

July 30, 2008

Consolidated Financial Results

Kikkoman Corporation Flash Report for Fiscal 2009 1Q

Three-month period ended June 30, 2008

Listed company name: **Kikkoman Corporation**
Code No.: 2801
Shares listed: Tokyo (1st Section), Osaka (1st Section)
URL: <http://www.kikkoman.com>
Representative: Mitsuo Someya, President and Chief Operating Officer
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Notes:

1. The format for Flash Reports has been changed from April 1, 2008.
2. All information has been prepared in accordance with accounting principles and practices generally accepted in Japan.
3. Amounts less than ¥1 million, except for per share amounts, have been omitted in the following tables.

1. Business Performance for the Three-month Period Ended June 30, 2008 (April 1, 2008 to June 30, 2008)

1) Business Performance

(Millions of yen)

	Net sales		Operating income		Ordinary income		Net income	
	Amount	Y o Y (%)	Amount	Y o Y (%)	Amount	Y o Y (%)	Amount	Y o Y (%)
Apr. 1, 2008 -Jun. 30, 2008	99,699	-	4,614	-	4,586	-	2,757	-
Apr. 1, 2007 -Jun. 30, 2007	99,830	8.1	5,929	27.9	5,966	22.4	3,188	4.7

	Net income per share (yen)	Net income per share (Assuming full dilution) (yen)
Apr. 1, 2008 -Jun. 30, 2008	14.25	14.25
Apr. 1, 2007 -Jun. 30, 2007	16.47	16.46

2) Financial Position

(Millions of yen)

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share (yen)
Jun. 30, 2008	372,169	202,904	45.9%	883.55
Mar. 31, 2008	342,287	199,415	48.8%	864.01

(Note) Total shareholders' equity
 Jun. 30, 2008: ¥ 170,955 million
 Mar. 31, 2008: ¥ 167,188 million

2. Cash Dividends

	Cash dividends per share (yen)				
	Three-month period ended	Six-month period ended	Nine-month period ended	Full year ended	Total
Apr. 1, 2007 -Mar. 31, 2008	-	-	-	15.00	15.00
Apr. 1, 2008 -Mar. 31, 2009	-	/	/	/	/
Apr. 1, 2008 -Mar. 31, 2009 (Estimated)	/	-	-	15.00	15.00

(Note) Revisions to dividend forecasts this quarter: None

3. Forecasts of Business Performance for the Fiscal Year Ending March 31, 2009
(April 1, 2008 to March 31, 2009)

(Millions of yen)

	Net sales		Operating income		Ordinary income		Net income		Net income per share (yen)
	Amount	Y o Y (%)	Amount	Y o Y (%)	Amount	Y o Y (%)	Amount	Y o Y (%)	
Apr. 1, 2008-Sep.30, 2008	200,000	-	9,500	-	8,500	-	4,300	-	22.22
Apr.1, 2008-Mar.31, 2009	418,000	1.0	23,000	(3.6)	21,500	(4.0)	11,000	(3.9)	56.85

(Note) Revisions to forecasts of business performance this quarter: None

4. Others

1) Changes to important subsidiaries during the first quarter (Changes in certain specified subsidiaries resulting in revised scope of consolidation): None

Changes to subsidiaries except certain specified subsidiaries were as follows.

Newly consolidated companies: 2

Newly unconsolidated company: 0

Companies newly accounted for by the equity method: 18

Companies no longer accounted for by the equity method: 0

2) Application of simplified accounting methods, and of special accounting methods in the preparation of quarterly consolidated financial statements: Yes

3) Changes in accounting principles, procedures, methods of presentation, etc. associated with preparation of quarterly consolidated financial statements (Changes in important items and other matters fundamental to the preparation of quarterly consolidated financial statements)

Changes associated with accounting standard revisions, etc.: Yes

Changes other than those in ① above : Yes

4) Issued and outstanding shares (common stock)

Shares issued and outstanding at end of period (incl. treasury stock):

Jun. 30, 2008 - 197,202,300 shares Mar. 31, 2008 - 197,202,300 shares

Treasury stock at end of period

Jun. 30, 2008 - 3,714,347 shares Mar. 31, 2008 - 3,700,148 shares

Shares outstanding during the period (cumulative for period, consolidated)

Jun. 30, 2008 - 193,497,770 shares Jun. 30, 2007 - 193,548,587 shares

(Note) For details, see page 7 under subsection 4, "Other Matters," of the "Qualitative Information and Financial Statements, etc." section below.

(Caution regarding forward-looking statements)

1) Forecasts are based on information available to management at the time of announcement. Due to a number of inherent uncertainties in forecasts, actual results may differ materially from forecasts. For details of business performance forecasts, please refer to "3. Forecasts of Business Performance" on page 6 of the "Qualitative Information and Financial Statements, etc." section below.

2) From April 1, 2008, the Company has applied the "Accounting Standard for Quarterly Financial Reporting" (ASBJ Statement No. 12) and "Guidance on Accounting Standard for Quarterly Financial Reporting" (ASBJ Guidance No. 14). Quarterly consolidated financial statements are prepared in accordance with specific rules governing the reporting of quarterly financial results in Japan.

Qualitative Information and Financial Statements, etc.

1. Consolidated Operating Results

The pace of economic growth in Japan, and for the global economy as a whole, showed signs of deceleration during the first quarter of fiscal 2009, as the impact of sharply higher prices for crude oil and raw materials exacerbated lingering uncertainty in the world's financial and capital markets.

In the domestic food, beverage and liquor industries, companies repeatedly raised product prices to keep pace with soaring raw material prices and other factors. Greater interest in food safety among consumers, moreover, put further pressure on companies to enact policies to ensure food safety and reliability.

In this environment, the Kikkoman Group reported lower net sales and operating income year on year in Japan as sales of soy sauce struggled due to a reaction against temporary demand ahead of upward price revisions enacted at the previous fiscal year-end. This outcome came despite steady growth in soy sauce derivative products. Furthermore, while sales from the Coca-Cola business were up compared to the same period a year earlier, sales of beverages from Kibun Food Chemifa Co., Ltd. also struggled during the period. Overseas operations continued to post robust sales in soy sauce and the foods-wholesale segment. Operating income, meanwhile, was severely impacted by escalating prices for raw materials. Consequently, consolidated operating results for the first quarter of fiscal 2009 were as follows.

1) Consolidated Statements of Income *(Millions of yen, %)*

	FY2008 1Q		FY2009 1Q		Increase /Decrease			Translation difference	Increase /Decrease except translation difference	
	4.1.07 – 6.30.07		4.1.08 – 6.30.08		Amount	YoY	%		Amount	YoY
	Amount	%	Amount	%				Amount		
Net Sales	99,830	100.0	99,699	100.0	(131)	99.9	-	(4,151)	4,020	104.0
Operating Income	5,929	5.9	4,614	4.6	(1,315)	77.8	(1.3)	(484)	(830)	86.0
Ordinary Income	5,966	6.0	4,586	4.6	(1,379)	76.9	(1.4)	(438)	(941)	84.2
Net Income	3,188	3.2	2,757	2.8	(430)	86.5	(0.4)	(344)	(85)	97.3
Exchange Rate (¥/US\$)	120.70		104.13		(16.57)					

2) Geographical Segment Information *(Millions of yen, %)*

		FY2008 1Q		FY2009 1Q		Increase /Decrease			Translation difference	Increase /Decrease except translation difference	
		4.1.07 – 6.30.07		4.1.08 – 6.30.08		Amount	YoY	%		Amount	YoY
		Amount	%	Amount	%				Amount		
Japan	Net Sales	71,689	100.0	71,140	100.0	(549)	99.2	-	-	(549)	99.2
	Operating Income	2,411	3.4	895	1.3	(1,516)	37.1	(2.1)	-	(1,516)	37.1
Overseas	Net Sales	32,193	100.0	33,769	100.0	1,576	104.9	-	(4,306)	5,883	118.3
	Operating Income	3,591	11.2	3,784	11.2	193	105.4	0.0	(484)	677	118.9
Eliminations	Net Sales	(4,052)	100.0	(5,210)	100.0	(1,158)	-	-	154	(1,313)	-
	Operating Income	(73)	-	(66)	-	7	-	-	0	7	-
Consolidated total	Net Sales	99,830	100.0	99,699	100.0	(131)	99.9	-	(4,151)	4,020	104.0
	Operating Income	5,929	5.9	4,614	4.6	(1,315)	77.8	(1.3)	(484)	(830)	86.0
Exchange Rate (¥/US\$)		120.70		104.13		(16.57)					

3) Business Segment Information

(Millions of yen, %)

		FY2008 1Q		FY2009 1Q		Increase /Decrease			Translation difference	Increase /Decrease except translation difference	
		4.1.07 – 6.30.07		4.1.08 – 6.30.08		Amount	YoY	%		Amount	YoY
		Amount	%	Amount	%						
Foods-manufacturing and sales	Net Sales	52,565	100.0	50,178	100.0	(2,387)	95.5	-	(1,633)	(753)	98.6
	Operating Income	4,287	8.2	2,935	5.9	(1,352)	68.5	(2.3)	(357)	(994)	76.8
Foods-wholesale	Net Sales	19,173	100.0	21,301	100.0	2,128	111.1	-	(2,523)	4,651	124.3
	Operating Income	1,021	5.3	1,291	6.1	269	126.4	0.8	(126)	396	138.8
Coca-Cola	Net Sales	26,296	100.0	26,769	100.0	473	101.8	-	-	473	101.8
	Operating Income	284	1.1	150	0.6	(134)	53.0	(0.5)	-	(134)	53.0
Others	Net Sales	3,908	100.0	3,497	100.0	(411)	89.5	-	3	(414)	89.4
	Operating Income	338	8.7	226	6.5	(112)	66.9	(2.2)	0	(111)	67.0
Eliminations	Net Sales	(2,113)	100.0	(2,047)	100.0	65	-	-	1	63	-
	Operating Income	(3)	-	10	-	13	-	-	0	13	-
Consolidated total	Net Sales	99,830	100.0	99,699	100.0	(131)	99.9	-	(4,151)	4,020	104.0
	Operating Income	5,929	5.9	4,614	4.6	(1,315)	77.8	(1.3)	(484)	(830)	86.0
Exchange Rate (¥/US\$)		120.70		104.13		(16.57)					

Note: The fiscal year-ends of five consolidated subsidiaries in Europe, JFC International (Europe) GmbH, JFC Deutschland GmbH, JFC (UK) Limited, JFC France S.A.R.L. and JFC Restaurant GmbH changed from December 31 to March 31 effective from the current fiscal year.

Results by business segment were as follows.

Foods—Manufacturing and Sales

This segment comprises the Soy Sauce Division, the Soy Sauce Derivative Products Division (*tsuyu*, *tare* and other processed seasonings), the Del Monte Division (Del Monte processed tomato products, fruit and vegetable juices, and other products), the *Sake* and Wine Division (*mirin*, wine, and other alcoholic beverages), and Other Foods Division, which includes soy milk, food products for business purpose and health food products in the U.S. All products are manufactured and sold in Japan and overseas.

The results for each division are as follows.

Soy Sauce Division

In Japan, in the industrial use sector, sales of large containers grew steadily due to efforts to develop markets. Despite this growth, sales declined overall due to a reaction against temporary demand ahead of upward price revisions.

Overseas, in North America, the Company continued to see steady growth in sales to the home use, foodservice use and industrial use sectors. In the European market, sales grew sharply on the back of robust sales performance mainly in the key markets of Germany, the U.K., and France, as well as contributions from the rapidly growing Central and Eastern European and Russian markets.

In the Asia and Oceania market, however, segment sales were lower year on year.

Soy Sauce Derivative Products Division

In *tsuyu* (soy sauce soup base), sales were steady in the home use sector, particularly for *Hon Tsuyu*. Sales of another *tsuyu* brand, *Hon Tsuyu Kaori Shiro Dashi*, were also firm, helping to boost overall performance. In *tare* (dipping and marinade sauces), overall sales rose substantially year on year atop brisk sales of *Wagaya-wa-Yakinikuyasan*, our mainstay product in this area, and sales of a new product, *Tamanegi Oroshi Shoyu*. Sales of the *Uchi-no-Gohan* series (a handy Japanese-style seasoning mix) were also sharply higher year on year, reflecting benefits from the launch of *Buta-no-Amamiso Itame*, a new product in the *Wafu Sozai-no-Moto* lineup, and three entries in the new *Mazegohan-no-Moto* series, as well as aggressive storefront food tasting sales promotion activities.

Del Monte Division

In Japan, overall sales rose year on year due to higher sales of tomato ketchup and other processed tomato products to the home use sector. In the drink sector, sales of tomato and other existing juices struggled during the period. Sales of sauces were higher than a year earlier, reflecting competitiveness in the home use sector. Overseas, segment sales declined due to lower sales in China and South Korea.

Sake and Wine Division

Hon Mirin sales fell short of those reported a year earlier. In wine, there were steady sales of our premium wine made with domestic grapes, but sales of wine to the foodservice use and industrial use sectors were sluggish, causing wine sales to post a decline overall.

Other Foods Division

In Japan, sales of soy milk drinks, most notably drinks sold in one-liter cartons, declined mainly from price competition with private brands following upward price revisions enacted in May.

In the North American market, health food operations reported brisk growth, particularly for sales of mainstay nutritional supplements.

As a result, segment sales were ¥50,178 million, down 4.5% on the same period of the previous fiscal year. Operating income was ¥2,935 million, down 31.5%.

Foods—Wholesale

This segment procures and sells oriental food products in Japan and overseas.

In the North American market, sales remained healthy as the Japanese foods market continued to expand. In Europe too, the booming popularity of Japanese food continued to spread, resulting in steady sales growth. Sales were also steady in the Asia and Oceania market.

As a result, segment net sales were ¥21,301 million, up 11.1%. Operating income was ¥1,291 million, up 26.4%.

Coca-Cola

This segment carries out the production and sales of soft drinks, mainly Coca-Cola, in Chiba, Ibaraki, and Tochigi prefectures in Japan. Operations are conducted principally by consolidated subsidiary Tone Coca-Cola Bottling Co., Ltd.

Although the soft drink industry continued to face a harsh business climate, the Company posted higher sales year on year thanks largely to meticulous sales promotion activities.

As a result, segment net sales were ¥26,769 million, up 1.8%. However operating income was ¥150 million, down 47.0%.

Others

This segment includes production and sales of medical reagents and clinical diagnostic reagents, chemicals such as hyaluronic acid, as well as real estate rental, and other businesses.

While sales of clinical diagnostic reagents grew steadily, sales of pharmaceutical ingredients and other products were sluggish. Sales of hyaluronic acid increased year on year, reflecting steady growth in pharmaceutical applications. The logistics business, meanwhile, saw performance decline in line with lower shipments.

As a result, segment net sales were ¥3,497 million, down 10.5%. Operating income was ¥226 million, down 33.1%.

As a result of the aforementioned segment results, the Company reported consolidated net sales for the first quarter of fiscal 2009 of ¥99,699 million (down 0.1% year on year), operating income of ¥4,614 million (down 22.2%), ordinary income of ¥4,586 million (down 23.1%) and quarterly net income of ¥2,757 million (down 13.5% year on year).

2. Financial Position

1) Total Assets, Total Liabilities and Net Assets

Total assets at the end of the first quarter were ¥372,169 million, an increase of ¥29,882 million from March 31, 2008. This was mainly due to an increase in investments in securities and increased property plant and equipment.

Total liabilities at the end of the first quarter were up ¥26,394 million to ¥169,265 million, mainly due to an increase in short-term bank loans.

Total net assets at the end of the first quarter increased by ¥3,488 million from March 31, 2008 to ¥202,904 million, mainly due to an increase in foreign currency translation adjustments.

2) Cash Flows

Cash and cash equivalents at the end of the first quarter was ¥32,075 million. This reflected a decrease in cash and cash equivalents of ¥1,011 million.

Cash flows for each activity and reasons are as follows.

Cash Flows From Operating Activities

Operating activities provided net cash of ¥2,417 million. This was mainly due to net income before income taxes and minority interests and depreciation and amortization.

Cash Flows From Investing Activities

Investing activities used net cash of ¥30,604 million. This was mainly attributable to outgoings for investments in securities and the acquisition of property, plant and equipment.

Cash Flows From Financing Activities

Financing activities provided net cash of ¥25,806 million. This was mainly due to inflows from short-term banks loans, offset by outflows for the payment of cash dividends.

3. Forecasts of Business Performance

There has been no change to forecasts, as operating results largely tracked the forecasts issued on April 24, 2008.

Forecasts are based on information available to management at the time of announcement. Due to a number of inherent uncertainties in forecasts, actual results may differ materially from forecasts.

No substantive changes have been made with respect to business risks and other risks that may impact Kikkoman's operating results, which were disclosed in the Company's most recent securities report filing on June 24, 2008.

4. Other Matters

1) Changes to important subsidiaries during the first quarter (Changes in certain specified subsidiaries resulting in revised scope of consolidation):

No applicable items.

Changes in scope of consolidation except specified subsidiaries were as follows.

Changes in scope of consolidation and scope of application of equity methods:

Newly consolidated companies: Terra Vert Corporation * 1

Pacific Marketing Alliance, Inc. * 1

Newly unconsolidated company: None

Companies newly accounted for by the equity method: Riken Vitamin Co., Ltd. Other 17 companies.

Companies no longer accounted for by the equity method: None

Note:

* 1. Change from non-consolidated subsidiary to consolidated subsidiary.

The fiscal year-ends of five consolidated subsidiaries in Europe, JFC International (Europe) GmbH, JFC Deutschland GmbH, JFC (UK) Limited, JFC France S.A.R.L. and JFC Restaurant GmbH changed from December 31 to March 31 effective from the current fiscal year.

2) Application of simplified accounting methods, and of special accounting methods in the preparation of quarterly consolidated financial statements:

Application of simplified accounting methods

Method of calculating estimated losses on general loans

The Company recognized that the loan loss ratio at the end of the first quarter of fiscal 2009 has not significantly changed from the loan loss ratio calculated at the end of the previous fiscal year, and therefore the loan loss ratio at the end of the previous fiscal year was used to calculate estimated losses on loans.

Method of calculating depreciation of property, plant and equipment

The depreciation of assets determined by the declining-balance method is calculated on a pro-rata basis for the period, based on the amount of depreciation expenses for the consolidated fiscal year.

Method of calculating deferred tax assets and deferred tax liabilities

For deferred tax assets that are judged to be recoverable, because there has been no significant change in the operating environment or temporary differences since the end of the previous fiscal year, deferred tax assets and deferred tax liabilities are calculated using the business forecasts used at the end of the previous fiscal year and using a method employing tax planning.

Special accounting methods used in the preparation of quarterly financial statements:

Revision of cost of sales by last-in first-out method

The Company uses the last-in first-out principle to evaluate inventory assets. The amount of inventory assets as of the last day of the first quarter under review is less than the amount at the start of the consolidated fiscal year, but it is reasonably projected that the deficiency will be made up by the last day of the fiscal year. Consequently, the cost of sales is added to inventory assets based on the replacement value for the deficiency, and the added amount is deferred as current liabilities (Other).

Calculation of tax expenses

The effective tax rate after the application of deferred tax accounting to net income before income taxes and minority interests for the consolidated fiscal year including the first quarter under review is

reasonably estimated, and the tax expenses are calculated by multiplying this estimated effective tax rate by net income before income taxes and minority interests. The income tax adjustment is included in income taxes-current on the statement of income.

3) Changes in accounting principles, procedures, methods of presentation, etc. associated with preparation of quarterly consolidated financial statements:

Accounting standard, etc. for quarterly financial statements

Effective from the fiscal year under review, the Company has applied the “Accounting Standard for Quarterly Financial Reporting” (ASBJ Standard No. 12) and “Guidance on Accounting Standard for Quarterly Financial Reporting” (ASBJ Guidance No. 14). Quarterly consolidated financial statements are prepared in accordance with specific rules governing the reporting of quarterly financial results in Japan.

Accounting standard for measurement of inventories

To calculate inventories held for trading purposes, hitherto the Company applied the lower of cost method using the last-in first-out principle to the Company's materials (excluding packaging materials), partly-finished and finished soy sauce products, and applied the lower of cost method using the total average principle to most other products. However, effective from the first quarter under review, the Company has applied the “Accounting Standard for Measurement of Inventories” (ASBJ Standard No. 9). Consequently, the Company applied the valuation at cost method (write-down of the book value based on the drop in profitability in the balance sheet values) using the last-in first-out principle to the Company's materials (excluding packaging materials), partly-finished and finished soy sauce products, and applied the valuation at cost method using the total average principle to most other products.

This effect of this change on operating income, ordinary income and net income before taxes and minority interests for the period is immaterial.

Accounting standard, etc. for lease transactions

Hitherto, the accounting treatment by the Company and its domestic consolidated subsidiaries for finance lease transactions that do not transfer ownership of the leased property to the lessee conformed to the former accounting standard. Effective from the first quarter under review, the Company and its domestic consolidated subsidiaries have applied early adoption of the “Accounting Standard for Lease Transactions” (ASBJ Standard No. 13) and “Guidance on Accounting Standard for Lease Transactions” (ASBJ Guidance No. 16), changed to this revised accounting standard for normal trading transactions, and account for lease transactions in “Other, net” under the category property, plant and equipment.

The depreciation of finance lease transactions that do not transfer ownership of the leased property to the lessee is calculated by the straight-line method using the estimated useful lives to the lease period with a remaining value of zero.

The accounting treatment for finance lease transactions that do not transfer ownership of the leased property to the lessee and start in fiscal years previous to the application of the revised standard, continue to conform to the former accounting standard for ordinary lease transactions.

This effect of this change on operating income, ordinary income and net income before taxes and minority interests for the period is immaterial.

Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for the Consolidated Financial Statements

Effective from the first quarter under review, the Company has applied the “Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for the Consolidated Financial Statements” (ASBJ Practical Issues Task Force No. 18) and made the necessary revisions to its consolidated financial reporting.

This change had no effect on operating income, ordinary income and net income before taxes and minority interests for the period.

Change in the estimated useful lives

(Additional information)

Effective from the first quarter under review, the Company and certain of its domestic consolidated subsidiaries have changed the estimated useful lives of machinery and equipment based on the corporation tax law for some assets, after reviewing the revised corporation tax law.

This effect of this change on operating income, ordinary income and net income before taxes and minority interests for the period is immaterial.

5. Consolidated Quarterly Financial Statements

1) Consolidated Quarterly Balance Sheets

	(Millions of yen)	
	As of June 30, 2008	As of March 31, 2008
Assets		
Current assets		
Cash and deposits	33,207	34,038
Notes and accounts receivable-trade	47,903	49,147
Short-term investment securities	130	130
Merchandise	18,007	16,884
Finished goods	4,662	4,801
Raw materials	2,605	2,486
Work in process	5,923	4,833
Deferred tax assets	5,193	5,171
Other	13,347	12,445
Allowance for doubtful accounts	(972)	(937)
Total current assets	130,008	128,999
Noncurrent assets		
Property, plant and equipment		
Buildings and structures, net	50,048	49,599
Machinery, equipment and vehicles, net	33,817	34,546
Land	32,271	32,287
Construction in progress	7,585	6,085
Other, net	12,537	11,523
Total property, plant and equipment	136,260	134,042
Intangible assets		
Goodwill	23,764	24,068
Rights of trademarks	1,239	1,445
Other	2,896	3,166
Total intangible assets	27,900	28,680
Investments and other assets		
Investment securities	65,846	38,326
Long-term loans receivable	3,300	3,216
Deferred tax assets	2,987	2,987
Other	9,382	9,489
Allowance for doubtful accounts	(3,516)	(3,455)
Total investments and other assets	78,000	50,564
Total noncurrent assets	242,161	213,287
Total assets	372,169	342,287

	(Millions of yen)	
	As of June 30, 2008	As of March 31, 2008
Liabilities		
Current liabilities		
Notes and accounts payable-trade	16,942	17,365
Short-term loans payable	41,259	11,996
Accounts payable-other	14,605	15,954
Income taxes payable	2,411	2,351
Provision for bonuses	1,714	2,477
Provision for directors' bonuses	38	142
Other	7,366	7,034
Total current liabilities	84,338	57,323
Noncurrent liabilities		
Bonds payable	60,000	60,000
Long-term loans payable	1,496	1,592
Deferred tax liabilities	4,088	3,585
Provision for retirement benefits	9,001	9,293
Provision for directors' retirement benefits	1,832	2,186
Other	8,508	8,890
Total noncurrent liabilities	84,927	85,548
Total liabilities	169,265	142,871
Net assets		
Shareholders' equity		
Capital stock	11,599	11,599
Capital surplus	5,793	5,791
Retained earnings	154,966	154,947
Treasury stock	(2,949)	(2,928)
Total shareholders' equity	169,409	169,410
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	6,537	6,030
Deferred gains or losses on hedges	76	10
Foreign currency translation adjustment	(4,638)	(7,834)
Unfunded retirement benefit obligation of overseas subsidiaries	(428)	(427)
Total valuation and translation adjustments	1,546	(2,221)
Subscription rights to shares	67	67
Minority interests	31,880	32,159
Total net assets	202,904	199,415
Total liabilities and net assets	372,169	342,287

2) Consolidated Quarterly Statements of Income

	(Millions of yen)
	First quarter ended June 30, 2008
Net sales	99,699
Cost of sales	60,786
Gross profit	38,912
Selling, general and administrative expenses	34,298
Operating income	4,614
Non-operating income	
Interest income	149
Dividends income	325
Equity in earnings of affiliates	58
Rent income	158
Other	818
Total non-operating income	1,510
Non-operating expenses	
Interest expenses	305
Other	1,232
Total non-operating expenses	1,537
Ordinary income	4,586
Extraordinary income	
Gain on sales of investment securities	967
Total extraordinary income	967
Extraordinary loss	
Loss on valuation of investment securities	119
Special extra retirement payments	47
Loss on valuation of inventories	33
Cost of change of corporate identity	202
Total extraordinary loss	402
Income before income taxes and minority interests	5,151
Income taxes	2,365
Minority interests in income	28
Net income	2,757

3) Consolidated Quarterly Statements of Cash Flows

	(Millions of yen)
	First quarter ended June 30, 2008
Cash flows from operating activities	
Income before income taxes and minority interests	5,151
Depreciation and amortization	4,024
Increase (decrease) in provision for retirement benefits	(187)
Increase (decrease) in accrued expenses resulting from transition of pension plan	(790)
Increase (decrease) in provision for directors' retirement benefits	(354)
Interest and dividends income	(474)
Interest expenses	305
Equity in (earnings) losses of affiliates	(58)
Loss (gain) on sales of property, plant and equipment	(967)
Loss on retirement of property, plant and equipment	125
Loss (gain) on valuation of investment securities	119
Decrease (increase) in notes and accounts receivable-trade	2,176
Decrease (increase) in inventories	(1,260)
Increase (decrease) in notes and accounts payable-trade	(1,274)
Other, net	(2,452)
Subtotal	4,082
Interest and dividends received	438
Interest expenses paid	(143)
Income taxes paid	(1,961)
Net cash provided by (used in) operating activities	2,417
Cash flows from investing activities	
Purchase of property, plant and equipment	(5,081)
Proceeds from sales of property, plant and equipment	1,302
Purchase of intangible assets	(114)
Purchase of investment securities	(26,702)
Proceeds from sales of investment securities	28
Payments of loans receivable	(76)
Collection of loans receivable	133
Other, net	(94)
Net cash provided by (used in) investing activities	(30,604)
Cash flows from financing activities	
Net increase (decrease) in short-term loans payable	29,558
Repayment of long-term loans payable	(403)
Purchase of treasury stock	(33)
Cash dividends paid	(2,915)
Cash dividends paid to minority shareholders	(358)
Other, net	(40)
Net cash provided by (used in) financing activities	25,806
Effect of exchange rate change on cash and cash equivalents	1,368
Net increase (decrease) in cash and cash equivalents	(1,011)
Cash and cash equivalents at beginning of the period	32,984
Increase (decrease) from the changes of accounting year-end date in certain consolidated subsidiaries	(22)
Increase in cash and cash equivalents from newly consolidated subsidiaries	125
Cash and cash equivalents at end of period	32,075

From April 1, 2008, the Company has applied the “Accounting Standard for Quarterly Financial Reporting” (ASBJ Statement No. 12) and “Guidance on Accounting Standard for Quarterly Financial Reporting” (ASBJ Guidance No. 14). Quarterly consolidated financial statements are prepared in accordance with specific rules governing the reporting of quarterly financial results in Japan.

4) Notes Regarding Going Concern

No applicable items.

5) Segment Information

Business Segments

Three-month period ended June 30, 2008

(Millions of yen)

	Foods – manufacturing and sales	Foods – wholesale	Coca-Cola	Others	Total	Eliminations and corporate	Consoli- dated
Sales							
1) Sales to third parties	49,944	21,246	26,712	1,795	99,699	-	99,699
2) Intragroup sales or transfers	233	54	57	1,701	2,047	(2,047)	-
Total sales	50,178	21,301	26,769	3,497	101,746	(2,047)	99,699
Operating income	2,935	1,291	150	226	4,604	10	4,614

Geographical Segments

Three-month period ended June 30, 2008

(Millions of yen)

	Japan	North America	Other	Total	Eliminations and corporate	Consolidated
Sales						
1) Sales to third parties	67,006	25,200	7,492	99,699	-	99,699
2) Interarea sales or transfers	4,133	1,257	133	5,524	(5,524)	-
Total sales	71,140	26,457	7,626	105,223	(5,524)	99,699
Operating income	895	2,869	915	4,680	(66)	4,614

Overseas Sales

Three-month period ended June 30, 2008

(Millions of yen)

	North America	Other	Total
Overseas sales	25,165	8,836	34,002
Consolidated net sales			99,699
Ratio of overseas sales to consolidated net sales	25.2%	8.9%	34.1%

6) Notes Regarding Dramatic Changes in Shareholders' Equity

No applicable items.

Reference

Financial Statements for 1st Quarter of Fiscal 2008

1) Consolidated Quarterly Statements of Income

(Millions of yen)

Item	First quarter ended June 30, 2007
	Amount
Net sales	99,830
Cost of sales	60,135
Gross profit	39,694
Selling, general and administrative expenses	33,764
Operating income	5,929
Non-operating income	
Interest income	169
Dividends income	315
Equity in earnings of affiliates	47
Rent income	138
Other	627
Total non-operating income	1,298
Non-operating expenses	
Interest expenses	236
Other	1,025
Total non-operating expenses	1,261
Ordinary income	5,966
Extraordinary income	
Gain on sales of investment securities	358
Total extraordinary income	358
Extraordinary loss	
Impairment loss	44
Special extra retirement payments	17
Expenses for Kikkoman's 50th Anniversary in America Project	491
Total extraordinary losses	553
Income before income taxes and minority interests	5,771
Total income taxes	2,396
Minority interests in income	186
Net income	3,188

2) Consolidated Quarterly Statements of Cash Flows

(Millions of yen)

Item	First quarter ended June 30, 2007
	Amount
. Net cash provided by (used in) operating activities	
Income before income taxes and minority interests	5,771
Depreciation and amortization	3,922
Impairment loss	44
Increase (decrease) in provision for retirement benefits	(60)
Increase (decrease) in provision for directors' retirement benefits	(13)
Interest and dividends income	(485)
Interest expenses	236
Equity in (earnings) losses of affiliates	(47)
Loss (gain) on sales of investment securities	(358)
Loss on retirement of property, plant and equipment	78
Decrease (increase) in notes and accounts receivable-trade	(823)
Decrease (increase) in inventories	555
Increase (decrease) in notes and accounts payable-trade	362
Other, net	(2,504)
Subtotal	6,679
Interest and dividends received	571
Interest expenses paid	(290)
Income taxes paid	(2,452)
Net cash provided by (used in) operating activities	4,508
. Net cash provided by (used in) investment activities	
Purchase of property, plant and equipment	(3,649)
Proceeds from sales of property, plant and equipment	42
Purchase of intangible assets	(102)
Purchase of investment securities	(1,660)
Proceeds from sales of investment securities	377
Payments of loans receivable	(9)
Collection of loans receivable	257
Other, net	222
Net cash provided by (used in) investment activities	(4,521)
. Net cash provided by (used in) financing activities	
Net increase (decrease) in short-term loans payable	4,042
Repayment of long-term loans payable	(347)
Purchase of treasury stock	(59)
Cash dividends paid	(2,916)
Cash dividends paid to minority shareholders	(356)
Other, net	(3)
Net cash provided by (used in) financing activities	359
. Effect of exchange rate change on cash and cash equivalents	404
. Net increase (decrease) in cash and cash equivalents	749
. Cash and cash equivalents at beginning of the period	23,474
. Increase (decrease) from the changes of accounting year-end date in certain consolidated subsidiaries	(55)
. Increase in cash and cash equivalents from newly consolidated subsidiaries	884
. Cash and cash equivalents at end of period	25,052

3) Segment Information

Business Segments

Three-month period ended June 30, 2007

(Millions of yen)

	Foods – manufacturing and sales	Foods – wholesale	Coca-Cola	Others	Total	Eliminations and corporate	Consoli- dated
Sales							
1) Sales to third parties	52,314	19,116	26,267	2,132	99,830	-	99,830
2) Intragroup sales or transfers	250	56	29	1,776	2,113	(2,113)	-
Total sales	52,565	19,173	26,296	3,908	101,943	(2,113)	99,830
Operating expenses	48,277	18,151	26,011	3,569	96,010	(2,109)	93,900
Operating income	4,287	1,021	284	338	5,933	(3)	5,929

Geographical Segments

Three-month period ended June 30, 2007

(Millions of yen)

	Japan	North America	Other	Total	Eliminations and corporate	Consolidated
Sales						
1) Sales to third parties	67,893	24,873	7,063	99,830	-	99,830
2) Interarea sales or transfers	3,795	389	116	4,302	(4,302)	-
Total sales	71,689	25,263	7,180	104,132	(4,302)	99,830
Operating expenses	69,277	22,477	6,374	98,129	(4,228)	93,900
Operating income	2,411	2,786	805	6,003	(73)	5,929