

Consolidated Financial Results

Kikkoman Corporation Flash Report for First Six Months of Fiscal 2009

Six-month period ended September 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
Contact: Takaharu Nakamura, Corporate Officer
Public Relations and Investor Relations Department
E-mail: ir@mail.kikkoman.co.jp

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 Six-month Period Ended September 30, 2008 (April 1, 2008 to September 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 –Sep. 30, 2008	204,685	-	9,676	-	9,142	-	5,038	-
Apr. 1, 2007 –Sep. 30, 2007	202,727	6.9	11,219	21.4	10,793	18.9	5,702	13.5

	Net income per share (yen)	Net income per share (Assuming full dilution) (yen)
Apr. 1, 2008 –Sep. 30, 2008	25.57	25.57
Apr. 1, 2007 –Sep. 30, 2007	29.47	29.44

2) Financial Position

(Millions of yen)

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share (yen)
Sep. 30, 2008	373,624	208,137	49.1%	890.87
Mar. 31, 2008	342,287	199,415	48.8%	864.01

(Note) Total shareholders' equity

Sep. 30, 2008: ¥ 183,532 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	-	0.00	-	15.00	15.00
Apr. 1, 2008 –Mar. 31, 2009	-	0.00			
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- Mar.31, 2009	413,000	(0.2)	21,000	(12.0)	19,500	(12.9)	10,300	(10.0)	51.20

(Note) Revisions to forecasts of business performance this quarter: Yes

4. Others

- 1) Changes to important subsidiaries during the six-month period (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: 3

Newly unconsolidated company: 0

Companies newly accounted for by the equity method: 18

Companies no longer accounted for by the equity method: 0

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

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

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

- 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

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

- 4) Issued and outstanding shares (common stock)

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

Sep. 30, 2008 - 210,383,202 shares Mar. 31, 2008 - 197,202,300 shares

Treasury stock at end of period

Sep. 30, 2008 - 4,369,236 shares Mar. 31, 2008 - 3,700,148 shares

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

Sep. 30, 2008 - 197,005,616 shares Sep. 30, 2007 - 193,535,595 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 7 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 six months of fiscal 2009, as prices for crude oil and raw materials remained at high levels, exacerbating the lingering uncertainty in the world's financial and capital markets.

In the domestic food, beverage and liquor industries, conditions were severe mainly due to increasing cost burdens resulting from high raw material prices and the economic slowdown. 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. Sales from the Coca-Cola business were in line with the same period in the previous year, while sales of soy milk from Kibun Food Chemifa Co., Ltd. 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 six months of fiscal 2009 were as follows.

Please note that this is the first year that the Kikkoman Group is issuing a first six months Flash Report in this format, and for that reason the Group is unable to provide simple comparisons with the same six-month period in the previous year. For comparison, figures from the previous year's interim Flash Report are provided here for reference purposes.

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

	Six months ended September 30, 2007		Six months ended September 30, 2008		Increase /Decrease			Translation difference	Increase /Decrease except translation difference	
	Amount	%	Amount	%	Amount	YoY	%		Amount	YoY
Net Sales	202,727	100.0	204,685	100.0	1,957	101.0	-	(7,187)	9,145	104.5
Operating Income	11,219	5.5	9,676	4.7	(1,542)	86.3	(0.8)	(731)	(811)	92.8
Ordinary Income	10,793	5.3	9,142	4.5	(1,650)	84.7	(0.8)	(665)	(984)	90.9
Net Income	5,702	2.8	5,038	2.5	(664)	88.4	(0.3)	(470)	(194)	96.6
Exchange Rate (¥/US\$)	119.03		105.36		(13.67)					
(¥/EUR)	162.05		161.56		(0.49)					

2) Geographical Segment Information

(Millions of yen, %)

		Six months ended September 30, 2007		Six months ended September 30, 2008		Increase /Decrease			Translation difference	Increase /Decrease except translation difference	
		Amount	%	Amount	%	Amount	YoY	%		Amount	YoY
Japan	Net Sales	147,309	100.0	147,541	100.0	231	100.2	-	-	231	100.2
	Operating Income	4,249	2.9	2,763	1.9	(1,486)	65.0	(1.0)	-	(1,486)	65.0
Overseas	Net Sales	63,439	100.0	66,451	100.0	3,012	104.7	-	(7,344)	10,356	116.3
	Operating Income	6,988	11.0	6,969	10.5	(19)	99.7	(0.5)	(731)	711	110.2
Eliminations	Net Sales	(8,021)	100.0	(9,307)	100.0	(1,286)	-	-	156	(1,442)	-
	Operating Income	(19)	-	(56)	-	(36)	-	-	0	(36)	-
Consolidated total	Net Sales	202,727	100.0	204,685	100.0	1,957	101.0	-	(7,187)	9,145	104.5
	Operating Income	11,219	5.5	9,676	4.7	(1,542)	86.3	(0.8)	(731)	(811)	92.8
Exchange Rate (¥/US\$)		119.03		105.36		(13.67)					
		(¥/EUR)		162.05		161.56			(0.49)		

3) Business Segment Information

(Millions of yen, %)

		Six months ended September 30, 2007		Six months ended September 30, 2008		Increase /Decrease			Translation difference	Increase /Decrease except translation difference	
		Amount	%	Amount	%	Amount	YoY	%		Amount	YoY
Foods- manufacturing and sales	Net Sales	103,944	100.0	101,477	100.0	(2,466)	97.6	-	(2,830)	364	100.4
	Operating Income	7,736	7.4	6,224	6.1	(1,512)	80.5	(1.3)	(544)	(967)	87.5
Foods- wholesale	Net Sales	37,967	100.0	41,980	100.0	4,012	110.6	-	(4,367)	8,379	122.1
	Operating Income	2,004	5.3	2,252	5.4	247	112.4	0.1	(186)	434	121.7
Coca-Cola	Net Sales	57,430	100.0	58,130	100.0	699	101.2	-	-	699	101.2
	Operating Income	957	1.7	732	1.3	(225)	76.5	(0.4)	-	(225)	76.5
Others	Net Sales	7,599	100.0	7,289	100.0	(310)	95.9	-	1	(311)	95.9
	Operating Income	502	6.6	447	6.1	(54)	89.2	(0.5)	0	(54)	89.2
Eliminations	Net Sales	(4,215)	100.0	(4,192)	100.0	23	-	-	8	15	-
	Operating Income	18	-	19	-	1	-	-	0	1	-
Consolidated total	Net Sales	202,727	100.0	204,685	100.0	1,957	101.0	-	(7,187)	9,145	104.5
	Operating Income	11,219	5.5	9,676	4.7	(1,542)	86.3	(0.8)	(731)	(811)	92.8
Exchange Rate (¥/US\$)		119.03		105.36		(13.67)					
		(¥/EUR)		162.05		161.56			(0.49)		

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. For these companies, the period for the consolidated financial results for the first six months of fiscal 2009, the fiscal year under review, is April 1 to September 30, 2008, while the first six months of fiscal 2008 is the period from January 1 to June 30, 2007.

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, products for foodservice use 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 the launch of *Maroyaka Marudaizu Shoyu* in the home use market, 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 and France, as well as contributions from the rapidly growing Central and Eastern European and Russian markets.

In the Asia and Oceania market, segment sales outperformed the previous 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 the *tsuyu* sector. 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 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 existing tomato and vegetable 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 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 industrial use and foodservice use sectors were sluggish, causing wine sales to post a mild decline overall.

Other Foods Division

In Japan, sales of soy milk, most notably drinks sold in one-liter cartons, declined year on year. The major factor was price competition with private brand products 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 ¥101,477 million, down 2.4% on the same period of the previous fiscal year. Operating income was also down at ¥6,224 million, a decrease of 19.5% from the previous year.

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 ¥41,980 million, up 10.6%. Operating income was ¥2,252 million, up 12.4%.

Coca-Cola

This segment carries out the production and sales of beverages, 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 beverage industry continued to face a harsh business climate, sales posted a year-on-year increase.

As a result, segment net sales were ¥58,130 million, up 1.2%. However operating income was ¥732 million, down 23.5%.

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, logistics and other businesses.

While sales of clinical diagnostic reagents grew steadily, sales of pharmaceutical ingredients and other products were sluggish. Sales of hyaluronic acid were strong, led by cosmetic applications, and increased year on year. The logistics business, meanwhile, saw sales on a par with the previous year.

As a result, segment net sales were ¥7,289 million, down 4.1%. Operating income was ¥447 million, down 10.8%.

As a result of the aforementioned segment results, the Company reported consolidated net sales for the first six months of fiscal 2009 of ¥204,685 million (up 1.0% year on year), operating income of ¥9,676 million (down 13.7%), ordinary income of ¥9,142 million (down 15.3%) and net income of ¥5,038 million (down 11.6% year on year).

2. Financial Position

1) Total Assets, Total Liabilities and Net Assets

Total assets as of September 30, 2008 were ¥373,624 million, an increase of ¥31,337 million from March 31, 2008. This was mainly due to an increase in investments and securities and increased intangible fixed assets.

Total liabilities as of September 30, 2008 were up ¥22,616 million from the end of the previous fiscal year to ¥165,487 million, mainly due to an increase in short-term bank loans.

Total net assets as of September 30, 2008 rose ¥8,721 million from March 31, 2008 to ¥208,137 million, mainly due to an increase in capital surplus despite a decrease in minority interests.

2) Cash Flows

Cash and cash equivalents as of September 30, 2008 was ¥30,961 million. This reflected a decrease in cash and cash equivalents of ¥2,125 million from March 31, 2008.

Cash flows for each activity in the first six months and contributing factors are as follows.

Cash Flows From Operating Activities

Operating activities provided net cash of ¥10,010 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 ¥35,538 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 ¥22,995 million. This was due mainly to inflows from short-term bank loans, offset by outflows for the payment of dividends.

3. Forecasts of Business Performance

From the third quarter of this fiscal year and onward, we anticipate that the deceleration of the economy in the U.S. and Europe due to the U.S. financial crisis will have an increasingly severe impact on the Japanese economy, resulting in more difficult business conditions. Taking into account these and other factors such as the decline in revenue and earnings that may result from foreign currency translation adjustments and uncertainty regarding the business climate and consumer spending, we have revised our business performance forecasts for the fiscal year under review as follows.

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.

(Millions of yen)

	Net sales	Operating income	Ordinary income	Net income	Net income per share (yen)
Previously Issued Forecast (A)	418,000	23,000	21,500	11,000	56.85
Current Revised Forecast (B)	413,000	21,000	19,500	10,300	51.20
Difference (B - A)	(5,000)	(2,000)	(2,000)	(700)	-
Percent Change (%)	(1.2)	(8.7)	(9.3)	(6.4)	-
Results from Previous Fiscal Year	413,938	23,854	22,388	11,447	59.16

Note: Assumed foreign currency exchange rates:

Previously announced forecast: US\$ = ¥100, EUR = ¥155

Forecast as of this announcement: US\$ = ¥100, EUR = ¥147

4. Other Matters

1) Changes to important subsidiaries during the period under review (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
 Desertessence. Com. LLC *2

Newly unconsolidated company: None

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

Companies no longer accounted for under the equity method: None

Note:

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

*2. Newly established

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 special accounting methods in the preparation of quarterly consolidated financial statements:

Application of simplified accounting methods

Method of calculating deferred tax assets and liabilities

The recoverability of deferred tax assets and liabilities for the quarter ended on September 30, 2008 is judged based on the estimation of the future income used in the previous year end and information of tax planning on the ground that there have been no significant changes in the business environments and identified temporal differences since the previous year end date.

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

Adjustment to the cost of sales determined under the last-in first-out valuation method

Quantities of inventories for the quarter ended on September 30, 2008 is less than those of the previous year end date but the short-fall in the quantities of inventories for the quarter ended September 30, 2008 is reasonably expected to be filled by the end of this financial year ending March 31, 2009 and accordingly the replacement costs to fill the short-fall was added to the cost of sales in the quarter and related accrual is reported as other current liabilities at the quarter end.

Tax expenses

Tax expenses for the quarter ended September 30, 2008 are determined based on the income before income taxes and minority interests in the quarter and estimated effective tax rate for the year ending March 31, 2009.

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 of the fiscal year 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.

The 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 of the fiscal year 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.

Accounting Standards adopted by Foreign Subsidiaries

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) under which certain adjustments are required to be made over the books of accounts at foreign subsidiaries to comply with accounting principles generally accepted in Japan.

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

Change in the estimated useful lives of property, plant and equipment

(Additional information)

Effective from the first quarter of the fiscal year 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.

The 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 September 30, 2008	As of March 31, 2008
Assets		
Current assets		
Cash and deposits	32,160	34,038
Notes and accounts receivable-trade	49,016	49,147
Short-term investment securities	130	130
Merchandise finished goods	23,985	21,685
Work in process	6,268	4,833
Raw materials and supplies	3,502	3,201
Deferred tax assets	5,340	5,171
Other	8,583	11,729
Allowance for doubtful accounts	(820)	(937)
Total current assets	128,167	128,999
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	50,811	49,599
Machinery, equipment and vehicles, net	34,593	34,546
Land	32,416	32,287
Construction in progress	4,263	6,085
Other, net	12,908	11,523
Total property, plant and equipment	134,993	134,042
Intangible assets		
Goodwill	31,336	24,068
Rights of trademarks	1,040	1,445
Other	2,668	3,166
Total intangible assets	35,045	28,680
Investments and other assets		
Investment securities	63,141	38,326
Long-term loans receivable	3,486	3,216
Deferred tax assets	3,039	2,987
Other	9,267	9,489
Allowance for doubtful accounts	(3,516)	(3,455)
Total investments and other assets	75,418	50,564
Total non-current assets	245,457	213,287
Total assets	373,624	342,287

	(Millions of yen)	
	As of September 30, 2008	As of March 31, 2008
Liabilities		
Current liabilities		
Notes and accounts payable-trade	17,316	17,365
Short-term loans payable	39,046	11,996
Accounts payable-other	12,732	15,954
Income taxes payable	2,873	2,351
Provision for bonuses	2,933	2,477
Provision for directors' bonuses	79	142
Other	6,904	7,034
Total current liabilities	81,886	57,323
Non-current liabilities		
Bonds payable	60,000	60,000
Long-term loans payable	1,401	1,592
Deferred tax liabilities	3,165	3,585
Provision for retirement benefits	8,826	9,293
Provision for directors' retirement benefits	1,814	2,186
Other	8,393	8,890
Total non-current liabilities	83,601	85,548
Total liabilities	165,487	142,871
Net assets		
Shareholders' equity		
Capital stock	11,599	11,599
Capital surplus	21,222	5,791
Retained earnings	157,144	154,947
Treasury stock	(3,695)	(2,928)
Total shareholders' equity	186,270	169,410
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	5,060	6,030
Deferred gains or losses on hedges	(32)	10
Foreign currency translation adjustment	(7,343)	(7,834)
Unfunded retirement benefit obligation of overseas subsidiaries	(422)	(427)
Total valuation and translation adjustments	(2,737)	(2,221)
Subscription rights to shares	67	67
Minority interests	24,536	32,159
Total net assets	208,137	199,415
Total liabilities and net assets	373,624	342,287

2) Consolidated Quarterly Statements of Income

	(Millions of yen)
	Six months ended September 30, 2008
Net sales	204,685
Cost of sales	125,387
Gross profit	79,298
Selling, general and administrative expenses	69,621
Operating income	9,676
Non-operating income	
Interest income	259
Dividends income	353
Equity in earnings of affiliates	126
Rent income	317
Other	1,349
Total non-operating income	2,406
Non-operating expenses	
Interest expenses	672
Other	2,267
Total non-operating expenses	2,940
Ordinary income	9,142
Extraordinary income	
Gain on sales of property, plant and equipment	1,040
Total extraordinary income	1,040
Extraordinary loss	
Loss on valuation of investment securities	28
Loss on valuation of golf club membership	8
Special extra retirement payments	154
Loss on valuation of inventories	33
Change cost of Corporate Identity	355
Total extraordinary losses	579
Income before income taxes and minority interests	9,603
Income taxes	4,348
Minority interests in income	216
Net income	5,038

3) Consolidated Quarterly Statements of Cash Flows

	(Millions of yen)
	Six months ended September 30, 2008
Cash flows from operating activities	
Income before income taxes and minority interests	9,603
Depreciation and amortization	8,241
Increase (decrease) in provision for retirement benefits	(278)
Increase (decrease) in accrued expenses resulting from transition of pension plan	(806)
Increase (decrease) in provision for directors' retirement benefits	(372)
Interest and dividends income	(613)
Interest expenses	672
Equity in (earnings) losses of affiliates	(126)
Loss (gain) on sales of property, plant and equipment	(1,040)
Loss on retirement of property, plant and equipment	270
Loss (gain) on valuation of investment securities	28
Decrease (increase) in notes and accounts receivable-trade	273
Decrease (increase) in inventories	(3,842)
Increase (decrease) in notes and accounts payable-trade	(289)
Other, net	1,717
Subtotal	13,438
Interest and dividends income received	835
Interest expenses paid	(684)
Income taxes paid	(3,579)
Cash flows from operating activities	10,010
Cash flows from investing activities	
Purchase of property, plant and equipment	(9,749)
Proceeds from sales of property, plant and equipment	1,441
Purchase of intangible assets	(101)
Purchase of investment securities	(26,906)
Proceeds from sales of investment securities	12
Payments of loans receivable	(317)
Collection of loans receivable	272
Other, net	(190)
Cash flows from investing activities	(35,538)
Cash flows from financing activities	
Net increase (decrease) in short-term loans payable	27,503
Repayment of long-term loans payable	(624)
Purchase of treasury stock	(489)
Cash dividends paid	(2,915)
Cash dividends paid to minority shareholders	(351)
Other, net	(126)
Cash flows from financing activities	22,995
Effect of exchange rate change on cash and cash equivalents	405
Net increase (decrease) in cash and cash equivalents	(2,125)
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	30,961

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】

First Six Months (April 1, 2008 – September 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	100,992	41,874	58,033	3,785	204,685	-	204,685
2) Intragroup sales or transfers	485	105	96	3,503	4,192	(4,192)	-
Total sales	101,477	41,980	58,130	7,289	208,877	(4,192)	204,685
Operating income	6,224	2,252	732	447	9,657	19	9,676

【Geographical Segments】

First Six Months (April 1, 2008 – September 30, 2008)

(Millions of yen)

	Japan	North America	Other	Total	Eliminations and corporate	Consolidated
Sales						
1) Sales to third parties	139,665	50,106	14,913	204,685	-	204,685
2) Interarea sales or transfers	7,876	1,816	296	9,989	(9,989)	-
Total sales	147,541	51,923	15,210	214,675	(9,989)	204,685
Operating income	2,763	5,177	1,791	9,732	(56)	9,676

【Overseas Sales】

First Six Months (April 1, 2008 – September 30, 2008)

(Millions of yen)

	North America	Other	Total
Overseas sales	49,836	17,966	67,802
Consolidated net sales			204,685
Ratio of overseas sales to consolidated net sales	24.3%	8.8%	33.1%

6) Notes Regarding Dramatic Changes in Shareholders' Equity

On August 1, 2008, the Company conducted an exchange of shares with Kibun Food Chemifa Co., Ltd. As a result, during the six months ended September 30, 2008, capital reserves increased by ¥15,424 million, resulting in capital reserves of ¥21,192 million at the end of the second quarter.

Reference materials

Financial statements for the same period in the previous fiscal year

1) Consolidated Interim Statements of Income

(Millions of yen)

Item	Six months ended September 30, 2007	
	Amount	%
Net sales	202,727	100.0
Cost of sales	122,321	60.3
Gross profit	80,405	39.7
Selling, general and administrative expenses	69,186	34.2
Operating income	11,219	5.5
Non-operating income	2,156	1.1
Interest income	329	
Dividends income	342	
Equity in earnings of affiliates	163	
Rent income	273	
Other	1,046	
Non-operating expenses	2,582	1.3
Interest expenses	171	
Interest on bonds	313	
Loss on retirement of non-current assets	219	
Other	1,877	
Ordinary income	10,793	5.3
Extraordinary income	4,007	2.0
Gain on sales of property, plant and equipment	2,019	
Gain on sales of investment securities	360	
Dividends from liquidation of securities	27	
Gain on securities contribution to employees' retirement benefits trust	1,598	
Extraordinary loss	3,053	1.5
Impairment loss	1,344	
Non-recurring depreciation on non-current assets	327	
Loss on retirement of non-current assets	44	
Loss on valuation of investment securities	12	
Loss on valuation of golf club membership	5	
Special extra retirement payments	59	
Expenses for Kikkoman's 50th Anniversary in America Project	1,260	
Income before income taxes and minority interests	11,747	5.8
Income taxes-current	4,117	2.0
Income taxes-deferred	1,424	0.7
Minority interests in income	502	0.3
Net income	5,702	2.8

2) Consolidated Interim Statements of Cash Flows

(Millions of yen)

Item	Six months ended September 30, 2007
	Amount
. Cash flows from operating activities	
Income before income taxes and minority interests	11,747
Depreciation and amortization	8,286
Non-recurring depreciation on non-current assets	327
Impairment loss	1,344
Increase (decrease) in provision for retirement benefits	(4,003)
Increase (decrease) in accrued expenses resulting from transition of pension plan	2,321
Increase (decrease) in provision for directors' retirement benefits	69
Interest and dividends income	(672)
Interest expenses	485
Equity in (earnings) losses of affiliates	(163)
Loss (gain) on sales of property, plant and equipment	(2,019)
Loss (gain) on sales of investment securities	(360)
Loss (gain) on securities contribution to employees' retirement benefits trust	(1,598)
Loss on retirement of property, plant and equipment	264
Loss (gain) on valuation of investment securities	12
Decrease (increase) in notes and accounts receivable-trade	(292)
Decrease (increase) in inventories	(538)
Increase (decrease) in notes and accounts payable-trade	508
Other, net	(1,435)
Subtotal	14,280
Interest and dividends income received	904
Interest expenses paid	(493)
Income taxes paid	(4,605)
Cash flows from operating activities	10,085
. Cash flows from investing activities	
Purchase of property, plant and equipment	(8,451)
Proceeds from sales of property, plant and equipment	3,908
Purchase of intangible assets	(321)
Purchase of investment securities	(4,233)
Proceeds from sales of investment securities	405
Payments of loans receivable	(283)
Collection of loans receivable	1,373
Other, net	(6)
Cash flows from investing activities	(7,608)
. Cash flows from financing activities	
Net increase (decrease) in short-term loans payable	3,007
Repayment of long-term loans payable	(912)
Purchase of treasury stock	(166)
Cash dividends paid	(2,916)
Cash dividends paid to minority shareholders	(346)
Other, net	(13)
Cash flows from financing activities	(1,348)
. Effect of exchange rate change on cash and cash equivalents	28
. Net increase (decrease) in cash and cash equivalents	1,156
. 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	25,459

3) Segment Information

【Business Segments】

First Six Months (April 1, 2007 – September 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	103,445	37,847	57,380	4,054	202,727	-	202,727
2) Intragroup sales or transfers	499	120	50	3,545	4,215	(4,215)	-
Total sales	103,944	37,967	57,430	7,599	206,943	(4,215)	202,727
Operating expenses	96,208	35,963	56,472	7,097	195,742	(4,233)	191,508
Operating income	7,736	2,004	957	502	11,200	18	11,219

【Geographical Segments】

First Six Months (April 1, 2007 – September 30, 2007)

(Millions of yen)

	Japan	North America	Other	Total	Eliminations and corporate	Consolidated
Sales						
1) Sales to third parties	139,840	48,825	14,061	202,727	-	202,727
2) Interarea sales or transfers	7,468	808	253	8,531	(8,531)	-
Total sales	147,309	49,634	14,314	211,258	(8,531)	202,727
Operating expenses	143,059	44,169	12,792	200,020	(8,512)	191,508
Operating income	4,249	5,465	1,522	11,237	(18)	11,219

【Overseas Sales】

First Six Months (April 1, 2007 – September 30, 2007)

(Millions of yen)

	North America	Other	Total
Overseas sales	48,739	16,548	65,288
Consolidated net sales			202,727
Ratio of overseas sales to consolidated net sales	24.0%	8.2%	32.2%