

Consolidated Financial Results

Kikkoman Corporation Flash Report for First Six Months of Fiscal 2012

Six-month period ended September 30, 2011

Listed company name: **Kikkoman Corporation**
Shares listed: Tokyo , Osaka
Code No.: 2801
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Scheduled submission date of quarterly accounting report: November 14, 2011
Scheduled date for cash dividend payments: —
Supplementary schedules for quarter: Yes
Results briefing for quarter: Yes

Notes:

1. All information has been prepared in accordance with accounting principles and practices generally accepted in Japan.
2. 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, 2011 (April 1, 2011 to September 30, 2011)

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, 2011 -Sep. 30, 2011	141,834	(1.2)	9,363	(9.0)	8,176	(9.8)	4,391	(3.3)
Apr. 1, 2010 -Sep. 30, 2010	143,609	(0.1)	10,290	(15.1)	9,067	(16.9)	4,539	(22.9)

(Note) Comprehensive Income (loss)

April 1, 2011 to September 30, 2011: ¥ (1,587) million (—%)

April 1, 2010 to September 30, 2010: ¥ (2,965) million (—%)

	Net income per share (yen)	Net income per share (Assuming full dilution) (yen)
Apr. 1, 2011 -Sep. 30, 2011	21.41	—
Apr. 1, 2010 -Sep. 30, 2010	22.00	—

2) Financial Position

(Millions of yen)

	Total assets	Net assets	Shareholders' equity ratio
Sep. 30, 2011	293,264	157,598	53.2%
Mar. 31, 2011	298,867	162,600	53.8%

(Note) Total shareholders' equity

Sep. 30, 2011: ¥ 156,029 million

Mar. 31, 2011: ¥ 160,730 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, 2010 -Mar. 31, 2011	—	0.00	—	15.00	15.00
Apr. 1, 2011 -Mar. 31, 2012	—	0.00	/	/	/
Apr. 1, 2011 -Mar. 31, 2012 (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, 2012 (April 1, 2011 to March 31, 2012)

(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, 2011- Mar.31, 2012	281,500	(0.7)	18,500	(3.7)	16,500	(1.5)	10,200	31.3	49.73

(Note) Revisions to recently announced forecasts of business performance: Yes

4. Others

1) Changes in important subsidiaries during the first six months (Changes in certain specific subsidiaries resulting in a revised scope of consolidation): None

Newly consolidated companies: (name(s)): None

Newly unconsolidated companies: (name(s)): None

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

(Note) For details, please refer to the attachments to this report, Page 10, 2.Summary Information (Other),
2) Application of Special Accounting Methods in Preparation for the Consolidated Quarterly Financial Statements.

3) Changes in accounting policy, changes in accounting estimates and restatement of revisions

- ① Changes in accounting policy associated with accounting standard revisions: None
- ② Changes in accounting policy other than those in ① above: None
- ③ Changes in accounting estimates: None
- ④ Restatement of revisions: None

4) Issued and outstanding shares (common stock)

- ① Shares issued and outstanding at end of period (including treasury stock)

Sep. 30, 2011 — 210,383,202 shares	Mar. 31, 2011 — 210,383,202 shares
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- ② Treasury stock at end of period

Sep. 30, 2011 — 5,271,821 shares	Mar. 31, 2011 — 5,259,613 shares
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- ③ Shares outstanding during the period (cumulative for period, consolidated)

Sep. 30, 2011 — 205,118,550 shares	Sep. 30, 2010 — 206,383,667 shares
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* Disclosure of quarterly review procedures

This quarterly flash report does not use quarterly review procedures based on the Financial Instruments and Exchange Law. The quarterly review procedures were being conducted for consolidated quarterly financial statements when this quarterly flash review was disclosed.

* Explanation of appropriate use of business forecasts and other special matters

(Caution Regarding Forward-looking Statements)

Forecasts of business performance and future developments noted in this report are based on assumptions from information available to management at the time of disclosure and deemed reasonable at the present time. Actual results may differ significantly from forecasts. For details of business performance forecasts and guidelines for assumptions, please refer to the attachments to this report, Page 9, 1. Qualitative Information and Consolidated Financial Statements, etc., 3) Qualitative Information Relating to Forecasts of Business Performance.

(Method for Obtaining Supplementary Schedules for Quarterly Results)

- (1) Kikkoman will publish supplementary schedules to the first half results on TD-net for viewing in Japan, and on its Website.
- (2) Kikkoman will publish presentation materials for the first half results on its Website.

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1. Qualitative Information and Consolidated Financial Statements, etc.

1) Qualitative Information Relating to Consolidated Operating Results

During the second quarter of fiscal 2012 (July 1 to September 30, 2011), the recovery of the global economy weakened overall, and the future has been uncertain, with a harsh income and employment situation in the U.S. and concerns over debt in Europe. In Japan the economy continues to be severely affected by the Great East Japan Earthquake of March 11, 2011. At the same time, however, the economy is recovering thanks to a rebound in production and exports.

In this climate, the Kikkoman Group's sales were sluggish for Soy Sauce, Food Products and Beverages and *Sake* and Wine, but higher year on year for other businesses in Japan. Overseas, sales increased from strong sales in North America and Europe, as well as Asia and Australia.

Performance in each reporting segment is outlined as follows.

<Consolidated Financial Statements>

(Millions of yen, %)

	FY2011 1st half		FY2012 1st half		Increase /Decrease			Translation difference	Increase /Decrease except translation difference	
	4.1.2010 – 9.30.2010		4.1.2011 – 9.30.2011		Amount	YoY	%		Amount	YoY
	Amount	%	Amount	%				Amount		
Net Sales	143,609	100.0	141,834	100.0	(1,774)	98.8	–	(5,301)	3,527	102.5
Operating Income	10,290	7.2	9,363	6.6	(926)	91.0	(0.6)	(525)	(401)	96.1
Ordinary Income	9,067	6.3	8,176	5.8	(891)	90.2	(0.5)	(446)	(444)	95.1
Net Income	4,539	3.2	4,391	3.1	(148)	96.7	(0.1)	(289)	141	103.1
Exchange Rate (¥/US\$)	88.85		79.73		(9.12)					
(¥/EUR)	114.82		114.09		(0.73)					

<Reporting segments>

(Millions of yen, %)

		FY2011 1st half		FY2012 1st half		Increase /Decrease			Translation difference	Increase /Decrease except translation difference	
		4.1.2010 – 9.30.2010		4.1.2011 – 9.30.2011						Amount	
		Amount	%	Amount	%	Amount	YoY	%	Amount	YoY	
Domestic Foods-Manufacturing and Sales	Net Sales	76,815	100.0	73,772	100.0	(3,043)	96.0	—	—	(3,043)	96.0
	Operating Income	3,500	4.6	2,180	3.0	(1,319)	62.3	(1.6)	—	(1,319)	62.3
Domestic Others	Net Sales	9,930	100.0	10,280	100.0	350	103.5	—	—	350	103.5
	Operating Income	665	6.7	857	8.3	192	128.9	1.6	—	192	128.9
Overseas Foods-Manufacturing and Sales	Net Sales	23,909	100.0	23,853	100.0	(56)	99.8	—	(2,058)	2,001	108.4
	Operating Income	4,155	17.4	4,271	17.9	115	102.8	0.5	(362)	477	111.5
Overseas Foods-Wholesale	Net Sales	42,273	100.0	43,722	100.0	1,449	103.4	—	(3,494)	4,944	111.7
	Operating Income	1,991	4.7	2,051	4.7	59	103.0	(0.0)	(126)	185	109.3
Adjustments	Net Sales	(9,320)	100.0	(9,794)	100.0	(474)	—	—	252	(726)	—
	Operating Income	(21)	—	3	—	25	—	—	(36)	61	—
Consolidated Total	Net Sales	143,609	100.0	141,834	100.0	(1,774)	98.8	—	(5,301)	3,527	102.5
	Operating Income	10,290	7.2	9,363	6.6	(926)	91.0	(0.6)	(525)	(401)	96.1
Exchange Rate	(¥/US\$)	88.85		79.73		(9.12)					
	(¥/EUR)	114.82		114.09		(0.73)					

Performance in each reporting segment is outlined as follows.

【Domestic】

Sales in Japan were as follows.

Domestic Foods—Manufacturing and Sales

This business segment comprises manufacturing and sales in Japan of products from the Soy Sauce Division and the Food Products Division, which includes *tsuyu*, *tare* and Del Monte seasonings, as well as the Beverages Division, which includes soy milk beverages and Del Monte beverages, and the *Sake* and Wine Division, which includes *mirin* and wines. Sales for each division were as follows.

■ Soy Sauce Division

Division sales of soy sauce in the first half of fiscal 2012 (April 1 to September 30, 2011) underperformed year on year.

Sales in the home-use sector slid from the same period a year before as the soy sauce market contracted, despite the introduction of *Shiboritate-Nama Shoyu* (fresh raw soy sauce with filtration) in the previous fiscal year and efforts to propose new value for soy sauce through the introduction of new products in August 2011. Industrial-use sales were up year on year, partly due to the contribution of new business development. By contrast, sales in the foodservice-use sector flagged as consumer demand for eating out fell.

■ Food Products Division

In *tsuyu* (soy sauce soup base), home-use sector sales of flagship product *Hon Tsuyu* were up year on year, while the Straight *Tsuyu* series, with its newly introduced products, and the industrial- and foodservice-use sectors contributed significantly to sales growth. As a result, overall *tsuyu* sales were strong. In *tare* (dipping and marinade sauces), the mainstay *Wagaya-wa-Yakinikuyasan* series saw strong sales performance associated

with sales promotions through television commercials, so that aggregate sales of *tare* rose year on year as well.

Sales of the *Uchi-no-Gohan* series (a handy Japanese-style seasoning mix) underwent substantial year-on-year growth along with steady expansion in the customer base, reflecting the continuation of aggressive product development and storefront promotion activities. By contrast, sales of Del Monte seasonings waned year on year, despite an increase in sales of the *Yo-Gohan-Tsukuro* series (seasoning for Western style dishes), partly because damage from the Great East Japan Earthquake hindered the production of some product lines within the mainstay tomato ketchup category.

As a result, aggregate sales in the Food Products Division were below the same period the year before.

■ Beverages Division

Sales of soy milk beverages were mostly unchanged from the same period of the previous year. This was due in part to the temporary curtailment of certain manufactured items due to rolling power outages, despite the roll-out of new 500-mL containers in August, and increased sales of chilled cup soy beverages launched last fiscal year. On aggregate, sales of Del Monte beverages increased year on year. This mainly reflected the continuing benefits of the switch to a holding company structure, as well as the contribution of a new product, “Sweet Carrot.”

As a result, with sales of some products also terminated to improve profit, overall division sales were below the same period the year before.

■ Sake and Wine Division

Overall sales of *Hon Mirin* declined compared to a year earlier. Sales in the home-use sector were down year on year despite continued sales promotion of products in 1 liter containers, such as the mainstay product *Manjo Houjun Hon Mirin*. Sales of ingredients to industrial users were sluggish and foodservice-use sales flagged on falling demand for eating out. Sales of domestic wines fell year on year, reflecting the termination of sales of certain casual wines, even though sales were steady for a new category of *Manns* Wine products. As a result, overall division sales declined year on year.

As a result of the above, both net sales and operating income for the Domestic Foods-Manufacturing and Sales declined 4.0% and 37.7% year on year, to ¥73,772 million and ¥2,180 million, respectively.

Domestic Others

This segment includes production and sales of clinical diagnostic reagents, hygiene inspection agents, processing enzymes and chemical products such as hyaluronic acid, as well as real estate rental, logistics, back-office functions for the Kikkoman Group, and other businesses.

Overall, sales in the chemical products business were favorable, buoyed by a substantial year on year increase in sales of hyaluronic acid. Sales and profits in the logistics business, meanwhile, were steady.

As a result, Domestic Others saw net sales increase 3.5% year on year to ¥10,280 million, and operating income increase 28.9% year on year to ¥857 million.

【Overseas】

Sales overseas were as follows.

Overseas Foods—Manufacturing and Sales

This business comprises the manufacturing and sales and the sale for export overseas of products from the Soy Sauce Division, Del Monte Division, and the Other Foods Division, which sells health foods overseas. Sales for each division were as follows.

■ Soy Sauce Division

In the North American market, the division leveraged its brand power to expand business by enhancing the lineup of soy sauce-based seasonings in addition to mainstay soy sauce products in the home-use sector. In addition, in the industrial- and foodservice-use sectors, we worked attentively to meet customer needs. As a result, overall sales rose steadily on a local currency basis.

In the European market, sales achieved double-digit growth. In particular, strong growth in shipments for

foodservice use in Russia contributed to significant business growth.

In the Asia and Oceania market, sales were up year on year, boosted by sales growth mainly in the ASEAN region.

As a result, overall division sales rose year on year.

■ Del Monte Division

This division conducts sales of canned fruits, canned corn, tomato ketchup and other products in the Asia and Oceania region.

During the first half of fiscal 2012, division sales increased significantly year on year on strong sales performance in the key market of Hong Kong, while sales recovered in South Korea and grew in China.

■ Other Foods Division

This division manufactures and sells health foods, mainly in the North American market.

Division sales increased year on year on a local currency basis for two reasons primarily. The first was the emerging effect of a complete remake of a major brand since the second half last year. The second was consistently strong performance in sales mediated by medical doctors.

As a result, net sales of the Overseas Foods-Manufacturing and Sales segment in the first half rose year on year on a local currency basis, although they declined 0.2% to ¥23,853 million in yen terms. The segment's operating income increased 2.8% year on year, to ¥4,271 million.

Overseas Foods—Wholesale

This segment procures and sells oriental foods in Japan and overseas.

Overall division sales rose year on year. Restrictions on food imported from Japan due to concerns about alleged radioactive contamination among various countries in Europe and Asia were relaxed, and the impact of rumors about products made in Japan in Hong Kong and some other regions has mostly dissipated. Meanwhile, Japanese food continued to ride an expanding wave of popularity in North America, Europe and Oceania, where sales grew steadily on a local-currency basis.

As a result, Overseas Foods-Wholesale saw net sales increase 3.4% year on year to ¥43,722 million, and operating income increase 3.0% year on year to ¥2,051 million.

As a result of the aforementioned segment results, the Company reported consolidated net sales for the first six months of fiscal 2012 of ¥141,834 million (down 1.2% year on year), operating income of ¥9,363 million (down 9.0%), ordinary income of ¥8,176 million (down 9.8%) and net income of ¥4,391 million (down 3.3% year on year).

2) Qualitative Information Relating to Consolidated Financial Position

1. Total Assets, Total Liabilities and Net Assets

(Assets)

Current assets as of September 30, 2011 were ¥103,137 million, down ¥6,308 million from March 31, 2011.

The decline was mainly due to a decrease in cash and deposits. Noncurrent assets rose ¥705 million to ¥190,127 million, primarily because of an increase in land.

As a result, total assets came to ¥293,264 million, down ¥5,602 million from March 31, 2011.

(Liabilities)

Current liabilities were ¥60,769 million, an increase of ¥19,265 million from March 31, 2011. This was mainly attributable to an increase in the current portion of bonds. Noncurrent liabilities decreased ¥19,865 million to ¥74,897 million, mainly because of a decline in bonds payable.

As a result, total liabilities stood at ¥135,666 million, down ¥600 million from March 31, 2011.

(Net Assets)

Net assets stood at ¥157,598 million, down ¥5,002 million from March 31, 2011. This was mainly due to deterioration in foreign currency translation adjustment.

As a result, the equity ratio dropped 0.6 of a percentage point from 53.8% to 53.2%.

2. Cash Flows

Cash and cash equivalents as of September 30, 2011 were ¥20,513 million. This reflected a decrease in cash and cash equivalent of ¥8,341 million from March 31, 2011.

Cash flows for each activity and reasons are as follows.

(Cash Flows from Operating Activities)

During the six months ended September 30, 2011, operating activities provided net cash of ¥7,052 million. The main contributing factors were income before income taxes and minority interests, and depreciation and amortization, which outweighed an increase in inventories, income taxes paid and other factors reducing cash.

(Cash Flows from Investing Activities)

Investing activities used net cash of ¥11,045 million, mainly for the purchase of property, plant and equipment.

(Cash Flows from Financing Activities)

Financing activities used net cash of ¥2,747 million. This was due primarily to the payment of cash dividends.

3) Qualitative Information Relating to Forecasts of Business Performance

We have revised our full-year forecasts for consolidated business performance. Net sales, operating income, ordinary income and net income forecasts have all been revised downward, primarily because of an anticipated lag in the recovery of business performance in Japan. The lag is expected as a result of harsh business conditions and the impact of currency translation effects caused by the strong yen. The yen has appreciated more than expected, and the strong tone for the yen seems likely to continue in the second half of the fiscal year. 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 23, 2011.

The differences between the revised forecasts for consolidated business performance and those given in the earnings report of May 12, 2011 are as follows.

(Full year)

(Millions of yen)

	Net sales	Operating income	Ordinary income	Net income	Net income per share (yen)
Previously Issued Forecast (A)	288,000	19,500	17,300	10,700	52.16
Current Revised Forecast (B)	281,500	18,500	16,500	10,200	49.73
Difference (B - A)	(6,500)	(1,000)	(800)	(500)	—
Percent Change (%)	(2.3)	(5.2)	(4.6)	(4.7)	—
Results from Previous Fiscal Year	283,463	19,208	16,751	7,770	37.74

Note: Assumed foreign currency exchange rates:

Previously announced forecast: US\$ = ¥80.0, EUR = ¥115.0

Forecast as of this announcement: US\$ = ¥77.5, EUR = ¥107.5

2. Summary Information (Other)

1) Changes in Important Subsidiaries during the First Six Months

No applicable items

Changes in subsidiaries outside of specific subsidiaries

Consolidations (New) Kikkoman Biochemifa Company (newly established)
(Deconsolidated) Reaction Sales CL UK Limited (Liquidated)

Foodchemifa Co., Ltd changed its name to Kikkoman Soyfoods Company on April 1, 2011.

2) Application of Special Accounting Methods in Preparation for the Consolidated Quarterly Financial Statements

Calculation of tax expenses

The effective tax rate after application of deferred tax accounting to income before income taxes and minority interests for the consolidated fiscal year, including the first half under review, is reasonably estimated, and the tax expenses are calculated by multiplying this estimated effective tax rate by income before income taxes and minority interests.

3) Changes in Accounting Policy, Changes in Accounting Estimates and Restatement of Revisions

No applicable items

4) Additional Information

Application of accounting standard for accounting changes and error corrections

From April 1, 2011 Kikkoman has applied the “Accounting Standard for Accounting Changes and Error Corrections” (ASBJ Statement No.24, December 4, 2009) and the “Guidance on the Accounting Standard for Accounting Changes and Error Corrections” (ASBJ Guidance No.24, December 4, 2009).

Application of consolidated taxation system

From the first quarter of the fiscal year ending March 31, 2012, the Company and some of its consolidated subsidiaries have applied the consolidated taxation system.

3. Consolidated Quarterly Financial Statements

1) Consolidated Quarterly Balance Sheets

	(Millions of yen)	
	As of March 31, 2011	As of September 30, 2011
Assets		
Current assets		
Cash and deposits	30,247	21,906
Notes and accounts receivable-trade	39,029	39,459
Short-term investment securities	131	131
Merchandise and finished goods	19,063	19,630
Work in process	8,699	9,603
Raw materials and supplies	3,221	3,490
Deferred tax assets	4,988	5,221
Other	4,485	4,075
Allowance for doubtful accounts	(421)	(382)
Total current assets	109,445	103,137
Noncurrent assets		
Property, plant and equipment		
Buildings and structures, net	40,920	40,286
Machinery, equipment and vehicles, net	33,686	33,497
Land	15,548	18,346
Lease assets, net	172	156
Construction in progress	3,712	3,377
Other, net	2,283	2,193
Total property, plant and equipment	96,323	97,857
Intangible assets		
Goodwill	25,189	24,352
Other	2,593	3,014
Total intangible assets	27,782	27,366
Investments and other assets		
Investment securities	51,944	51,645
Long-term loans receivable	1,318	1,322
Deferred tax assets	2,820	2,756
Other	10,703	10,748
Allowance for doubtful accounts	(1,472)	(1,569)
Total investments and other assets	65,315	64,903
Total noncurrent assets	189,421	190,127
Total assets	298,867	293,264

(Millions of yen)

	As of March 31, 2011	As of September 30, 2011
Liabilities		
Current liabilities		
Notes and accounts payable-trade	14,626	15,021
Short-term loans payable	5,054	5,071
Current portion of bonds	—	20,000
Lease obligations	71	67
Accounts payable-other	12,711	11,466
Income taxes payable	2,030	1,460
Provision for bonuses	2,187	2,452
Provision for directors' bonuses	80	42
Provision for investment loss	267	—
Provision for lost on disaster	493	253
Other	3,981	4,933
Total current liabilities	41,504	60,769
Noncurrent liabilities		
Bonds payable	60,000	40,000
Long-term loans payable	19,555	20,036
Lease obligations	123	115
Deferred tax liabilities	2,287	2,149
Provision for retirement benefits	3,922	4,059
Provision for directors' retirement benefits	1,099	1,059
Provision for environmental measures	348	346
Provision for loss on plant closing	209	209
Other	7,216	6,921
Total noncurrent liabilities	94,762	74,897
Total liabilities	136,266	135,666
Net assets		
Shareholders' equity		
Capital stock	11,599	11,599
Capital surplus	21,210	21,209
Retained earnings	156,248	157,557
Treasury stock	(5,214)	(5,223)
Total shareholders' equity	183,844	185,142
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(1,230)	(1,119)
Deferred gains or losses on hedges	(0)	(20)
Foreign currency translation adjustment	(21,194)	(27,350)
Unfunded retirement benefit obligation of overseas subsidiaries	(688)	(623)
Total accumulated other comprehensive income	(23,113)	(29,113)
Subscription rights to shares	179	179
Minority interests	1,690	1,389
Total net assets	162,600	157,598
Total liabilities and net assets	298,867	293,264

2) Consolidated Quarterly Statements of Income and Consolidated Quarterly Statements of Comprehensive Income

(Consolidated Quarterly Statements of Income) (During the first six months of fiscal 2012)

	(Millions of yen)	
	Six months ended September 30, 2010	Six months ended September 30, 2011
Net sales	143,609	141,834
Cost of sales	84,179	83,927
Gross profit	59,429	57,907
Selling, general and administrative expenses	49,138	48,543
Operating income	10,290	9,363
Non-operating income		
Interest income	106	53
Dividends income	323	311
Equity in earnings of affiliates	195	144
Rent income	288	243
Foreign exchange gains	801	785
Other	669	413
Total non-operating income	2,384	1,952
Non-operating expenses		
Interest expenses	733	706
Loss on valuation of derivatives	659	764
Other	2,214	1,668
Total non-operating expenses	3,607	3,139
Ordinary income	9,067	8,176
Extraordinary income		
Gain on sales of property, plant and equipment	599	4
Gain on sales of investment securities	94	15
Other	30	65
Total extraordinary income	724	86
Extraordinary loss		
Impairment loss	—	427
Loss on retirement of noncurrent assets	314	39
Loss on valuation of investment securities	437	43
Loss on valuation of golf club membership	9	3
Provision of allowance for investment loss	320	—
Special extra retirement payments	377	—
Loss on adjustment for changes of accounting standard for asset retirement obligations	128	—
Expenses for exhibition in Shanghai Expo	315	—
Expenses for change of the Company's name of subsidiaries and affiliates	—	70
Loss on disaster	—	473
Other	192	83
Total extraordinary loss	2,094	1,141
Income before income taxes and minority interests	7,698	7,121
Income taxes	3,116	2,696
Income before minority interests	4,581	4,424
Minority interests in income	41	33
Net income	4,539	4,391

(Consolidated Quarterly Statements of Comprehensive Income)
(During the first six months of fiscal 2012)

	(Millions of yen)	
	Six months ended September 30, 2010	Six months ended September 30, 2011
Income before minority interests	4,581	4,424
Other comprehensive income		
Valuation difference on available-for-sale securities	(1,112)	123
Deferred gains or losses on hedges	(16)	(3)
Foreign currency translation adjustment	(6,081)	(6,065)
Unfunded retirement benefit obligation of overseas subsidiaries	21	64
Share of other comprehensive income of associates accounted for using equity method	(358)	(130)
Total other comprehensive income (loss)	(7,547)	(6,011)
Comprehensive income (loss)	(2,965)	(1,587)
Total comprehensive income (loss) attributable to:		
Owners of the Company	(3,001)	(1,608)
Minority interests	35	21

3) Consolidated Quarterly Statements of Cash Flows

(Millions of yen)

	Six months ended September 30, 2010	Six months ended September 30, 2011
Cash flows from operating activities		
Income before income taxes and minority interests	7,698	7,121
Depreciation and amortization	5,748	5,914
Impairment loss	—	427
Increase (decrease) in provision for retirement benefits	235	153
Increase (decrease) in provision for directors' retirement benefits	(60)	(39)
Increase (decrease) in provision for lost on disaster	—	(240)
Interest and dividends income	(440)	(364)
Interest expenses	733	706
Equity in (earnings) losses of affiliates	(195)	(144)
Loss (gain) on sales of property, plant and equipment	(605)	(12)
Loss (gain) on sales of investment securities	(94)	(15)
Loss on retirement of property, plant and equipment	364	141
Loss (gain) on valuation of investment securities	437	44
Decrease (increase) in notes and accounts receivable-trade	(573)	(1,759)
Decrease (increase) in inventories	(1,403)	(3,156)
Increase (decrease) in notes and accounts payable-trade	1,213	1,326
Other, net	2,033	470
Subtotal	15,092	10,572
Interest and dividends received	647	551
Interest expenses paid	(710)	(686)
Income taxes paid	(2,861)	(3,384)
Net cash provided by (used in) operating activities	12,167	7,052
Cash flows from investing activities		
Purchase of property, plant and equipment	(6,655)	(10,036)
Proceeds from sales of property, plant and equipment	637	30
Purchase of intangible assets	(284)	(575)
Purchase of investment securities	(99)	(202)
Proceeds from sales of investment securities	105	22
Payments of loans receivable	(67)	(246)
Collection of loans receivable	358	115
Other, net	243	(152)
Net cash provided by (used in) investing activities	(5,762)	(11,045)
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	(1,823)	49
Proceeds from long-term loans payable	—	445
Repayment of long-term loans payable	(159)	(100)
Purchase of treasury stock	(22)	(14)
Cash dividends paid	(3,101)	(3,082)
Cash dividends paid to minority shareholders	(9)	(6)
Other, net	(98)	(39)
Net cash provided by (used in) financing activities	(5,213)	(2,747)
Effect of exchange rate change on cash and cash equivalents	(1,473)	(1,600)
Net increase (decrease) in cash and cash equivalents	(283)	(8,341)
Cash and cash equivalents at beginning of the period	25,008	28,855
Increase in cash and cash equivalents resulting from merger with unconsolidated subsidiary	35	—
Cash and cash equivalents at end of period	24,760	20,513

4) Notes regarding Going Concern

No applicable items.

5) Segment Information, etc.

1. First six months of fiscal 2011 (April 1, 2010 to September 30, 2010)
Sales, Income, and Losses by Reporting Segment

(Millions of yen)

	Reporting Segment					Adjustments (Note 1)	Consoli- dated Total (Note 2)
	Domestic Foods – Manufacturing and Sales	Domestic Others	Overseas Foods – Manufacturing and Sales	Overseas Foods – Wholesale	Total		
Sales							
Sales to third parties	76,282	4,223	20,994	42,109	143,609	—	143,609
Intragroup sales or transfers	533	5,706	2,915	164	9,320	(9,320)	—
Total sales	76,815	9,930	23,909	42,273	152,929	(9,320)	143,609
Operating income	3,500	665	4,155	1,991	10,312	(21)	10,290

(Notes)

- Adjustments of ¥ (21) million in segment operating income consist mainly of difference in the allocation of corporate expenses.
- Segment operating incomes are adjusted to the operating incomes recorded in the consolidated statements of income.

2. First six months of fiscal 2012 (April 1, 2011 to September 30, 2011)
Sales, Income, and Losses by Reporting Segment

(Millions of yen)

	Reporting Segment					Adjustments (Note 1)	Consoli- dated Total (Note 2)
	Domestic Foods – Manufacturing and Sales	Domestic Others	Overseas Foods – Manufacturing and Sales	Overseas Foods – Wholesale	Total		
Sales							
Sales to third parties	73,205	4,161	20,886	43,581	141,834	—	141,834
Intragroup sales or transfers	567	6,119	2,966	141	9,794	(9,794)	—
Total sales	73,772	10,280	23,853	43,722	151,629	(9,794)	141,834
Operating income	2,180	857	4,271	2,051	9,360	3	9,363

(Notes)

- Adjustments of ¥3 million in segment operating income consist mainly of elimination of inter-segment transactions.
- Segment operating incomes are adjusted to the operating incomes recorded in the consolidated statements of income.

6) Notes regarding Significant Changes in Shareholders' Equity

No applicable items.