

Business Performance Presentation for Fiscal 2023 Q1

Three-Month Period Ended June 30, 2022

Kikkoman Corporation

August 4, 2022

- **Performance in the Three Months Ended June 30, 2022 and Forecast for Fiscal 2023**

Takao Kamiyama, Director, Executive Corporate Officer and CFO

- **Initiatives to Enhance Corporate Value in the Medium-to-Long-Term**

Noriaki Horikiri, Chairman and CEO

Performance in the Three Months Ended June 30, 2022 and Forecast for Fiscal 2023

Takao Kamiyama

Director, Executive Corporate Officer and CFO

- (1) Performance in the Three Months Ended June 30, 2022
- (2) Forecast for Fiscal 2023

(1)-1 Performance in Q1

Consolidated P/L (Compared with Previous Year)

Q1 Actual

Unit: billion yen

	FY23.3 Q1 Actual	FY22.3 Q1 Actual	Change increase (decrease)	%	Breakdown of change		
					Translation difference	Actual difference	%
Revenue	147.7	123.7	24.0	119.4	13.9	10.2	108.2
Japan	39.4	40.0	(0.6)	98.4		(0.6)	98.4
Overseas	109.7	84.9	24.8	129.2	13.9	11.0	112.9
Business Profit	16.5	14.3	2.1	115.0	1.5	0.7	104.8
Japan	3.8	3.6	0.2	104.3		0.2	104.3
Overseas	12.9	10.9	2.0	118.4	1.4	0.7	106.0
Kikkoman (Holding Company)	3.1	3.1	(0.1)	97.7		(0.1)	97.7
Eliminations	(3.3)	(3.3)	0.1		0.1	(0.1)	
Operating Profit	15.7	14.3	1.4	109.5	1.3		100.1
Profit before income taxes	17.0	16.1	0.9	105.6	1.4	(0.5)	97.1
Profit for the year Attributable to Owners of Parent	12.1	11.6	0.5	104.5	1.0	(0.5)	95.9

USD 129.0 110.0 19.0

EUR 138.2 131.8 6.5

(1)-2 Performance in Q1

Revenue Overseas (Compared with Previous Year)

Q1 Actual

Unit: billion yen

Revenue			FY23.3 Q1 Actual	FY22.3 Q1 Actual	Change increase (decrease)	%	Breakdown of change			
							Translation difference	Actual difference	%	
Overseas	North America	Soy Sauce	19.2	14.7	4.4	130.1	2.8	1.6	110.9	
		Other Foods	3.5	2.9	0.6	120.2	0.5	0.1	102.5	
	Foods—Manufacturing and Sales		22.6	17.6	5.0	128.5	3.3	1.7	109.5	
	Foods—Wholesale		60.0	45.1	14.9	133.1	8.8	6.2	113.7	
	Total		79.6	60.1	19.4	132.3	11.6	7.8	112.9	
	Europe	Foods—Manufacturing and Sales		5.3	5.5	(0.1)	97.3	0.2	(0.4)	92.8
		Foods—Wholesale		8.6	6.6	1.9	129.4	0.4	1.5	123.2
		Total		12.8	11.0	1.8	116.0	0.6	1.2	110.5
	Asia & Oceania	Soy Sauce		4.7	4.0	0.8	119.8	0.5	0.3	107.1
		Del Monte		1.8	1.4	0.4	131.4	0.2	0.2	114.9
		Foods—Manufacturing and Sales		6.6	5.3	1.2	122.8	0.7	0.5	109.2
		Foods—Wholesale		10.3	7.6	2.7	135.4	1.0	1.7	121.8
	Total		16.7	12.8	3.9	130.0	1.7	2.1	116.4	
	Others		15.5	11.8	3.7	131.1		3.7	131.1	
Eliminations		(14.9)	(11.0)	(3.9)		(0.1)	(3.8)			
Total		109.7	84.9	24.8	129.2	13.9	11.0	112.9		

USD 129.0 110.0 19.0

EUR 138.2 131.8 6.5

(1)-3 Performance in Q1

Business Profit Overseas (Compared with Previous year)

Q1 Actual

Unit: billion yen

Business Profit			FY23.3 Q1 Actual	FY22.3 Q1 Actual	Change increase (decrease)	%	Breakdown of change			
							Translation difference	Actual difference	%	
overseas	North America	Foods—Manufacturing and Sales	5.2	3.9	1.3	132.8	0.7	0.6	115.5	
		Foods—Wholesale	4.6	3.4	1.2	133.8	0.7	0.5	114.3	
		Total	9.7	7.3	2.4	132.6	1.3	1.1	114.7	
	Europe	Foods—Manufacturing and Sales	1.4	1.6	(0.2)	85.1	0.1	(0.3)	81.4	
		Foods—Wholesale	0.4	0.4		100.0			95.5	
		Total	1.8	2.1	(0.3)	85.6	0.1	(0.4)	82.2	
	Asia & Oceania	Foods—Manufacturing and Sales	0.7	0.7		96.5	0.1	(0.1)	86.2	
		Foods—Wholesale	0.5	0.3	0.1	132.2		0.1	119.0	
		Total	1.1	1.0	0.1	107.9	0.1		96.8	
	Others		0.8	0.6	0.1	121.7		0.1	121.7	
	Total			12.9	10.9	2.0	118.4	1.4	0.7	106.0
	USD			129.0	110.0	19.0				
EUR			138.2	131.8	6.5					

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

Q1 Actual

Unit: Billions of yen

Overseas +¥2.0 billion



(1)-5 Performance in Q1

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

Q1 Actual

Unit: billion yen

		FY23.3 Q1 Actual	FY22.3 Q1 Actual	Change increase (decrease)	%
Revenue					
Japan	Soy Sauce	10.4	10.3		100.2
	Food Products	13.2	14.2	(0.9)	93.3
	Beverages	11.2	11.4	(0.2)	98.1
	Liquor and Wine	2.3	2.0	0.3	117.4
	Eliminations	(0.1)			
	Foods—Manufacturing and Sales	37.0	37.8	(0.8)	97.8
	Others	5.4	5.3	0.2	102.9
	Eliminations	(3.1)	(3.1)		
Total	39.4	40.0	(0.6)	98.4	

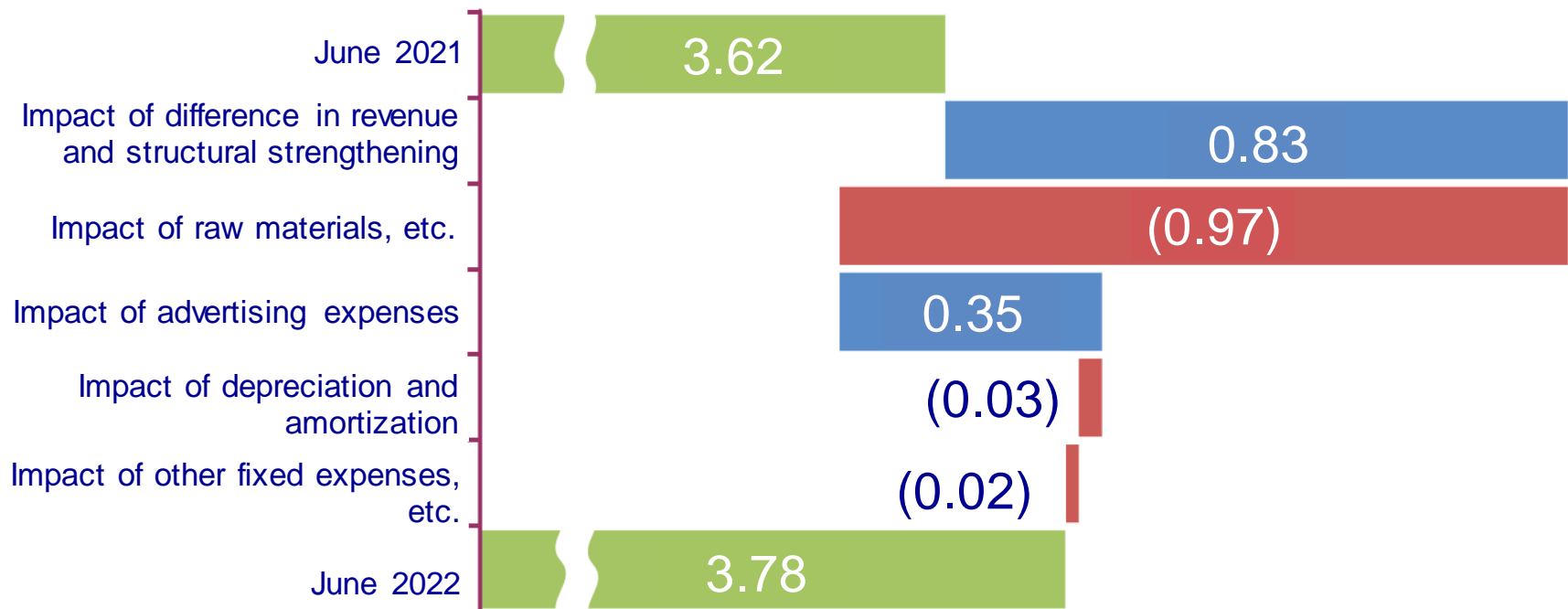
		FY23.3 Q1 Actual	FY22.3 Q1 Actual	Change increase (decrease)	%
Business Profit					
Japan	Foods—Manufacturing and Sales	3.3	3.2	0.1	101.6
	Others	0.5	0.4	0.1	128.0
	Total	3.8	3.6	0.2	104.3

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

Q1 Actual

Unit: Billions of yen

Japan +¥0.16 billion



(2)-1 Forecast for FY2023

Assumptions Made for the Forecasts

- Exchange rates forecast:

Monthly average for July and subsequent months

130 yen/US\$, 140 yen/EUR

(Full year) 129 yen/US\$, 139 yen/EUR

- Impact of raw materials, etc.:

Raw material prices are expected to be high in FY2023.

- Impact of the COVID-19 pandemic:

No large-scale restrictions on economic activities are assumed.

(2)-2 Forecast for H1 FY2023

Revenue Overseas (Compared with Previous Year)

Unit: billion yen

H1 Forecast

Revenue		FY23.3 H1 Forecast	FY22.3 H1 Actual	Change increase (decrease)	%	Breakdown of change				
						Translation difference	Actual difference	%		
Overseas	North America	Soy Sauce	36.4	28.9	7.5	126.0	5.0	2.5	108.6	
		Other Foods	7.1	6.2	0.9	114.8	1.0	(0.1)	98.4	
	Foods—Manufacturing and Sales		43.5	35.1	8.4	124.1	6.1	2.4	106.8	
	Foods—Wholesale		117.6	91.5	26.0	128.4	16.6	9.4	110.3	
	Total		155.7	121.7	34.0	127.9	21.9	12.1	110.0	
	Europe	Foods—Manufacturing and Sales		11.7	10.8	0.9	108.5	0.6	0.3	102.8
		Foods—Wholesale		16.9	14.0	2.9	120.8	0.9	2.0	114.3
		Total		26.2	22.7	3.5	115.3	1.4	2.1	109.2
	Asia & Oceania	Soy Sauce		9.0	8.1	0.9	110.8	1.0	(0.1)	98.6
		Del Monte		3.9	3.0	0.8	127.5	0.5	0.3	111.4
		Foods—Manufacturing and Sales		12.9	11.2	1.7	115.3	1.5	0.2	102.1
		Foods—Wholesale		19.0	14.1	4.9	134.9	2.0	2.9	120.8
	Total		31.6	25.1	6.6	126.2	3.4	3.1	112.4	
	Others		28.4	23.4	5.0	121.3		5.0	121.3	
Eliminations		(25.1)	(22.1)	(3.0)		(0.3)	(2.8)			
Total		216.7	170.7	46.0	126.9	26.4	19.5	111.4		

USD 128.5 110.2 18.3

EUR 138.6 131.0 7.6

(2)-3 Forecast for H1 FY2023

Business Profit Overseas (Compared with Previous Year)

H1 Forecast

Unit: billion yen

Business Profit			FY23.3 H1 Forecast	FY22.3 H1 Actual	Change increase (decrease)	%	Breakdown of change		
							Translation difference	Actual difference	%
Overseas	North America	Foods—Manufacturing and Sales	9.3	7.4	1.8	124.7	1.2	0.6	107.9
		Foods—Wholesale	8.5	6.2	2.3	136.6	1.2	1.1	117.4
		Total	17.6	13.6	4.0	129.3	2.4	1.6	111.9
	Europe	Foods—Manufacturing and Sales	3.2	3.3	(0.1)	95.9	0.2	(0.3)	90.6
		Foods—Wholesale	0.9	1.0	(0.1)	91.4	0.1	(0.1)	86.3
		Total	4.0	4.2	(0.3)	93.9	0.2	(0.5)	88.4
	Asia & Oceania	Foods—Manufacturing and Sales	1.4	1.5	(0.1)	94.2	0.2	(0.3)	83.1
		Foods—Wholesale	0.7	0.5	0.2	146.3	0.1	0.2	130.8
		Total	2.2	2.0	0.2	107.6	0.2	(0.1)	95.2
	Others		1.4	1.2	0.2	114.7		0.2	114.7
	Total			24.6	20.7	3.9	118.9	2.8	1.1

USD 128.5 110.2 18.3

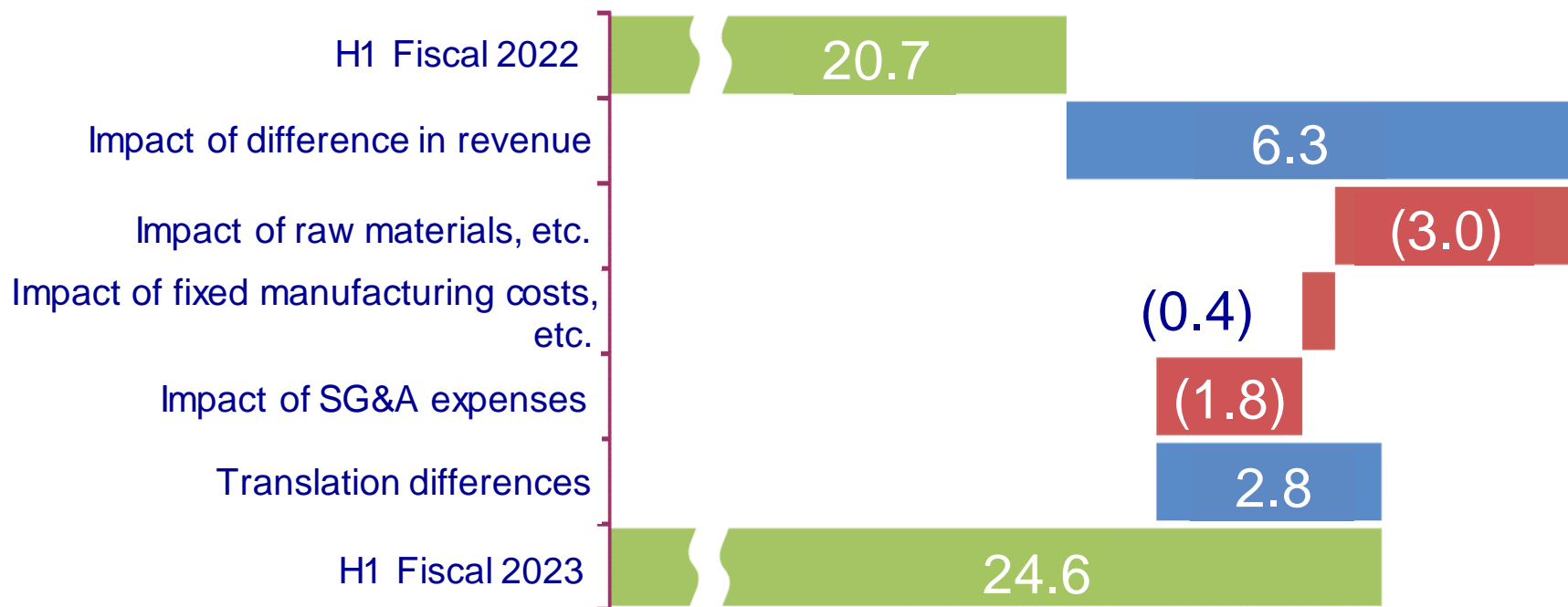
EUR 138.6 131.0 7.6

(2)-4 Major factors for Change in Business Profit Overseas

H1 Forecast

Unit: Billions of yen

Overseas +¥3.9 billion



(2)-5 Forecast for H1 FY2023

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

H1 Forecast

Unit: billion yen

Revenue		FY23.3 H1 Forecast	FY22.3 H1 Actual	Change increase (decrease)	%
Japan	Soy Sauce	21.4	20.9	0.6	102.8
	Food Products	25.8	28.0	(2.2)	92.2
	Beverages	22.9	23.1	(0.2)	99.3
	Liquor and Wine	4.5	3.9	0.5	114.0
	Eliminations	(0.1)	(0.1)		
	Foods—Manufacturing and Sales	74.5	75.7	(1.2)	98.4
	Others	10.8	10.6	0.2	101.8
	Eliminations	(6.0)	(6.1)	0.1	
Total	79.3	80.2	(0.9)	98.9	

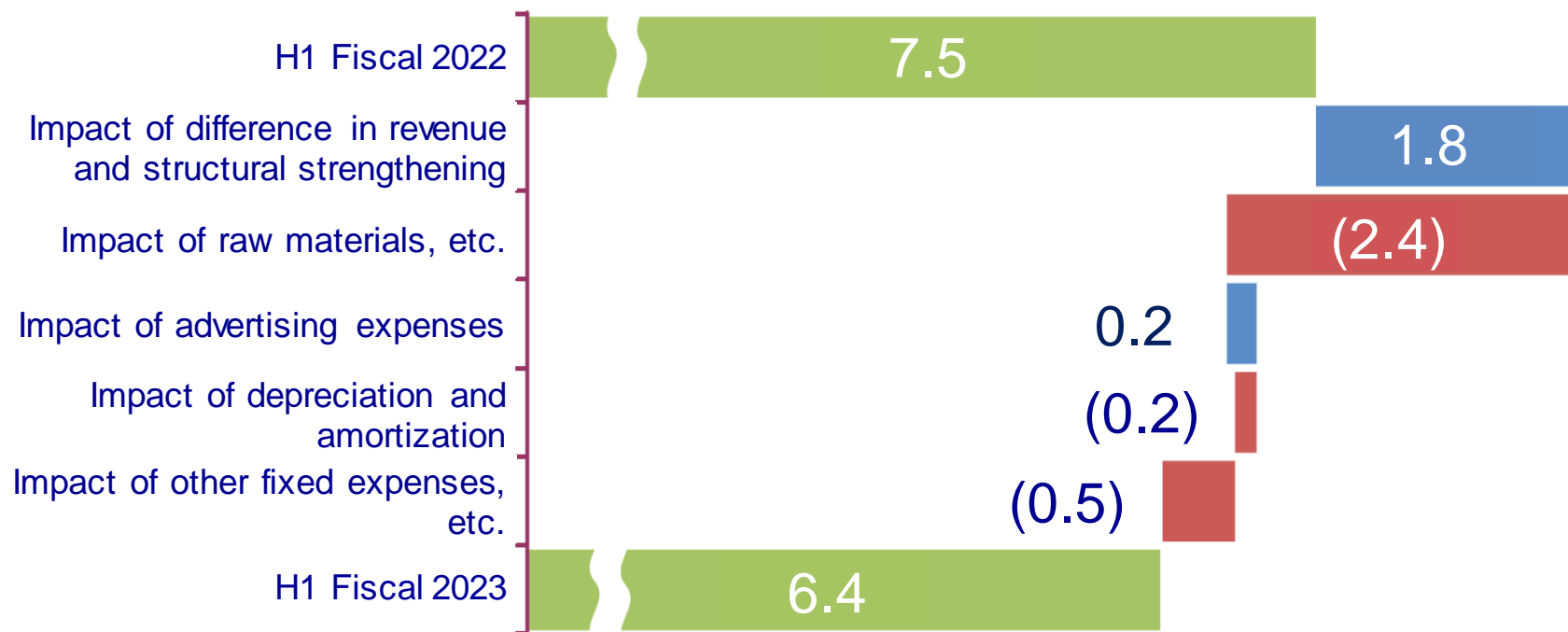
Business Profit		FY23.3 H1 Forecast	FY22.3 H1 Actual	Change increase (decrease)	%
Japan	Foods—Manufacturing and Sales	5.5	6.6	(1.0)	84.2
	Others	0.8	0.9		95.8
	Total	6.4	7.5	(1.1)	85.5

(2)-6 Major factors for Change in Business Profit in Japan

H1 Forecast

Unit: Billions of yen

Japan ¥(1.1) billion



(2)-7 Forecast for H2 FY2023

Revenue Overseas (Compared with Previous Year)

H2 Forecast

Unit: billion yen

Revenue			FY23.3 H2 Forecast	FY22.3 H2 Actual	Change increase (decrease)	%	Breakdown of change		
							Translation difference	Actual difference	%
Overseas	North America	Soy Sauce	37.1	30.0	7.1	123.7	4.0	3.1	110.3
		Other Foods	8.2	6.5	1.7	126.8	0.9	0.8	112.5
		Foods—Manufacturing and Sales	45.4	36.5	8.9	124.2	5.0	3.9	110.7
		Foods—Wholesale	122.1	102.3	19.8	119.4	13.5	6.4	106.2
	Total		161.7	134.3	27.4	120.4	17.8	9.6	107.2
	Europe	Foods—Manufacturing and Sales	13.0	10.4	2.6	124.9	0.8	1.8	117.1
		Foods—Wholesale	17.4	15.3	2.1	113.6	0.9	1.1	107.4
		Total	27.9	23.7	4.1	117.4	1.6	2.5	110.7
	Asia & Oceania	Soy Sauce	9.6	7.9	1.7	121.0	0.9	0.7	109.4
		Del Monte	4.4	3.7	0.7	118.7	0.4	0.2	106.5
		Foods—Manufacturing and Sales	14.0	11.6	2.4	120.3	1.4	1.0	108.5
		Foods—Wholesale	18.8	16.4	2.4	114.4	1.6	0.8	104.9
	Total		32.6	27.8	4.8	117.4	2.9	1.9	106.9
	Others		28.5	31.3	(2.8)	91.2		(2.8)	91.2
Eliminations		(25.0)	(25.2)	0.2		(0.2)	0.4		
Total		225.7	192.0	33.7	117.6	22.1	11.7	106.1	

USD 130.0 116.0 14.0

EUR 140.0 131.1 8.9

(2)-8 Forecast for H2 FY2023

Business Profit Overseas (Compared with Previous Year)

H2 Forecast

Unit: billion yen

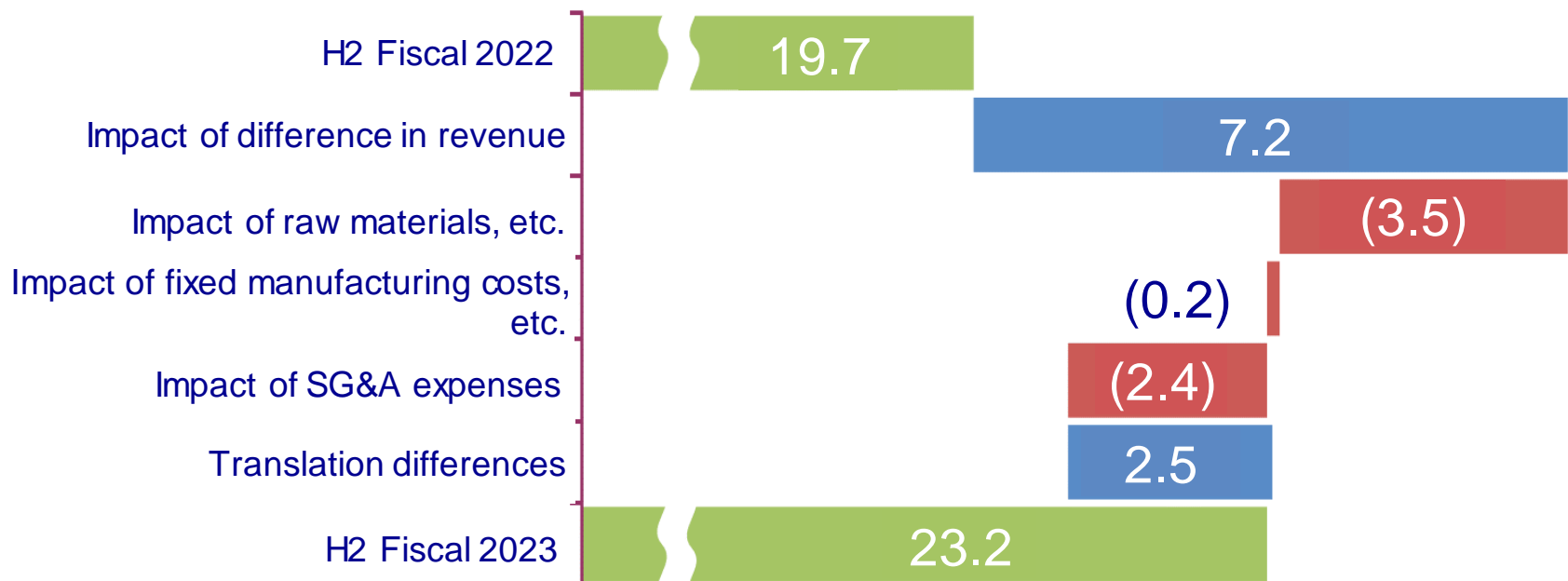
Business Profit		FY23.3 H2 Forecast	FY22.3 H2 Actual	Change increase (decrease)	%	Breakdown of change			
						Translation difference	Actual difference	%	
Overseas	North America	Foods—Manufacturing and Sales	8.9	6.7	2.2	132.7	1.1	1.1	116.6
		Foods—Wholesale	7.4	7.0	0.4	105.4	0.8	(0.4)	94.1
		Total	16.2	13.7	2.5	118.4	1.9	0.6	104.4
	Europe	Foods—Manufacturing and Sales	2.9	2.4	0.5	120.8	0.2	0.3	113.2
		Foods—Wholesale	0.9	0.7	0.2	126.8		0.1	120.3
		Total	3.8	3.1	0.7	123.6	0.2	0.5	116.0
	Asia & Oceania	Foods—Manufacturing and Sales	1.5	1.1	0.5	146.3	0.2	0.3	131.9
		Foods—Wholesale	0.7	0.6	0.1	117.8	0.1		107.9
		Total	2.1	1.6	0.5	131.8	0.2	0.3	118.9
	Others		1.2	1.3	(0.1)	91.6		(0.1)	91.6
		Total	23.2	19.7	3.6	118.2	2.5	1.1	105.7
		USD	130.0	116.0	14.0				
	EUR	140.0	131.1	8.9					

(2)-9 Major factors for Change in Business Profit Overseas

H2 Forecast

Unit: Billions of yen

Overseas +¥3.6 billion



(2)-10 Forecast for H2 FY2023

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

H2 Forecast

Unit: billion yen

		FY23.3 H2 Forecast	FY22.3 H2 Actual	Change increase (decrease)	%
Revenue					
Japan	Soy Sauce	22.5	21.9	0.6	102.8
	Food Products	23.8	25.7	(1.9)	92.6
	Beverages	23.0	20.5	2.5	112.0
	Liquor and Wine	5.2	5.1	0.1	102.6
	Eliminations	(0.1)	(0.1)		
	Foods—Manufacturing and Sales	74.4	73.1	1.3	101.8
	Others	11.3	11.0	0.3	102.3
	Eliminations	(5.9)	(6.1)	0.2	
Total		79.8	78.0	1.8	102.2

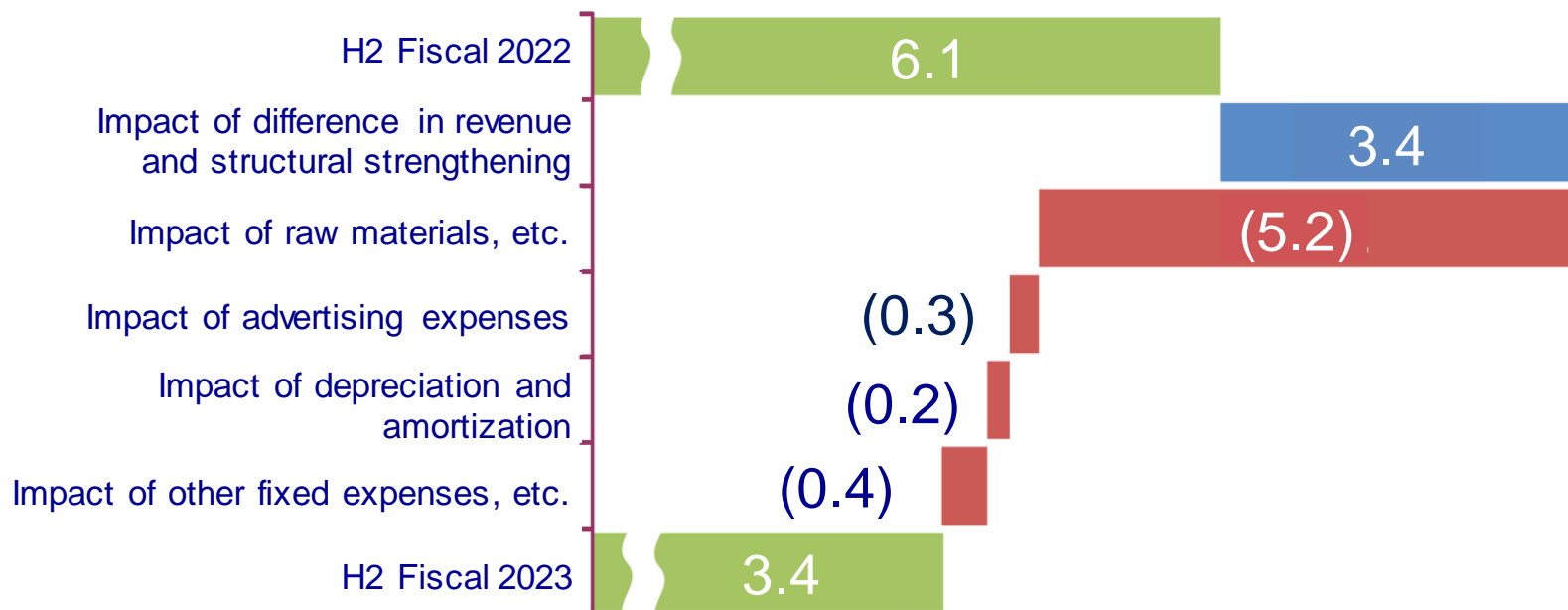
		FY23.3 H2 Forecast	FY22.3 H2 Actual	Change increase (decrease)	%
Business Profit					
Japan	Foods—Manufacturing and Sales	2.5	5.0	(2.5)	50.2
	Others	0.8	1.0	(0.2)	84.5
	Total	3.4	6.1	(2.7)	55.9

(2)-11 Major factors for Change in Business Profit in Japan

H2 Forecast

Unit: Billions of yen

Japan ¥(2.7) billion



(2)-12 Forecast for FY2023 (full year)

Consolidated P/L (Compared with Previous Year)

Full-year Forecast

Unit: billion yen

	FY23.3 Forecast	FY22.3 Actual	Change increase (decrease)	%	Breakdown of change		
					Translation difference	Actual difference	%
Revenue	596.7	516.4	80.3	115.5	48.5	31.7	106.1
Japan	159.1	158.2	0.9	100.5		0.9	100.5
Overseas	442.4	362.7	79.7	122.0	48.5	31.2	108.6
Business Profit	55.1	52.3	2.8	105.4	5.6	(2.8)	94.6
Japan	9.8	13.5	(3.8)	72.2		(3.8)	72.2
Overseas	47.8	40.4	7.5	118.6	5.3	2.2	105.5
Kikkoman (Holding Company)	8.3	9.2	(1.0)	89.3		(1.0)	89.3
Eliminations	(10.8)	(10.8)	0.1		0.4	(0.3)	
Operating Profit	52.8	50.7	2.1	104.2	5.2	(3.1)	93.9
Profit before income taxes	56.2	54.2	2.0	103.6	5.2	(3.3)	94.0
Profit for the year Attributable to Owners of Parent	40.7	38.9	1.8	104.6	3.9	(2.1)	94.6

USD 129.2 112.9 16.3

EUR 139.3 131.0 8.2

Initiatives to Enhance Corporate Value in the Medium-to-Long-Term

Noriaki Horikiri
Chairman and CEO

Initiatives to Enhance Corporate Value in the Medium-to-Long-Term — Objectives

Maintaining growth and increasing profitability while responding to changes in the external environment

Contributing to solving social issues through business activities

Initiatives to Enhance Corporate Value in the Medium-to-Long-Term — Objectives

Maintaining growth and increasing profitability while responding to changes in the external environment

Contributing to solving social issues through business activities

Awareness of the External Environment

Changes in the external environment, such as the COVID-19 pandemic and rises in raw material and crude oil prices resulting from the situation in Russia and Ukraine, have been significantly affecting the Company.

- Changes in demand structure
- Continuing supply chain disruptions and labor shortages
- Rising raw material and crude oil prices and spread of global inflation
- Exchange rate fluctuations (the weakening of the yen)

Initiatives for Overseas Business

Soy Sauce Business

- Maintain growth and improve profitability.
- Maintain strong demand for products for home-use amid the COVID-19 pandemic while simultaneously expanding sales of those for foodservice-use.

North America

- Maintain a stable growth. Enhance supply systems.

Europe

- Sustain double-digit growth in FY2024 and beyond by executing detailed initiatives on a region-by-region basis.

Asia & Oceania

- ASEAN countries: Maintain double-digit growth
- Oceania: Stable growth

New markets

- South America: Facilitate market development
- India: Move on to the growth stage in the 2020s.
- Africa: Lay foundations with a view toward growth in the 2030s.

Foods— Wholesale Business

- Aim to create a well-balanced business structure by avoiding excessive reliance on either of foodservice-use and home-use sectors.
- Seek to strengthen procurement capabilities and improve supply systems

Initiatives for Business in Japan

● Increase profitability in each segment

Soy sauce

- Seek to expand sales of broadly-defined soy sauce including soy sauce derivative product, such as *tsuyu* and *tare*.

Food products

- focus on products with high added value and facilitate improvements in efficiency through capital investment.

Soy milk

- Strive to be back on a growth in FY2024 and beyond and drive the market.
- Increase business profit through improvements in productivity

Others

Work on improving the profitability of low-margin businesses/ categories

Utilizing Management Resources

Utilizing Operating Cash Flow

- Invest proactively in future growth and profitability improvement

Shareholder Returns

- Consolidated payout ratio of 30% or more

Capital Investment

- Japan: Improving profitability, etc.
- Overseas: Increasing soy sauce production, improving and expanding wholesale facilities, etc.

Investment for growth and profitability improvement

- New businesses, value creation, solving social issues, etc. (capital/IT investment, M&A, etc.)

Initiatives to Enhance Corporate Value in the Medium-to-Long-Term — Objectives

Maintaining growth and increasing profitability while responding to changes in the external environment

Contributing to solving social issues through business activities

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

Contribute

Opportunities

Social issues



Summary of Initiatives in Three areas of material social issues

Three areas of material social issues	Basic Approach	Themes
Global Environment	<p>We will respect the workings of nature, and contribute to the realization of a society comfortable to live in through our corporate activities keeping in harmony with the environment.</p>	<ul style="list-style-type: none">● Climate Change● Food Environments● Natural Resources
Food and Health	<p>We will put our thoughts highlighted in the Kikkoman's Promise into practice.</p>	<ul style="list-style-type: none">● Healthy eating of delicious food● Diverse needs for food● Communication
People and Society	<p>We will contribute to sustainable development of society through the creation of a corporate culture where people are valued.</p>	<ul style="list-style-type: none">● Respect for human rights● Cooperation with stakeholders● Strengthening management structure



kikkoman

seasoning your life

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 2021 to March 2022
3. Business profit is profit after deducting the cost of sales and selling, general and administrative expenses from revenue.