference	Actual difference	%				
overseas	North America	Foods—Manufacturing and Sales	13.7	10.3	3.5	133.6	0.8	2.6	125.5
		Foods—Wholesale	11.0	8.9	2.0	122.9	0.6	1.5	116.3
		Total	24.6	19.0	5.6	129.4	1.4	4.2	121.9
	Europe	Foods—Manufacturing and Sales	3.5	2.7	0.8	130.1	0.3	0.5	118.1
		Foods—Wholesale	0.8	0.7	0.1	118.0	0.1	0.1	108.2
		Total	4.3	3.4	1.0	128.9	0.4	0.6	117.5
	Asia & Oceania	Foods—Manufacturing and Sales	1.4	1.3	0.1	107.0	0.1		100.6
		Foods—Wholesale	1.0	1.1	(0.1)	95.2		(0.1)	94.0
		Total	2.4	2.4		101.8	0.1	(0.1)	97.7
	Others		1.7	1.4	0.3	118.1		0.3	118.1
	Total		32.6	25.6	7.0	127.3	1.9	5.1	119.8
USD		141.3	133.5	7.8					
EUR		153.5	138.8	14.7					

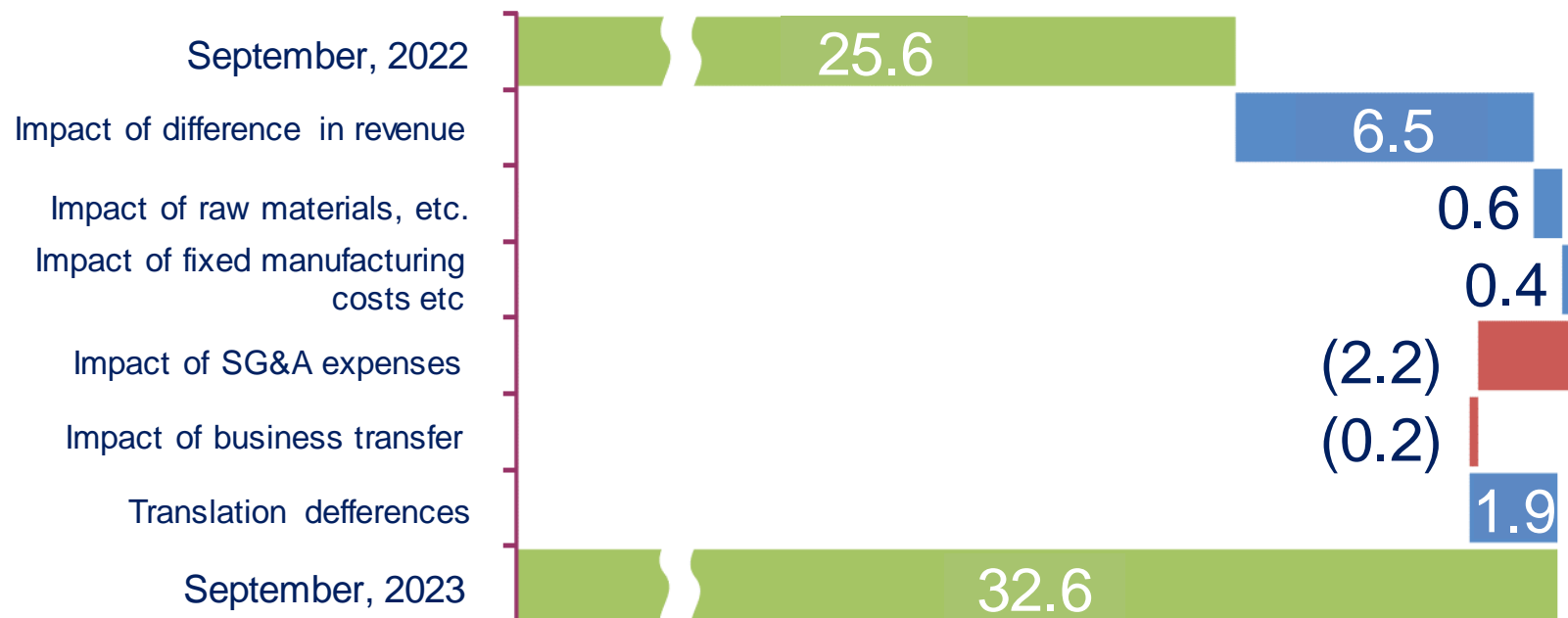
(1)-4 Performance in H1

Major factors for Change in Business Profit Overseas

H1 Actual

Unit: Billions of yen

Overseas +¥7.0 billion



(1)-5 Performance in H1

Revenue and Business Profit in Japan (Comp. with Previous Year)

H1 Actual

Unit: billion yen

Revenue		FY24.3 H1 Actual	FY23.3 H1 Actual	Change increase (decrease)	%
Japan	Soy Sauce	21.6	21.0	0.6	102.8
	Food Products	25.7	25.7		99.9
	Beverages	22.1	22.4	(0.3)	98.5
	Liquor and Wine	5.0	4.8	0.3	105.8
	Eliminations	(0.1)	(0.1)		
	Foods—Manufacturing and Sales	74.3	73.8	0.5	100.7
	Others	10.7	10.8	(0.1)	98.9
	Eliminations	(5.9)	(6.1)	0.2	
Total		79.1	78.5	0.6	100.7

Business Profit		FY24.3 H1 Actual	FY23.3 H1 Actual	Change increase (decrease)	%
Japan	Foods—Manufacturing and Sales	5.8	5.7	0.1	101.6
	Others	0.5	1.0	(0.5)	52.7
	Total	6.3	6.6	(0.4)	94.4

(1)-6 Performance in H1

Major factors for Change in Business Profit in Japan

H1 Actual

Unit: Billions of yen

Japan -¥0.37 billion



(2)-1 Assumptions for FY2024 H2 Forecasts

- Exchange rate: H2 USD 145 yen, EUR 150 yen
- Impact of raw materials, etc.:

In Japan, prices will continue to rise in the second half, in part because of the weak yen.

Transportation and other price increases are expected overseas in the second half.

- Major price revisions in both domestic and overseas markets have been completed in the first half.
- Growing sales volume both in Japan and overseas

(2)-2 Forecast for H2

Consolidated P/L (Compared with Previous Year)

H2 Forecast

Unit: billion yen

	FY24.3 H2 Forecast	FY23.3 H2 Actual	Change increase (decrease)	%	Breakdown of change		
					Translation difference	Actual difference	%
Revenue	345.0	313.5	31.4	110.0	14.0	17.5	105.6
Japan	81.0	76.2	4.8	106.3		4.8	106.3
Overseas	266.9	239.7	27.2	111.4	14.0	13.2	105.5
Business Profit	31.4	27.0	4.4	116.3	1.3	3.1	111.5
Japan	4.5	2.7	1.9	170.4		1.9	170.4
Overseas	28.5	26.2	2.3	108.9	1.2	1.2	104.4
Kikkoman (Holding Company)	19.1	6.1	12.9	311.5		12.9	311.5
Eliminations	(20.6)	(7.9)	(12.7)		0.1	(12.9)	
Operating Profit	27.9	25.0	2.9	111.5	1.2	1.7	106.9
Profit before income taxes	30.7	28.3	2.4	108.5	1.3	1.1	103.8
Profit for the year Attributable to Owners of Parent	21.8	20.4	1.3	106.6	1.0	0.3	101.7

USD	145.0	136.7	7.5
EUR	150.0	144.1	4.6

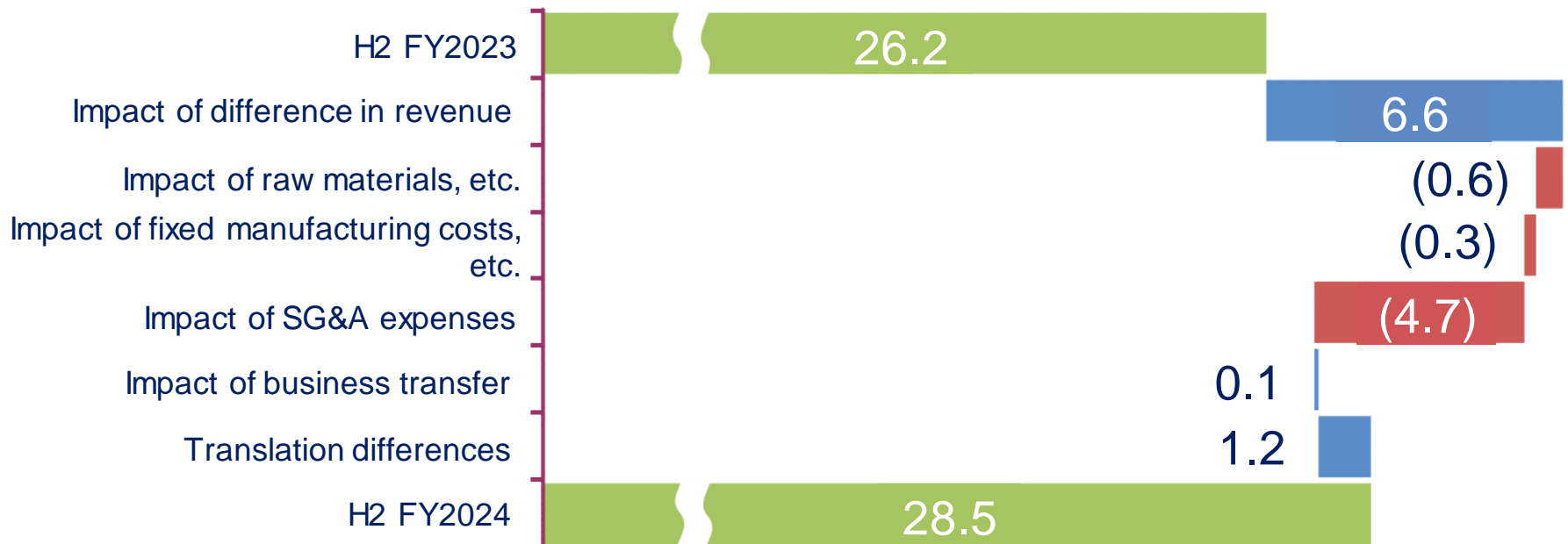
(2)-3 Forecast for H2

Major Factors for Change in Business Profit Overseas

H2 Forecast

Unit: Billions of yen

Overseas +¥2.3 billion



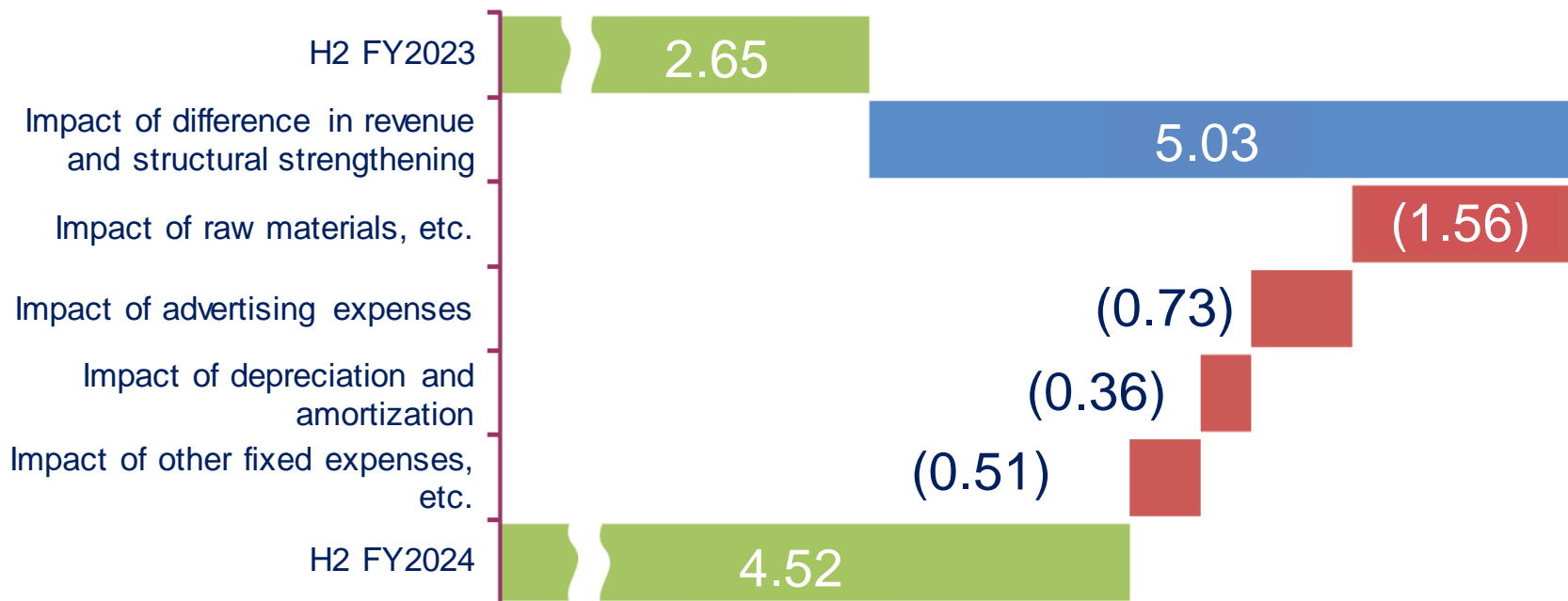
(2)-4 Forecast for H2

Major Factors for Change in Business Profit in Japan

H2 Forecast

Unit: Billions of yen

Japan +¥1.87 billion



(2)-5 Forecast for FY2024

Consolidated P/L (Compared with Previous Year)

Full-year Forecast

Unit: billion yen

	FY24.3 Forecast	FY23.3 Actual	Change increase (decrease)	%	Breakdown of change		
					Translation difference	Actual difference	%
Revenue	667.7	618.9	48.8	107.9	27.0	21.8	103.5
Japan	160.1	154.7	5.4	103.5		5.4	103.5
Overseas	513.4	469.0	44.4	109.5	27.0	17.3	103.7
Business Profit	69.6	58.8	10.8	118.4	3.3	7.5	112.7
Japan	10.8	9.3	1.5	116.1		1.5	116.1
Overseas	61.1	51.8	9.3	118.0	3.1	6.2	112.1
Kikkoman (Holding Company)	23.1	10.6	12.5	218.0		12.5	218.0
Eliminations	(25.4)	(12.9)	(12.5)		0.3	(12.8)	
Operating Profit	61.4	55.4	6.0	110.9	2.7	3.3	105.9
Profit before income taxes	68.6	60.8	7.8	112.8	3.1	4.7	107.7
Profit for the year Attributable to Owners of Parent	50.6	43.7	6.9	115.7	2.3	4.6	110.6

USD	142.7	135.0	7.7
EUR	151.3	141.2	10.0

Appendix Medium-Term Management Plan

Medium-Term Management Plan (FY23–25)

Key Objectives and Targets

| Key Objectives

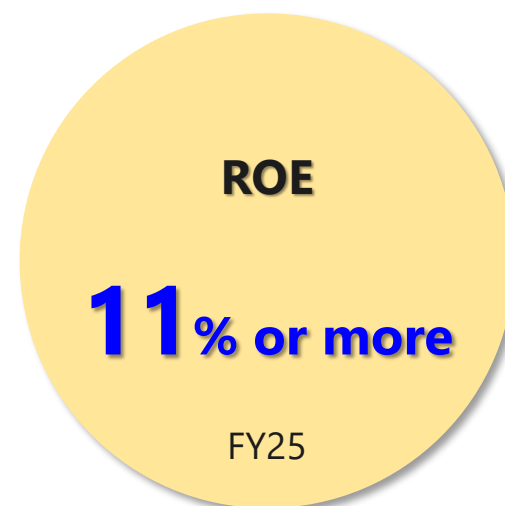
Maintain growth and increase profitability while responding to changes in the external environment

Contribute to solving social issues through business activities

Medium-Term Management Plan (FY23–25)

Key Objectives and Targets

| Targets



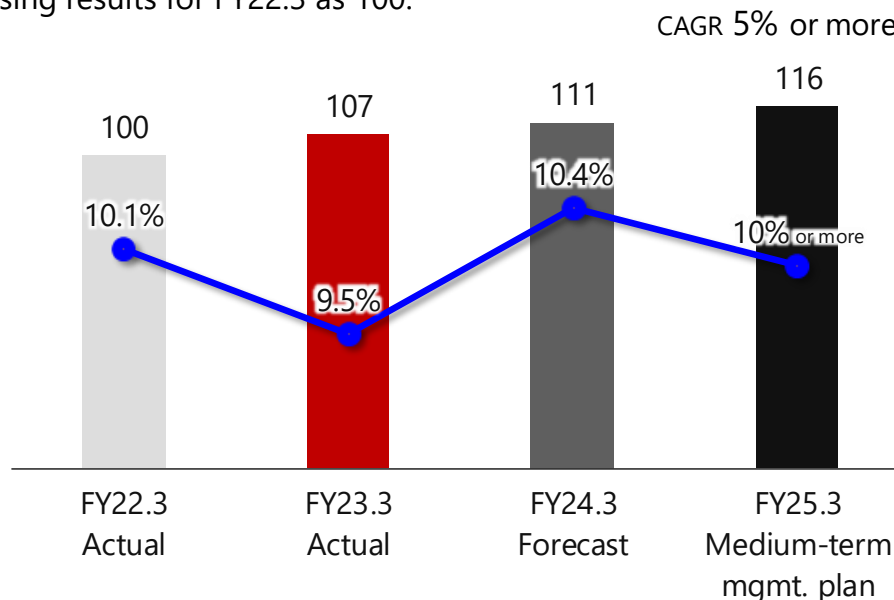
* Excluding foreign exchange gains (losses)

Medium-Term Management Plan (FY23–25)

Targets and Progress

Revenue and business profit margin

* Revenues exclude foreign exchange gains (losses) and are indicated in index numbers using results for FY22.3 as 100.



Consolidated	FY2022 Actual	FY2023 Actual	FY2024 Forecast	FY2025 targets in the medium-term mgmt. plan
Revenue	516.4	618.9	667.7	CAGR of 5% or more (excl. forex gains/losses)
Business profit	52.3	58.8	69.6	–
Business profit margin	10.1%	9.5%	10.4%	10% or more
ROE	11.7%	11.4%	–	11% or more

Exchange rate	USD	112.9 yen	135.0 yen	142.7 yen
	EUR	131.0 yen	141.2 yen	151.3 yen

Medium-Term Management Plan (FY23–25)


Use of Management Resources

FY23–25

Operating cash flow

Approx. ¥185.0 bn*

- Investment for future growth and increasing profitability.



Shareholder returns	<ul style="list-style-type: none">● Consolidated payout ratio of 35% raised from the previous target "30% or more"	FY2024 (forecast) Annual dividend per share of 93 yen.
Capital Investment	<ul style="list-style-type: none">● Japan: Improving profitability, etc.● Overseas: Increasing soy sauce production, improving and expanding wholesale facilities, etc.	<u>Approx. ¥85.0 bn*</u>
Investment for growth and profitability improvement	<ul style="list-style-type: none">● New businesses, value creation, solving social issues, etc. (capital/IT investment, M&A, etc.)	

*Calculated based on 145 yen against the US dollar and 145 yen against the euro
Capital investment excludes right-of-use assets.

Overall Conceptual Image of Initiatives for Social Issues

Management principles

Global Vision 2030

Initiatives for social issues

**Global
environment**

**Food and
health**

**People and
society**

Solutions

Opportunities

Social issues



Medium-Term Management Plan (FY23–25)

Initiatives for Social Issues

Three areas of material social issues	Basic approach	Themes
Global Environment	The Group holds respect for nature and pursues corporate activities in harmony with the environment.	<ul style="list-style-type: none"> ● Climate change ● Food environments ● Natural resources
Food and Health	The Group takes actions based on the values of Kikkoman's Promise.	<ul style="list-style-type: none"> ● Joy of food and health ● Diverse food needs ● Communication
People and Society	The Group fosters a corporate culture that values people and contributes to the sustainable development of society.	<ul style="list-style-type: none"> ● Respecting human rights ● Working with stakeholders ● Strengthening the management system

Themes	actions	Targets
Climate change	<ul style="list-style-type: none"> ● CO2 reduction 	<ul style="list-style-type: none"> • Reducing CO2 emissions by more than 25% compare to FY19 • Increasing facilities 100% operated by renewable energy
Food environment	<ul style="list-style-type: none"> ● Preserving water environment 	<ul style="list-style-type: none"> • Reducing water consumption (per unit of production) by more than 25% • Achieving 100% high standards for wastewater treatment
Natural resources	<ul style="list-style-type: none"> ● Promoting recycling activities ● Reducing food loss ● Reducing plastic usage 	<ul style="list-style-type: none"> • Achieving more than 99% recycling rate • Reducing food loss by more than 25% compared to FY19 • Developing eco-friendly products throughout the value chain

Themes	actions	Targets
Joy of food and health	<ul style="list-style-type: none"> Proposing tasty, healthy, and balanced diet Tackling a variety of nutrition issues Proper salt intake 	<ul style="list-style-type: none"> Promoting products and services that contribute to solving nutrition issues Utilizing nutrition-related data Achieving 25%* sales composition ratio for less salt-type soy sauce in Japan <p>* The percentage of sales of home-use Kikkoman Soy Sauce</p>
Diverse food needs	<ul style="list-style-type: none"> Expanding plant-based protein products Offering more choices for consumers 	<ul style="list-style-type: none"> Expanding soy milk business in Japan and overseas Launching plant-based protein products Offering various choices through product labeling
Communi-cation	<ul style="list-style-type: none"> Promoting food education International exchange of food culture Activities to promote mental well-being 	<ul style="list-style-type: none"> Offering recipes through various channels Introducing diverse food cultures Implementing programs to connect people

Themes	actions	Targets
Respecting human rights	<ul style="list-style-type: none"> ● Implementing human rights due diligence ● Promoting diversity and inclusion 	<ul style="list-style-type: none"> ● All managers take human rights training programs* * Designated companies in Japan and Overseas ● Proportion of women in management positions (Japan): 10% ● Employment rate of persons with disabilities (Japan): 2.5%
Working with stakeholders	<ul style="list-style-type: none"> ● Creating a work environment with opportunities to improve capabilities ● Contributing to development of communities ● Stakeholder engagement 	<ul style="list-style-type: none"> ● Conducting engagement survey and improving engagement ● Strengthening human resource development ● Men's childcare leave take-up rate (Japan): 100% ● Nourishing the mind and body of employees ● Annual paid leave take-up rate (Japan): 80% ● Programs to contribute to sustainable development of society ● Implementing stakeholder engagement programs
Strengthening the management system	<ul style="list-style-type: none"> ● Strengthening corporate governance ● Strengthening compliance ● Strengthening risk management 	<ul style="list-style-type: none"> ● Strengthening the corporate governance system ● Conducting annual compliance training programs ● Building global business continuity programs ● Enforcing data security system



1. The information contained in these materials is based on judgments made by the Company as of the date hereof and the Company makes no warranties or guarantees regarding achievement of the projections or measures described herein.
2. All yearly references are for the fiscal year from April to March.
E.g.) FY2024 = April 2023 to March 2024
3. Business profit is profit after deducting the cost of sales and selling, general and administrative expenses from revenue.