

Kikkoman Corporation

*Business Performance Presentation
for the Year ended March 31, 2021*

April 27, 2021

Today's Agenda

- **Review of Medium-Term Management Plan and Initiatives for Fiscal 2022**

Noriaki Horikiri
President and CEO

- **Performance in Fiscal 2021 and Forecast for Fiscal 2022**

Takao Kamiyama
Executive Corporate Officer and CFO

Review of Medium-Term Management Plan and Initiatives for Fiscal 2022

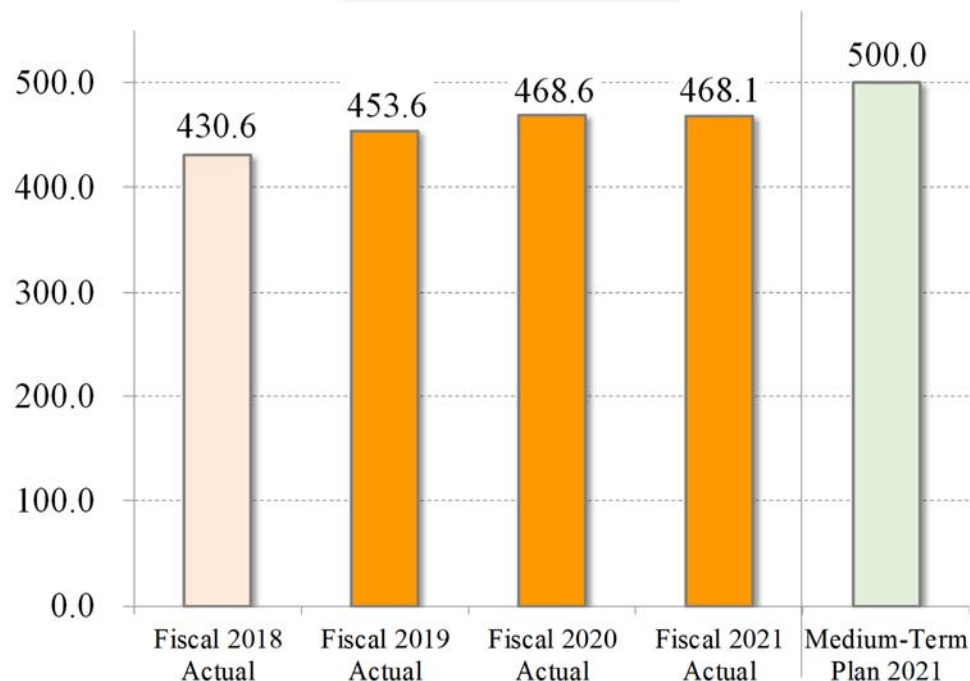
Noriaki Horikiri
President and CEO

Medium-Term Management Plan (FY2019-2021)

Consolidated Targets and Actual Results

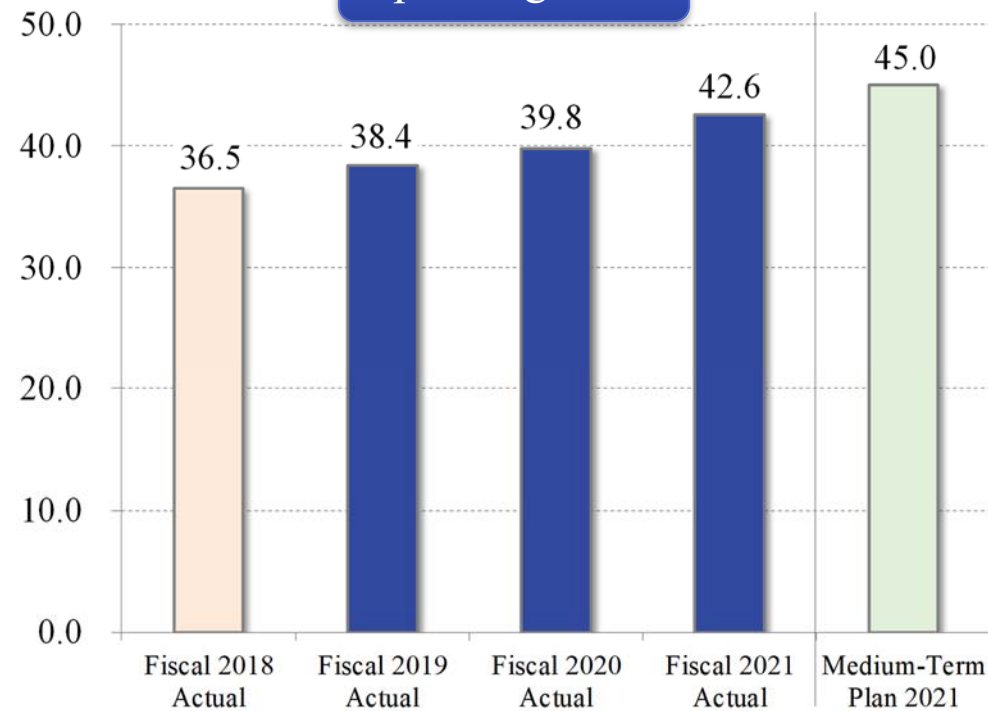
(Unit: billion yen)

Net Sales



(Unit: billion yen)

Operating Profit



	Actual results for fiscal 2018	Actual results for fiscal 2019	Actual results for fiscal 2020	Actual results for fiscal 2021	
Net sales	¥430.6 billion	¥453.6 billion	¥493.1 billion	¥468.1 billion	
Operating profit	¥36.5 billion	¥38.4 billion	¥39.1 billion	¥42.6 billion	
Operating profit margin	8.5%	8.5%	8.4%	9.1%	
ROE	9.8%	10.1%	9.9%	10.0%	
Foreign exchange	US\$	¥110.8	¥110.7	¥109.1	¥106.2
	EUR	¥129.5	¥128.4	¥121.1	¥123.7

Target for fiscal 2021	Average annual growth (excl. exchange difference)
¥500.0 billion	+5.8%
¥45.0 billion	+8.1%
9.0%	—
10% or higher	—
¥105.0	—
¥130.0	—

Medium-Term Management Plan (FY2019-2021)

Consolidated Targets and Actual Results

(Unit: billion yen)

		Fiscal 2021 Actual	Target for fiscal 2021	Difference	Translation difference	Actual Difference (excl. exchange difference)
Consolidated	Net sales	468.1	500.0	(31.9)	(5.2)	(26.7)
	Operating profit	42.6	45.0	(2.4)	(0.5)	(1.9)
	Operating profit ratio (%)	9.1	9.0	0.1	—	—
Japan	Net sales	184.6	201.5	(16.9)		(16.9)
	Operating profit	13.0	16.0	(3.0)		(3.0)
	Operating profit ratio (%)	7.1	8.0	(0.9)	—	—
Overseas	Net sales	287.8	301.0	(13.2)	(5.2)	(8.0)
	Operating profit	31.2	31.5	(0.3)	(0.5)	0.1
	Operating profit ratio (%)	10.8	10.5	0.3	—	—
* Exchange rate (¥/US\$)		106.2	105.0	1.2		
		(¥/EUR)	123.7	130.0	(6.3)	

Japan: Net sales and operating profit both fell short of target levels.

- Some success was achieved in the expansion of high value-added products and the growth of soymilk.
- Sales of foodservice-use products were generally sluggish largely due to the effects of COVID-19.

Overseas: Operating profit reached the target level (excl. translation difference).

- Soy sauce sales reached the target level.
- Wholesale sales fell short of the target. Growth in sales of foodservice-use products was slow due to the effects of COVID-19.

Breakdown by Segment

(Unit: billion yen)

		Fiscal 2018 Actual	Fiscal 2019 Actual	Fiscal 2020 Actual	Fiscal 2021 Actual	Target for fiscal 2021	Average annual growth (excl. exchange difference)	Difference between 2021 Result and Target (excl. exchange difference)	
Japan	Net sales	181.4	183.8	188.2	184.6	201.5	3.6%	(16.9)	
	Operating profit	11.9	12.4	13.3	13.0	16.0	10.5%	(3.0)	
	Operating profit ratio (%)	6.5	6.7	7.1	7.1	8.0	—	—	
Overseas	North America	Net sales	185.5	197.9	208.3	204.9	212.6	6.5%	(8.8)
		Operating profit	17.5	18.1	19.2	20.5	20.1	6.6%	0.3
		Operating profit ratio (%)	9.4	9.2	9.2	10.0	9.5	—	—
	Europe	Net sales	27.9	31.2	31.4	34.1	37.7	10.4%	(1.4)
		Operating profit	4.1	4.6	4.6	6.0	5.8	11.8%	0.5
		Operating profit ratio (%)	14.8	14.7	14.6	17.5	15.3	—	—
	Asia & Oceania	Net sales	35.6	37.7	38.9	42.5	46.9	8.6%	(0.2)
		Operating profit	2.5	2.6	2.5	2.7	3.6	12.0%	(0.6)
		Operating profit ratio (%)	7.0	6.8	6.4	6.4	7.6	—	—
Total	Net sales	252.1	273.0	284.1	287.8	301.0	7.3%	(8.0)	
	Operating profit	25.8	27.1	28.2	31.2	31.5	8.2%	0.1	
	Operating profit ratio (%)	10.2	9.9	9.9	10.8	10.5	—	—	
Kikkoman (Holding company) and eliminations	Net sales	(2.9)	(3.2)	(3.7)	(4.3)	(2.5)	—	(1.8)	
	Operating profit	(1.1)	(1.1)	(1.7)	(1.6)	(2.6)	—	1.0	
Consolidated	Net sales	430.6	453.6	468.6	468.1	500.0	5.8%	(26.7)	
	Operating profit	36.5	38.4	39.8	42.6	45.0	8.1%	(1.9)	
	Operating profit ratio (%)	8.5	8.5	8.5	9.1	9.0	—	—	
* Exchange rate (¥/US\$)		110.8	110.7	109.1	106.2	105.0			
(¥/EUR)		129.5	128.4	121.1	123.7	130.0			

Outlook

■ New Medium-Term Management Plan

- The new Medium-Term Management Plan will start from FY2023.
- FY2022 is positioned as a period for preparing to establish the new Medium-Term Management Plan and for assessing the impact of changes in the market environment.

■ Outlook for FY2022

- Market assumptions: The market will continue to be affected by COVID-19 throughout FY2022.
 - Demand for foodservice-use products will stage a modest recovery as measures to prevent the spread of COVID-19 are rolled out in each country.
 - Growth of demand for home-use products will gradually slow.
- Forecasts: (Unit: billion yen)

	Full-year forecasts	YoY change (%)	YoY change (amount)
Net Sales	492.5	105.2%	24.4
Operating Profit	43.9	103.0%	1.3
Ordinary Profit	43.0	103.7%	1.5
Profit Attributable to Owners of Parent	28.8	100.0%	—

* Prepared in accordance with JGAAP. Forecasts for FY2022 prepared in accordance with IFRS will be announced after submission of the securities report for the fiscal year ended March 31, 2021.

Initiatives for FY2022

Key objectives for FY2022

1. Responding to the new normal
2. Increasing profitability and maintaining growth
3. Carrying out thorough risk management

Initiatives for FY2022

1. Responding to the new normal

- Provide products and services which meet changing needs and solve issues faced by customers.
- Focus on digital transformation.
- Review working styles and seek to improve productivity.

2. Increasing profitability and maintaining growth

- Overseas—Soy sauce: Spread and reinforce the Kikkoman brand.
 - Wholesale: Expand the market for home-use products aiming to create a well-balanced business structure.
- Japan
 - Tap into recovery of demand for foodservice-use products and aim for overall growth in home-use and foodservice-use products.
 - Focus on expansion of high value-added products, growth of soy milk and buildup of strength.

3. Carrying out thorough risk management

- Strengthen measures to address various risks, to fulfil responsibility of maintaining a stable supply of products.

Addressing Social Issues

Activities Unique to Kikkoman

Economic value

×

Social value

Three areas of material social issues

Global
Environment

Food
and Health

People
and Society

- Pursue social value alongside economic value through activities unique to Kikkoman.
- Contribute to the resolution of social issues through our business activities for the realization of a sustainable global society.
(Long-term Environmental Vision, Human Rights Policy, products that contribute to health)

Performance in Fiscal 2021 and Forecast for Fiscal 2022

Takao Kamiyama
Executive Corporate Officer and CFO

(1) Performance in Fiscal 2021

(2) Forecast for Fiscal 2022

Actual Results for FY2021 and Forecasts for FY2022 Prepared in Accordance with IFRS

The Company will voluntarily adopt International Financial Reporting Standards (IFRS) starting from the consolidated financial statements in the securities report for the fiscal year ended March 31, 2021, which is due to be submitted on June 22, 2021.

Accordingly, actual results for FY2021 and forecasts for FY2022 disclosed today are prepared in accordance with the JGAAP previously adopted.

Actual results for FY2021 and forecasts for FY2022 prepared in accordance with IFRS will be promptly announced after submission of the securities report on June 22, 2021.

1-1. Performance in Fiscal 2021

Consolidated P/L Results (Compared with Previous Year)

Full-year actual results

(Unit: billion yen)

	Fiscal 2021	Fiscal 2020	Change Increase / Decrease	%	Breakdown of change		
					Translation Difference	Actual Difference	%
Net Sales	468.1	468.6	(0.5)	99.9	(5.0)	4.5	101.0
Japan	184.6	188.2	(3.5)	98.1		(3.5)	98.1
Overseas	287.8	284.1	3.6	101.3	(5.0)	8.6	103.0
Operating Profit	42.6	39.8	2.8	107.0	(0.8)	3.5	108.9
Japan	13.0	13.3	(0.3)	97.8		(0.3)	97.8
Overseas	31.2	28.2	3.0	110.6	(0.7)	3.7	113.2
Kikkoman (Holding Company)	8.0	6.8	1.3	118.8		1.3	118.8
Eliminations	(9.6)	(8.5)	(1.2)			(1.1)	
Ordinary Profit	41.5	39.1	2.4	106.1	(0.7)	3.1	108.0
Profit before income taxes	40.5	37.9	2.6	106.8	(0.7)	3.3	108.7
Profit attributable to owners of parent	28.8	26.6	2.2	108.4	(0.5)	2.8	110.5

Exchange Rate (¥/US\$) 106.2 109.1 (2.9)

(¥/EUR) 123.7 121.1 2.6

1-2. Performance in Fiscal 2021

Net Sales and Operating Profit in Japan (Compared with Previous Year)

Full-year actual results

(Unit: billion yen)

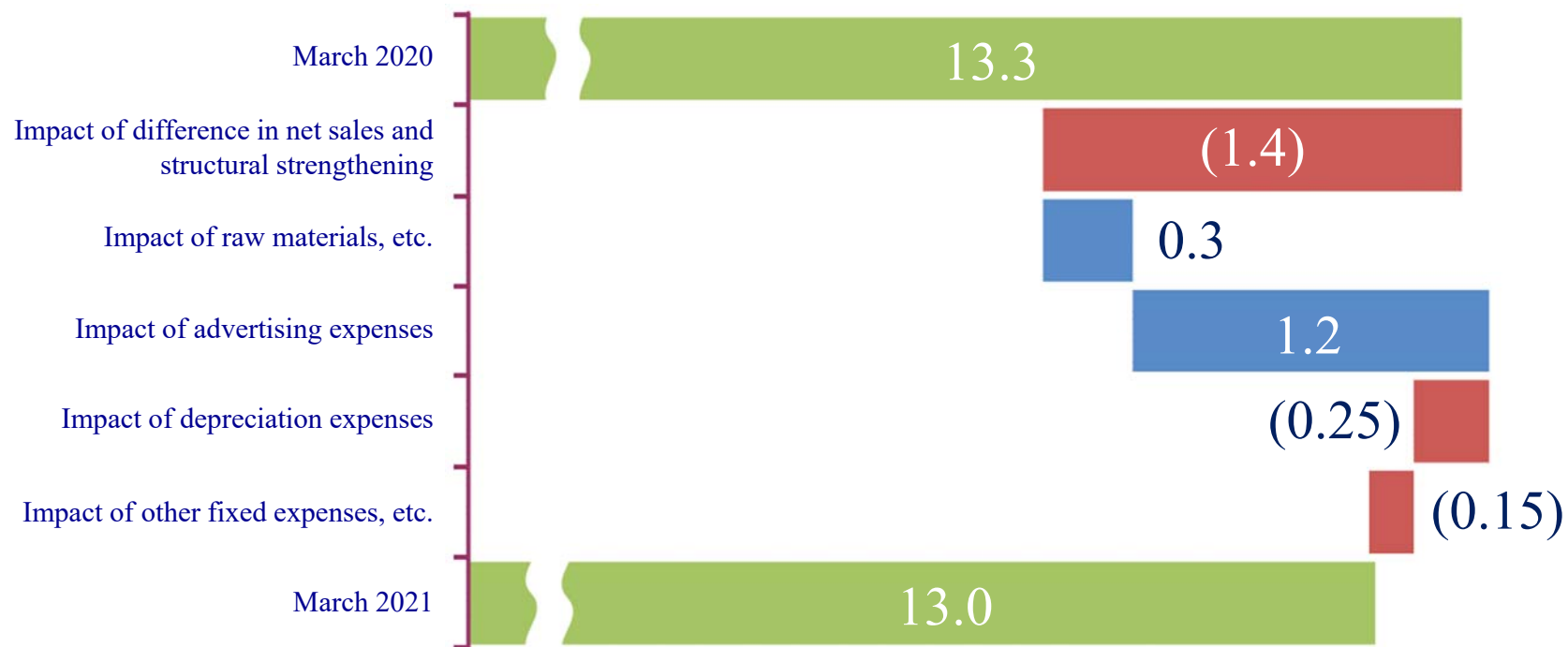
Net Sales		Fiscal 2021	Fiscal 2020	Change Increase / Decrease	%
		Japan	Soy Sauce	48.1	49.7
	Food Products	61.5	62.0	(0.5)	99.1
	Beverages	56.8	57.5	(0.7)	98.8
	Liquor and wine	9.4	10.4	(1.1)	89.9
	Eliminations	(0.2)	(0.2)		
	Foods—Manufacturing and Sales	175.6	179.4	(3.8)	97.9
	Others	21.2	21.3	(0.2)	99.3
	Eliminations	(12.2)	(12.6)	0.4	
	Total	184.6	188.2	(3.5)	98.1

Operating Profit		Fiscal 2021	Fiscal 2020	Change Increase / Decrease	%
		Japan	Foods—Manufacturing and Sales	11.3	11.5
	Others	1.7	1.8	(0.1)	92.7
	Total	13.0	13.3	(0.3)	97.8

1-3. Major Factors for Changes in Operating Profit in Japan

Japan ¥(0.3) billion

(Unit: billion yen)



1-4. Performance in Fiscal 2021

Net Sales Overseas (Compared with Previous Year)

Full-year actual results

(Unit: billion yen)

			Breakdown of change						
			Fiscal 2021	Fiscal 2020	Change Increase / Decrease	%	Translation Difference	Actual Difference	%
Net Sales									
Overseas	North America	Soy Sauce	52.1	50.0	2.1	104.2	(1.4)	3.5	107.0
		Other Foods	12.3	12.5	(0.2)	98.1	(0.3)	0.1	100.8
		Foods—Manufacturing and Sales	64.3	62.5	1.8	102.9	(1.8)	3.6	105.8
		Foods—Wholesale	148.8	154.4	(5.5)	96.4	(4.1)	(1.5)	99.0
		Total	204.9	208.3	(3.3)	98.4	(5.6)	2.3	101.1
	Europe	Foods—Manufacturing and Sales	17.2	13.2	4.0	129.9	0.4	3.6	127.2
		Foods—Wholesale	19.7	20.7	(1.0)	95.4	0.3	(1.2)	94.1
		Total	34.1	31.4	2.7	108.5	0.6	2.1	106.7
	Asia & Oceania	Soy Sauce	14.0	14.1	(0.1)	99.3	(0.1)		99.9
		Del Monte	5.8	6.1	(0.3)	94.4	(0.2)	(0.2)	97.0
		Foods—Manufacturing and Sales	19.7	20.2	(0.4)	97.8	(0.3)	(0.2)	99.1
		Foods—Wholesale	23.1	19.1	4.0	121.1	0.2	3.8	119.8
		Total	42.5	38.9	3.6	109.3		3.6	109.3
	Others		43.7	42.3	1.4	103.4		1.4	103.4
Eliminations		(37.5)	(36.8)	(0.8)		0.1	(0.8)		
	Total	287.8	284.1	3.6	101.3	(5.0)	8.6	103.0	
	US\$	106.2	109.1	(2.9)					
	EUR	123.7	121.1	2.6					

1-5. Performance in Fiscal 2021

Operating Profit Overseas (Compared with Previous Year)

Full-year actual results

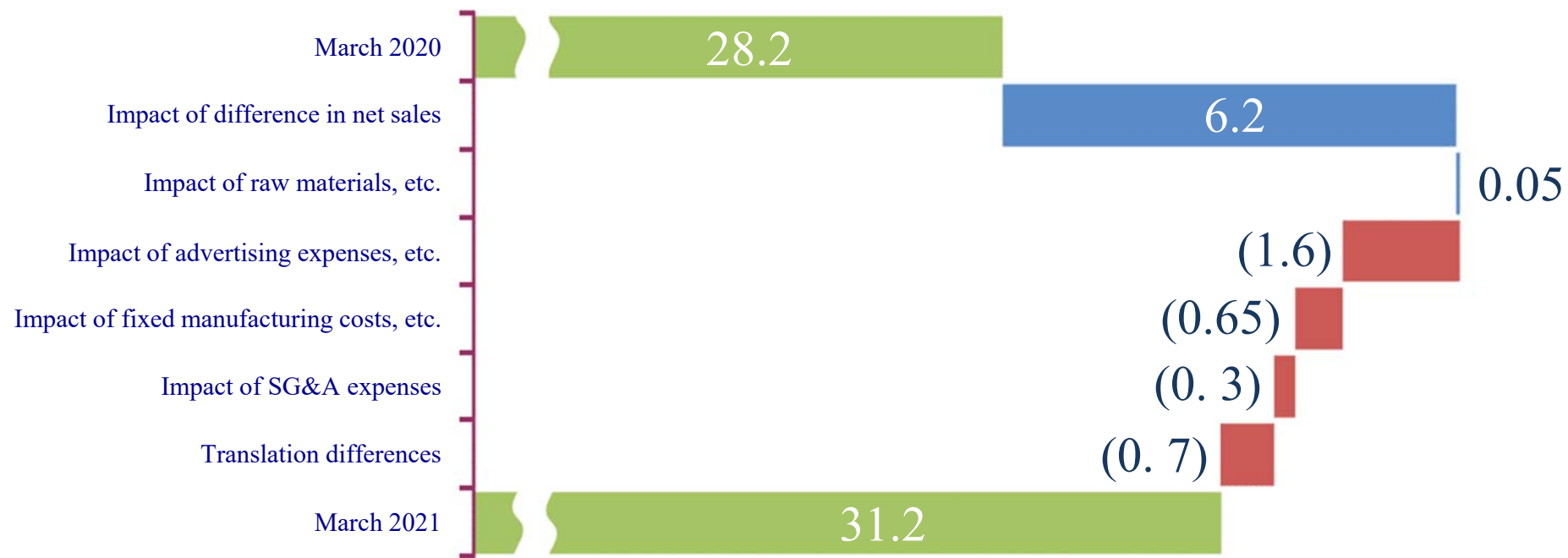
(Unit: billion yen)

Operating Profit			Fiscal 2021	Fiscal 2020	Change Increase / Decrease	%	Breakdown of change			
							Translation Difference	Actual Difference	%	
Overseas	North America	Foods—Manufacturing and Sales	13.0	12.5	0.5	104.2	(0.4)	0.9	107.3	
		Foods—Wholesale	7.6	6.9	0.7	110.5	(0.2)	0.9	113.5	
		Total	20.5	19.2	1.3	106.8	(0.6)	1.9	110.0	
	Europe	Foods—Manufacturing and Sales	5.4	4.0	1.4	135.0	0.1	1.3	132.6	
		Foods—Wholesale	0.6	0.6		100.1			100.7	
		Total	6.0	4.6	1.4	130.3	0.1	1.3	128.6	
	Asia & Oceania	Foods—Manufacturing and Sales	2.2	2.3	(0.1)	96.8	(0.1)		99.4	
		Foods—Wholesale	0.6	0.2	0.3	242.5		0.3	240.4	
		Total	2.7	2.5	0.3	110.1	(0.1)	0.3	112.7	
	Others		2.2	2.0	0.2	109.0		0.2	109.0	
	Total			31.2	28.2	3.0	110.6	(0.7)	3.7	113.2
	US\$			106.2	109.1	(2.9)				
	EUR			123.7	121.1	2.6				

1-6. Major Factors for Changes in Operating Profit Overseas

(Unit: billion yen)

Overseas +¥3.0 billion



1-7. Change in Consolidated Balance Sheets

(Unit: billion yen)

a. Total Asset = 427.5	(Compared with 2020.3)	+40.1
b. Translation Difference		+8.2
Actual Difference (a. - b.)		+31.9

Assets	+31.9	Liabilities and net assets	+31.9
Current assets	+27.6	Liabilities	+2.7
Cash and deposits	+26.8	Interest-bearing debt	(1.6)
Notes and accounts receivable-trade	(0.9)	Notes and accounts payable-trade/ accounts payable-other	+2.5
Inventories	+0.1	Income taxes payable	+0.8
Other	+1.6	Net defined benefit liability	(2.8)
		Deferred tax liabilities	+1.0
		Lease obligations	+0.5
		Other	+2.4
Noncurrent assets	+4.3	Net assets	+29.2
Property, plant and equipment	+0.0	Retained earnings	+21.2
[Tangible lease assets	+0.2]	Valuation difference on available-for-sale securities	+1.1
Intangible assets	(0.5)	Foreign currency translation adjustment	+2.8
[Goodwill	(0.5)]	Non-controlling interests	+0.1
Investments and other assets	+4.7	Other	+4.0
[Investment securities	+3.1]		
[Net defined benefit asset	+2.9]		

1-8. Consolidated Cash Flows

Net CF (a + b + c + d) = +27.8

(Unit: billion yen)

a. Cash Flows from Operating Activities	+55.1	b. Cash Flows from Investing Activities	(16.8)
Profit before income taxes	+40.5	2' Purchase of property, plant, equipment and intangible assets	(17.0)
Depreciation and amortization	+17.7	2' Proceeds from sales of property, plant and equipment	+0.3
Decrease (increase) in notes and accounts receivable-trade	+1.4	Purchase of investment securities	(1.9)
Decrease (increase) in inventories	+0.5	Decrease (increase) in operating loans receivable	+0.0
Increase (decrease) in notes and accounts payable-trade	(0.0)	Proceeds from sales of investment securities	+1.1
Income taxes paid	(10.4)	Other	+0.7
Other	+5.4		
a.+2' Free Cash Flows		+38.4	
b.-2' Cash Flows from Investing Activities (Excluding Purchase of Property, Plant and Equipment)		(0.1)	
c. Cash Flows from Financing Activities	(13.2)	d. Effect of Exchange Rate	+2.6
Increase (decrease) in short-term loans payable	(1.6)		
Cash dividends paid	(8.4)		
Repayments of lease obligations	(3.2)		
Purchase of treasury stock	(0.0)		
Other	(0.0)		

2-1. Forecast for Fiscal 2022

Assumptions Made for the Forecasts

➤ **Exchange rate forecast:**

Full year: ¥107.0/US\$, ¥128.0/EUR

➤ **Impact of raw materials, etc.:**

It is assumed that market price of raw materials will fall at a modest pace

➤ **Impact of COVID-19:**

Sweeping restrictions on economic activities, like those seen in the previous fiscal year, are unlikely

➤ **Calculated based on the assumption of revisions to corporate tax rates in the US from September**

2-2. Forecast for Fiscal 2022

Consolidated P/L Results (Compared with Previous Year)

Full-year forecasts

(Unit: billion yen)

	2022 Forecast	2021 Actual	Change Increase / Decrease	%	Breakdown of change		
					Translation Difference	Actual Difference	%
Net Sales	492.5	468.1	24.4	105.2	4.2	20.2	104.3
Japan	191.0	184.6	6.4	103.5		6.4	103.5
Overseas	305.5	287.8	17.7	106.2	4.2	13.6	104.7
Operating Profit	43.9	42.6	1.3	103.0	0.5	0.8	101.8
Japan	13.0	13.0		99.8			99.8
Overseas	33.0	31.2	1.8	105.7	0.5	1.3	104.2
Kikkoman (Holding Company)	6.6	8.0	(1.5)	81.7		(1.5)	81.7
Eliminations	(8.6)	(9.6)	1.0			1.0	
Ordinary Profit	43.0	41.5	1.5	103.7	0.5	1.1	102.6
Profit before Income Taxes	42.8	40.5	2.2	105.5	0.5	1.8	104.4
Profit Attributable to Owners of Parent	28.8	28.8		100.0	0.3	(0.3)	98.8
Exchange Rate (¥/US\$)	107.0	106.2	0.8				
(¥/EUR)	128.0	123.7	4.3				

2-3. Forecast for Fiscal 2022

Net Sales and Operating Profit in Japan (Compared with Previous Year)

Full-year forecasts

(Unit: billion yen)

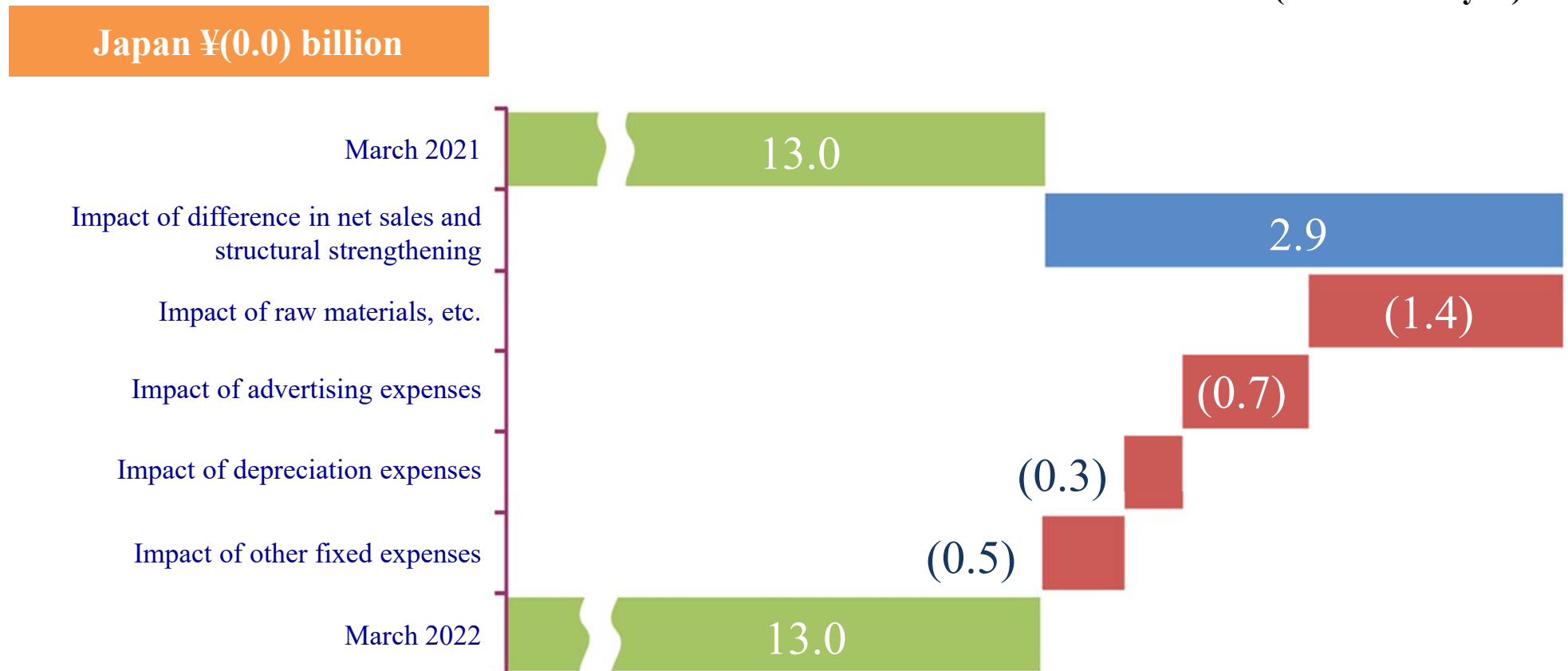
Net Sales		2022 Forecast	2021 Actual	Change Increase / Decrease	%
Japan	Soy Sauce	48.7	48.1	0.6	101.2
	Food Products	63.9	61.5	2.4	103.9
	Beverages	59.2	56.8	2.4	104.2
	Liquor and wine	10.0	9.4	0.6	106.5
	Eliminations	(0.2)	(0.2)		
	Foods—Manufacturing and Sales	181.6	175.6	6.0	103.4
	Others	21.8	21.2	0.6	102.7
	Eliminations	(12.4)	(12.2)	(0.2)	
Total		191.0	184.6	6.4	103.5

Operating Profit		2022 Forecast	2021 Actual	Change Increase / Decrease	%
Japan	Foods—Manufacturing and Sales	11.5	11.3	0.2	101.3
	Others	1.6	1.7	(0.1)	91.2
	Total	13.0	13.0		99.8

2-4. Forecast for Fiscal 2022

Major Factors for Changes in Operating Profit in Japan

(Unit: billion yen)



2-5. Forecast for Fiscal 2022

Net Sales Overseas (Compared with Previous Year)

Full-year forecasts

(Unit: billion yen)

Net Sales			2022 Forecast	2021 Actual	Change Increase / Decrease	%	Breakdown of change		
							Translation Difference	Actual Difference	%
Overseas	North America	Soy Sauce	53.8	52.1	1.7	103.3	0.4	1.3	102.5
		Other Foods	13.1	12.3	0.8	106.7	0.1	0.7	105.9
		Foods—Manufacturing and Sales	66.9	64.3	2.6	104.0	0.5	2.0	103.2
		Foods—Wholesale	157.3	148.8	8.5	105.7	1.4	7.1	104.8
		Total	215.7	204.9	10.8	105.2	1.8	8.9	104.4
	Europe	Foods—Manufacturing and Sales	18.1	17.2	0.9	105.2	0.6	0.3	101.7
		Foods—Wholesale	22.5	19.7	2.8	114.0	0.7	2.0	110.4
		Total	37.5	34.1	3.4	110.0	1.2	2.2	106.5
	Asia & Oceania	Soy Sauce	15.4	14.0	1.4	110.3	0.4	1.0	107.1
		Del Monte	6.5	5.8	0.7	112.9	0.1	0.7	111.6
		Foods—Manufacturing and Sales	21.9	19.7	2.2	111.0	0.5	1.7	108.4
		Foods—Wholesale	26.3	23.1	3.1	113.6	0.7	2.5	110.7
		Total	47.8	42.5	5.3	112.4	1.2	4.1	109.7
	Others		43.4	43.7	(0.3)	99.2		(0.3)	99.2
	Eliminations		(38.9)	(37.5)	(1.4)			(1.3)	
	Total			305.5	287.8	17.7	106.2	4.2	13.6
		US\$	107.0	106.2	0.8				
		EUR	128.0	123.7	4.3				

2-6. Forecast for Fiscal 2022

Operating Profit Overseas (Compared with Previous Year)

Full-year forecasts

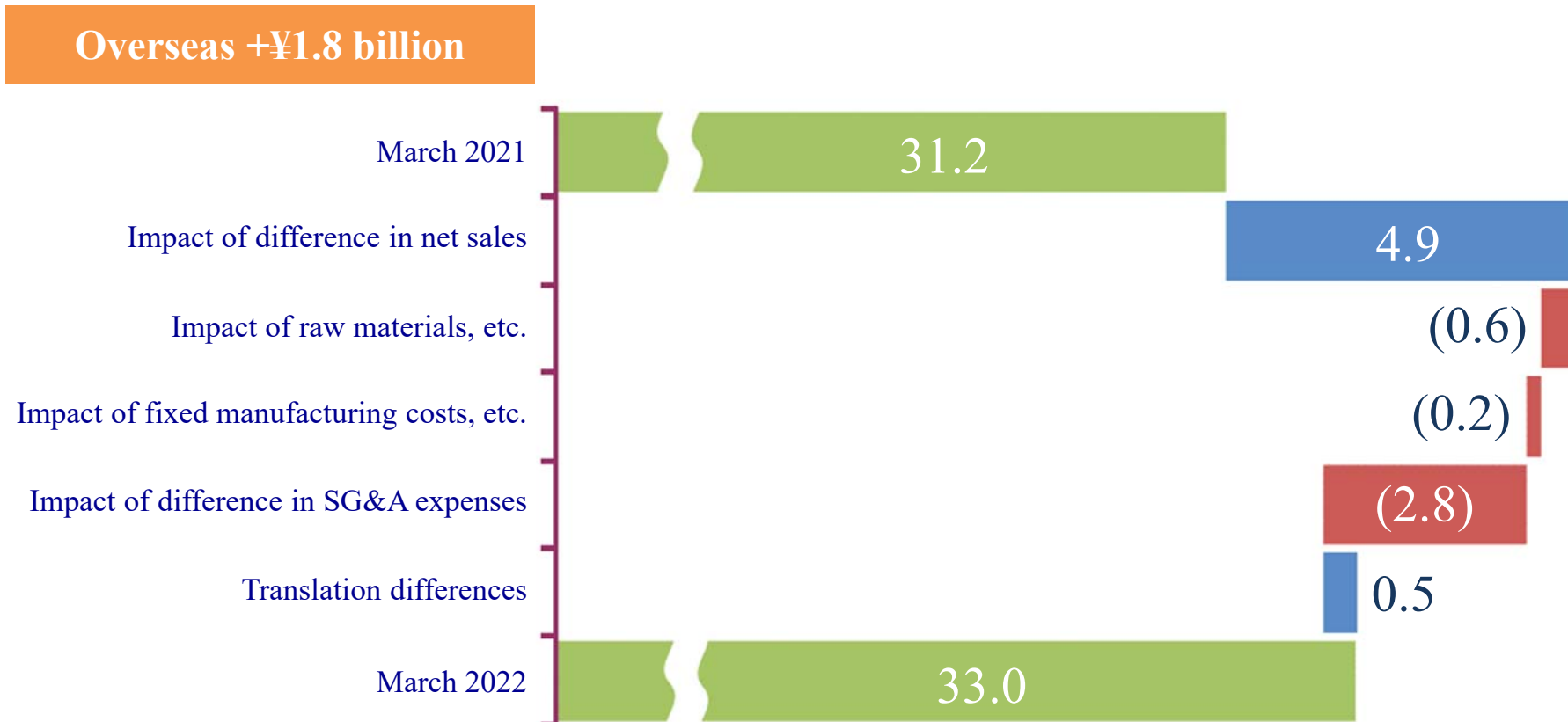
(Unit: billion yen)

Operating Profit			2022 Forecast	2021 Actual	Change Increase / Decrease	%	Breakdown of change			
							Translation Difference	Actual Difference	%	
Overseas	North America	Foods—Manufacturing and Sales	13.6	13.0	0.5	104.0	0.1	0.4	103.2	
		Foods—Wholesale	8.1	7.6	0.5	106.9	0.1	0.4	105.9	
		Total	21.5	20.5	1.0	105.0	0.2	0.8	104.1	
	Europe	Foods—Manufacturing and Sales	6.0	5.4	0.6	111.0	0.2	0.4	107.3	
		Foods—Wholesale	0.7	0.6		107.5			103.9	
		Total	6.6	6.0	0.6	110.4	0.2	0.4	106.8	
	Asia & Oceania	Foods—Manufacturing and Sales	2.5	2.2	0.3	112.3	0.1	0.2	109.9	
		Foods—Wholesale	0.7	0.6	0.1	117.0		0.1	114.3	
		Total	3.1	2.7	0.4	113.8	0.1	0.3	111.3	
	Others		1.8	2.2	(0.4)	81.9		(0.4)	81.9	
	Total			33.0	31.2	1.8	105.7	0.5	1.3	104.2
			US\$	107.0	106.2	0.8				
			EUR	128.0	123.7	4.3				

2-7. Forecast for Fiscal 2022

Major Factors for Changes in Operating Profit Overseas

(Unit: billion yen)





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.) 2021 = April 2020 to March 2021