

Kikkoman Corporation

Business Performance Presentation

for the Six-Month Period Ended September 30, 2021

November 5, 2021

➤ **Performance Overview**

Noriaki Horikiri
Chairman and CEO

➤ **Performance in the Six Months Ended September 30, 2021 and Forecast for Fiscal 2022**

Takao Kamiyama
Director, Executive Corporate Officer and CFO

Performance Overview

Noriaki Horikiri
Chairman and CEO

Initiatives and Performance in the Six Months Ended September 30, 2021

■ Initiatives to deal with key objectives for fiscal 2022

1. Responding to the New Normal

2. Increasing Profitability and Maintaining Growth

3. Carrying out thorough Risk Management

- Demand for foodservice-use products recovered significantly overseas as economic activities resumed. In the home-use products market, the Group created demand amid the COVID-19 pandemic. The Group strove to supply products, using its capabilities, and achieved growth in sales and an improvement in profitability.
- In Japan, restrictions due to COVID-19 continued, and recovery of demand for foodservice-use products did not progress. Meanwhile, opportunities for cooking at home increased. In response to that, the Group promoted the value of its products such as ease and health, and enhanced its recipe proposals.

■ Consolidated results in the first half

	1st half actual	YoY change (%)	YoY change (amount)
Revenue	248.7 bn yen	116.8%	+35.8 bn yen
Business Profit	27.6 bn yen	125.9%	+5.7 bn yen
Profit for the period attributable to owners of the Parent	21.4 bn yen	131.3%	+5.1 bn yen

Initiatives for the Second Half and Forecast in Full Year

■ Initiatives in the second half

- Continue to strive to stabilize demand for home-use products overseas, particularly in North America and Europe, and seek deeper penetration and strengthening of the Kikkoman brand.
- Demand for foodservice-use products is expected to recover as restrictions due to COVID-19 are relaxed in Japan. In response, the Group will make proposals to solve customers' issues.
- Impacts of rising prices of raw materials in Japan and overseas, and disruption of supply chains are expected. The Group will strive to increase productivity and ensure profitability.

■ Forecast for Fiscal 2022

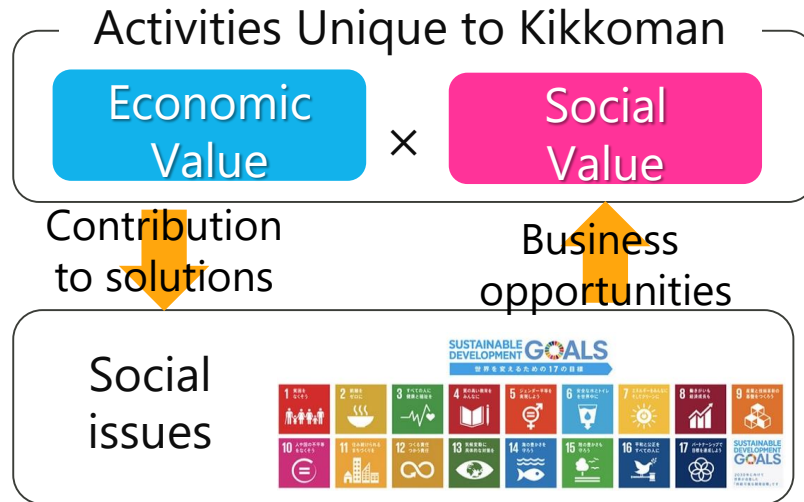
	Full-year forecast	YoY change (%)	YoY change (amount)
Revenue	493.8 bn yen	112.4%	+54.4 bn yen
Business Profit	49.7 bn yen	116.5%	+7.0 bn yen
Profit for the year attributable to owners of the Parent	36.4 bn yen	116.8%	+5.2 bn yen

Developing the Next Medium-Term Management Plan

■ Direction of the next medium-term management plan

- Focus fully on developing the next medium-term management plan from the second half, considering changes in the environment due to COVID-19. Announce a plan next spring.
- Endeavor to create new value to achieve Global Vision 2030. Seek to increase profitability and continue growth.
- Set specific goals and deal with social issues.

Approach to solve social issues



Become a company whose presence in global society is ever more meaningful

Performance in the Six Months Ended September 30, 2021 and Forecast for Fiscal 2022

Takao Kamiyama

Director, Executive Corporate Officer and CFO

**(1) Performance in the Six Months
Ended September 30, 2021**

(2) Forecast for Fiscal 2022

(1)-1. Performance in the Six Months

Consolidated P/L (Compared with Previous Year)

H1 Actual

Unit: billion yen

	2021.9 H1 Actual	2020.9 H1 Actual	Change increase (decrease)	%	Breakdown of change		
					Translation difference	Actual difference	%
Revenue	248.7	212.9	35.8	116.8	8.1	27.7	113.0
Japan	80.2	79.6	0.6	100.8		0.6	100.8
Overseas	170.7	135.5	35.1	125.9	8.1	27.1	120.0
Business Profit	27.6	22.0	5.7	125.9	1.0	4.7	121.2
Japan	7.5	7.4	0.1	101.4		0.1	101.4
Overseas	20.7	15.3	5.4	135.6	0.9	4.5	129.4
Kikkoman (Holding Company)	4.0	3.9	0.1	101.9		0.1	101.9
Eliminations	(4.5)	(4.6)	0.1		0.1		
Operating Profit	27.1	22.2	4.9	122.2	0.9	4.0	118.0
Profit before income taxes	29.7	22.8	6.9	130.1	0.9	5.9	126.1
Profit for the Period Attributable to Owners of Parent	21.4	16.3	5.1	131.3	0.7	4.4	127.0

USD 110.2 106.7 3.5

EUR 131.0 121.4 9.6

(1)-2. Performance in the Six Months

Revenue Overseas (Compared with Previous Year)

H1 Actual

Unit: billion yen

Revenue			2021.9 H1 Actual	2020.9 H1 Actual	Change increase (decrease)	%	Breakdown of change		
							Translation difference	Actual difference	%
Overseas	North America	Soy Sauce	28.9	25.5	3.4	113.3	0.9	2.5	109.8
		Other Foods	6.2	6.0	0.1	102.1	0.2	(0.1)	98.9
		Foods—Manufacturing and Sales	35.1	31.5	3.5	111.2	1.1	2.4	107.7
		Foods—Wholesale	91.5	69.9	21.7	131.0	3.3	18.3	126.2
		Total	121.7	97.3	24.3	125.0	4.3	20.1	120.6
	Europe	Foods—Manufacturing and Sales	10.8	7.7	3.1	139.5	0.8	2.3	129.1
		Foods—Wholesale	14.0	9.0	5.0	155.0	1.2	3.7	141.2
		Total	22.7	15.5	7.2	146.4	1.9	5.3	134.2
	Asia & Oceania	Soy Sauce	8.1	6.7	1.4	120.6	0.6	0.8	111.7
		Del Monte	3.0	2.9	0.1	104.6	0.1		100.4
		Foods—Manufacturing and Sales	11.2	9.6	1.5	115.8	0.7	0.8	108.3
		Foods—Wholesale	14.1	9.8	4.3	143.9	1.3	3.0	130.3
		Total	25.1	19.3	5.7	129.8	2.0	3.7	119.2
	Others		23.4	20.4	3.0	114.7		3.0	114.7
	Eliminations		(22.1)	(17.0)	(5.1)		(0.1)	(5.0)	
Total			170.7	135.5	35.1	125.9	8.1	27.1	120.0
USD			110.2	106.7	3.5				
EUR			131.0	121.4	9.6				

(1)-3. Performance in the Six Months

Business Profit Overseas (Compared with Previous year)

H1 Actual

Unit: billion yen

Business Profit			2021.9 H1 Actual	2020.9 H1 Actual	Change increase (decrease)	%	Breakdown of change			
							Translation difference	Actual difference	%	
Overseas	North America	Foods—Manufacturing and Sales	7.4	6.2	1.2	119.2	0.2	1.0	116.0	
		Foods—Wholesale	6.2	3.8	2.5	165.7	0.2	2.2	159.5	
		Total	13.6	9.9	3.7	137.3	0.4	3.3	133.0	
	Europe	Foods—Manufacturing and Sales	3.3	2.6	0.7	126.9	0.2	0.4	117.4	
		Foods—Wholesale	1.0	0.2	0.7	421.3	0.1	0.7	381.8	
		Total	4.2	2.8	1.4	148.8	0.3	1.0	136.8	
	Asia & Oceania	Foods—Manufacturing and Sales	1.5	1.2	0.3	125.2	0.1	0.2	116.4	
		Foods—Wholesale	0.5	0.3	0.2	182.1	0.1	0.2	162.8	
		Total	2.0	1.5	0.5	136.3	0.2	0.4	125.2	
	Others		1.2	1.0	0.2	117.4		0.2	117.4	
	Total			20.7	15.3	5.4	135.6	0.9	4.5	129.4
	USD			110.2	106.7	3.5				
	EUR			131.0	121.4	9.6				

(1)-4. Major factors for Change in Business Profit Overseas

(Unit: billion yen)

Overseas +¥5.4 billion



(1)-5. Performance in the Six Months

Revenue and Business Profit in Japan (Compared with Previous Year)

H1 Actual

Unit: billion yen

Revenue		2021.9	2020.9	Change	
		H1 Actual	H1 Actual	increase (decrease)	%
Japan	Soy Sauce	20.9	21.0	(0.1)	99.4
	Food Products	28.0	26.7	1.2	104.6
	Beverages	23.1	23.7	(0.6)	97.4
	Liquor and Wine	3.9	3.9		100.0
	Eliminations	(0.1)	(0.1)		
	Foods—Manufacturing and Sales	75.7	75.2	0.5	100.7
	Others	10.6	10.5	0.1	101.3
	Eliminations	(6.1)	(6.1)		
Total		80.2	79.6	0.6	100.8

Business Profit		2021.9	2020.9	Change	
		H1 Actual	H1 Actual	increase (decrease)	%
Japan	Foods—Manufacturing and Sales	6.6	6.4	0.2	102.8
	Others	0.9	1.0	(0.1)	91.5
	Total	7.5	7.4	0.1	101.4

(1)-6. Major factors for Change in Business Profit in Japan

(Unit: billion yen)

Japan +¥0.1 billion



(1)-7. Change in Consolidated Statement of Financial Position

(Excluding Translation difference)

2021.9 Actual (compared with 2021.3 results)

	Amount	Change increase(decrease)	
		Excluding translation difference	%
I. Current assets	199.9	6.9	103.6
Cash and cash equivalents	55.8	0.1	100.2
Trade and other receivables	63.8	1.0	101.6
Inventories	68.1	4.7	107.4
Other financial assets	4.2	(1.5)	73.7
Other current assets	8.0	2.6	147.9
II. Non-current assets	254.0	6.5	102.7
Property, plant and equipment	130.0	2.4	101.9
Investment properties	9.3	(0.1)	99.4
Right-of-use assets	21.8	(0.4)	98.2
Goodwill	5.0		100.0
Intangible assets	5.0	(0.2)	96.7
Investments in associates accounted for using the equity method	3.7	0.2	104.4
Other financial assets	68.5	4.5	107.1
Employee defined benefit assets	7.6	0.1	101.7
Deferred tax assets	3.0	0.0	100.9
Other non-current assets	0.2	(0.0)	82.3
Total assets	453.9	13.5	103.1

Unit: billion yen

	Amount	Change increase(decrease)	
		Excluding translation difference	%
I. Current liabilities	71.1	(1.8)	97.5
Trade and other payables	47.5	(3.3)	93.4
Short-term borrowings	4.1	0.1	103.5
Short-term lease liabilities	4.8	(0.1)	97.4
Income tax payable	4.5	0.3	106.4
Other financial liabilities	0.4	(0.1)	87.9
Other current liabilities	9.8	1.3	115.1
II. Non-current liabilities	52.2	(0.1)	99.9
Long-term borrowings	13.4		100.0
Long-term lease liabilities	19.2	(0.2)	99.2
Deferred tax liabilities	8.7	0.2	102.1
Employee defined benefit liabilities	4.9	(0.1)	97.6
Other financial liabilities	4.1	0.0	100.2
Other non-current liabilities	1.9	0.0	100.7
Total liabilities	123.4	(1.9)	98.5
Total equity	330.6	15.0	104.8
Total equity attributable to owners of the parent	324.8	14.7	104.8
Non-controlling interests	5.7	0.3	106.3
Total liabilities and equity	453.9	13.5	103.1

(2)-1. Forecast for H2 FY2022: Assumptions Made for the Forecasts

- Exchange rates:
(Second half) 110 yen against the US\$, 130 yen against EUR
- Impact of raw materials, etc.:
Prices of raw materials, etc. are expected to surge.
- COVID-19:
The Company does not expect any large-scale restrictions on economic activities.
- The Company calculates forecasts on the assumption that the corporate tax rates will change in the United States in January.

(2)-2. Forecast for H2 FY2022 Consolidated P/L (Compared with Previous Year)

H2 Forecast

Unit: billion yen

	FY 2022 H2 Forecast	FY 2021 H2 Actual	Change increase (decrease)	%	Breakdown of change		
					Translation difference	Actual difference	%
Revenue	245.1	226.5	18.6	108.2	3.5	15.1	106.7
Japan	78.7	77.6	1.1	101.5		1.1	101.5
Overseas	168.5	151.0	17.5	111.6	3.5	14.0	109.3
Business Profit	22.1	20.7	1.4	106.6	0.4	1.0	104.7
Japan	5.2	6.2	(1.0)	83.1		(1.0)	83.1
Overseas	18.3	15.7	2.6	116.3	0.4	2.2	114.1
Kikkoman (Holding Company)	3.4	3.8	(0.5)	87.9		(0.5)	87.9
Eliminations	(4.7)	(5.0)	0.3			0.3	
Operating Profit	21.1	19.5	1.6	108.2	0.4	1.2	106.4
Profit before income taxes	21.6	20.4	1.2	106.1	0.4	0.9	104.3
Profit for the Period Attributable to Owners of Parent	15.0	14.9	0.2	101.0	0.3	(0.1)	99.2
	USD	110.0	105.6	4.4			
	EUR	130.0	126.5	3.5			

(2)-3. Forecast for H2 FY2022

Revenue Overseas (Compared with Previous Year)

H2 Forecast

Unit: billion yen

Revenue			FY 2022 H2 Forecast	FY 2021 H2 Actual	Change increase (decrease)	%	Breakdown of change		
							Translatio n difference	Actual difference	%
Overseas	North America	Soy Sauce	27.0	25.5	1.5	105.9	0.8	0.7	102.6
		Other Foods	6.6	6.2	0.4	106.6	0.2	0.2	103.5
		Foods—Manufacturing and Sales	33.6	31.7	1.9	106.0	1.0	0.9	102.8
		Foods—Wholesale	90.3	78.8	11.6	114.7	2.7	8.9	111.3
		Total	119.4	106.5	12.9	112.1	3.5	9.3	108.8
	Europe	Foods—Manufacturing and Sales	10.1	9.5	0.5	105.8		0.6	106.3
		Foods—Wholesale	12.8	10.7	2.1	119.1	(0.1)	2.2	120.3
		Total	20.2	18.7	1.5	108.2	(0.2)	1.7	109.1
	Asia & Oceania	Soy Sauce	8.2	7.0	1.2	117.0	0.4	0.8	111.6
		Del Monte	3.5	2.9	0.7	123.2	0.1	0.6	120.0
		Foods—Manufacturing and Sales	11.7	9.9	1.9	118.8	0.5	1.4	114.1
		Foods—Wholesale	14.1	13.4	0.7	104.9	(0.3)	1.0	107.4
		Total	25.7	23.1	2.6	111.1	0.2	2.4	110.4
	Other		23.8	23.2	0.6	102.5		0.6	102.5
Eliminations		(20.6)	(20.5)	(0.1)					
Total			168.5	151.0	17.5	111.6	3.5	14.0	109.3
	USD		110.0	105.6	4.4				
	EUR		130.0	126.5	3.5				

(2)-4. Forecast for H2 FY2022

Business Profit Overseas (Compared with Previous Year)

H2 Forecast

Unit: billion yen

Business Profit			FY 2022 H2 Forecast	FY 2021 H2 Actual	Change increase (decrease)	%	Breakdown of change			
							Translation difference	Actual difference	%	
Overseas	North America	Foods—Manufacturing and Sales	6.5	6.1	0.4	106.9	0.2	0.2	103.5	
		Foods—Wholesale	5.4	4.2	1.3	130.8	0.2	1.1	127.0	
		Total	12.1	10.3	1.8	117.9	0.4	1.5	114.3	
	Europe	Foods—Manufacturing and Sales	3.2	2.8	0.4	114.5		0.4	115.0	
		Foods—Wholesale	0.5	0.4	0.1	126.0		0.1	132.8	
		Total	3.6	3.1	0.5	115.7		0.5	117.0	
	Asia & Oceania	Foods—Manufacturing and Sales	1.3	1.0	0.3	130.5		0.3	126.9	
		Foods—Wholesale	0.4	0.3	0.1	122.7		0.1	127.1	
		Total	1.7	1.3	0.4	130.2		0.4	128.8	
	Others		1.0	1.2	(0.2)	83.4		(0.2)	83.4	
	Total			18.3	15.7	2.6	116.3	0.4	2.2	114.1
			USD	110.0	105.6	4.4				
			EUR	130.0	126.5	3.5				

(2)-5. Forecast for H2 FY2022 Major Factors for Change in Business Profit Overseas

Unit: billion yen

Overseas +¥2.6 billion



(2)-6. Forecast for H2 FY2022

Revenue and Business Profit in Japan (Compared with Previous Year)

H2 Forecast

Unit: billion yen

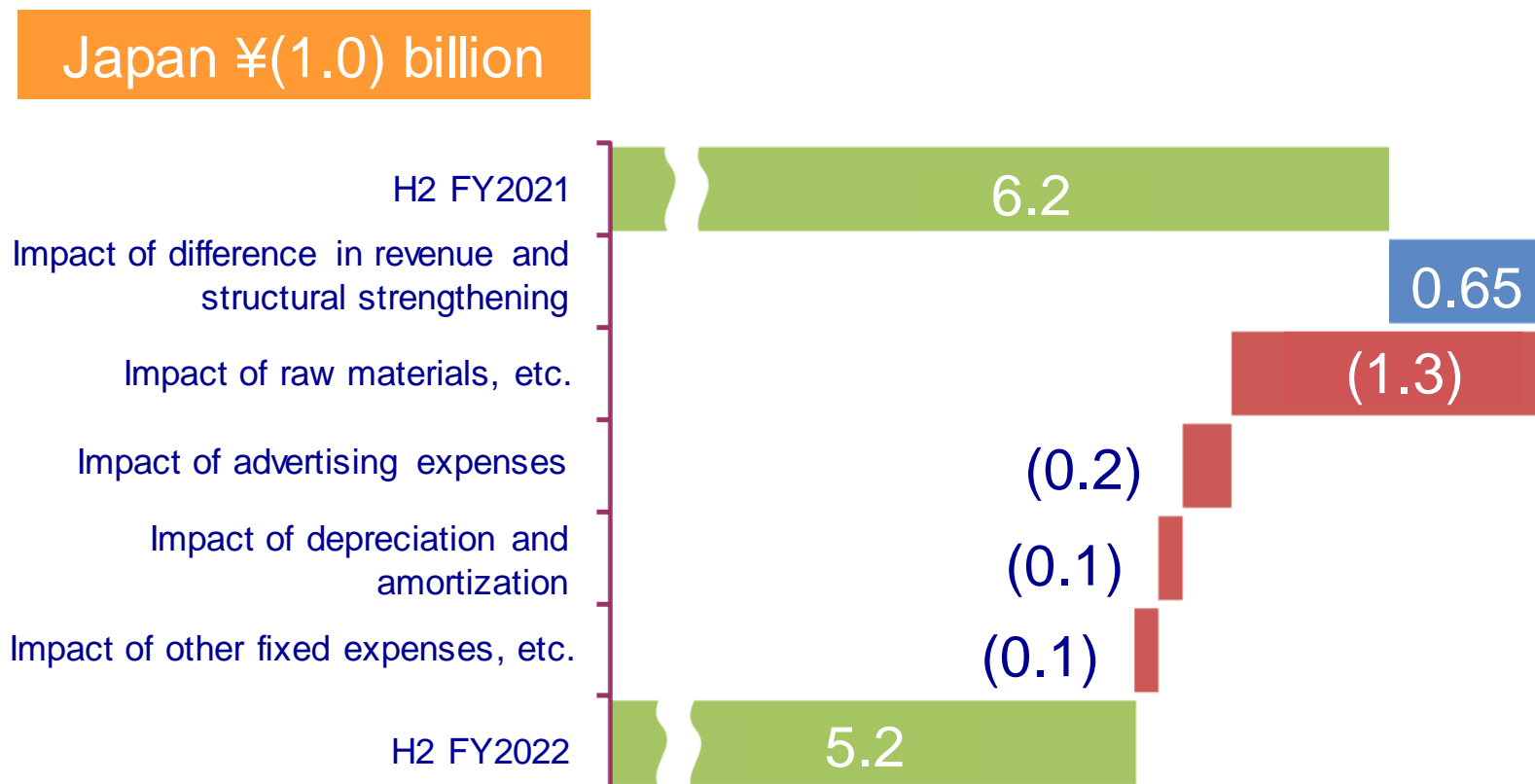
		FY2022 H2 Forecast	FY2021 H2 Actual	Change increase (decrease)	%
Revenue					
Japan	Soy Sauce	21.6	21.6		100.0
	Food Products	27.2	26.6	0.6	102.2
	Beverages	20.3	20.0	0.3	101.4
	Liquor and Wine	4.8	4.8		100.3
	Eliminations	(0.1)	(0.1)		
	Foods—Manufacturing and Sales	73.8	72.9	0.9	101.2
	Others	11.0	10.7	0.3	103.1
Eliminations	(6.2)	(6.1)	(0.1)		
Total		78.7	77.6	1.1	101.5

		FY2022 H2 Forecast	FY2021 H2 Actual	Change increase (decrease)	%
Business Profit					
Japan	Foods—Manufacturing and Sales	4.4	5.2	(0.9)	83.5
	Others	0.8	1.0	(0.2)	81.8
	Total	5.2	6.2	(1.0)	83.1

(2)-7. Forecast for H2 FY2022

Major Factors for Change in Business Profit in Japan

Unit: billion yen



(2)-8. Forecast for FY2022 Consolidated P/L (Compared with Previous Year)

Full-year Forecast

Unit: billion yen

	FY2022 Forecast	FY2021 Actual	Change increase (decrease)	%	Breakdown of change		
					Translation difference	Actual difference	%
Revenue	493.8	439.4	54.4	112.4	11.6	42.8	109.7
Japan	158.9	157.1	1.8	101.1		1.8	101.1
Overseas	339.2	286.6	52.6	118.4	11.6	41.1	114.3
Business Profit	49.7	42.7	7.0	116.5	1.4	5.6	113.2
Japan	12.6	13.6	(0.9)	93.0		(0.9)	93.0
Overseas	39.0	31.0	8.0	125.8	1.3	6.7	121.6
Kikkoman (Holding Company)	7.4	7.7	(0.4)	95.0		(0.4)	95.0
Eliminations	(9.3)	(9.6)	0.4		0.1	0.3	
Operating Profit	48.2	41.7	6.5	115.7	1.3	5.2	112.6
Profit before income taxes	51.3	43.2	8.1	118.8	1.3	6.8	115.8
Profit for the Period Attributable to Owners of Parent	36.4	31.2	5.2	116.8	1.0	4.3	113.7

USD	110.0	106.2	3.8
EUR	130.5	123.7	6.8

(2)-9. Forecast for FY2022 Consolidated P/L (Compared with Initial Forecast)

Full-year Forecast

Unit: billion yen

	FY2022 Forecast	Initial forecast	Change increase (decrease)	%	Breakdown of change		
					Translation difference	Actual difference	%
Revenue	493.8	462.8	31.0	106.7	10.2	20.8	104.5
Japan	158.9	162.8	(3.9)	97.6		(3.9)	97.6
Overseas	339.2	303.9	35.3	111.6	10.2	25.1	108.2
Business Profit	49.7	43.4	6.3	114.5	1.1	5.2	112.0
Japan	12.6	13.4	(0.7)	94.6		(0.7)	94.6
Overseas	39.0	32.5	6.5	120.1	1.0	5.5	117.0
Kikkoman (Holding Company)	7.4	6.2	1.2	118.5		1.2	118.5
Eliminations	(9.3)	(8.6)	(0.7)		0.1	(0.7)	
Operating Profit	48.2	41.8	6.4	115.3	1.0	5.4	113.0
Profit before income taxes	51.3	42.9	8.4	119.6	1.0	7.4	117.3
Profit for the Period Attributable to Owners of Parent	36.4	29.1	7.3	125.1	0.7	6.6	122.6

USD	110.0	107.0	3.0
EUR	130.5	128.0	2.5



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
3. Business Profit is profit after deducting Cost of sales and Selling, general and administrative expenses from Revenue.