

Consolidated Financial Results

Kikkoman Corporation Flash Report 2019 (Japanese GAAP) (Consolidated)

Year ended March 31, 2019

Listed company name: **Kikkoman Corporation**
Shares listed: Tokyo (1st Section)
Code No.: 2801
URL: <https://www.kikkoman.com>
Representative: Noriaki Horikiri, President and Chief Executive Officer
Contact: Kazuki Usui, Corporate Officer General Manager
Corporate Communication Department
E-mail: ir@mail.kikkoman.co.jp

Scheduled Date of Ordinary General Meeting of Shareholders: June 25, 2019
Scheduled Date of Dividend Payment Commencement: June 26, 2019
Scheduled Date for Release of Annual Securities Report: June 25, 2019
Business Performance Presentation to Be Held: 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 Year Ended March 31, 2019 (April 1, 2018 to March 31, 2019)

1) Business Performance

(Millions of yen)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Amount	Y o Y (%)	Amount	Y o Y (%)	Amount	Y o Y (%)	Amount	Y o Y (%)
Apr. 1, 2018 –Mar. 31, 2019	453,565	5.3	38,417	5.2	37,925	5.4	25,992	9.0
Apr. 1, 2017 –Mar. 31, 2018	430,602	7.1	36,502	11.1	35,985	12.3	23,846	0.1

(Note) Comprehensive Income

April 1, 2018 to March 31, 2019: ¥ 25,238 million (18.6 %)

April 1, 2017 to March 31, 2018: ¥ 21,287 million ((17.3) %)

	Earnings per share (yen)	Earnings per share (Assuming full dilution) (yen)	ROE	Ordinary profit to total assets	Operating Profit Margin
Apr. 1, 2018 –Mar. 31, 2019	135.39	-	10.1	10.7	8.5
Apr. 1, 2017 –Mar. 31, 2018	123.71	-	9.8	10.2	8.5

(Reference) Equity-method investment gain

April 1, 2018 to March 31, 2019: ¥ 126 million

April 1, 2017 to March 31, 2018: ¥ 172 million

2) Financial Position

(Millions of yen)

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share (yen)
Mar. 31, 2019	362,119	270,451	73.3%	1,382.60
Mar. 31, 2018	343,929	253,289	72.1%	1,292.18

(Reference) Total shareholders' equity

March 31, 2019: ¥ 265,428 million

March 31, 2018: ¥ 248,072 million

(Note) From the beginning of the consolidated fiscal year, "Partial Amendments to Accounting Standard for Tax Effect Accounting" (Accounting Standards Board of Japan ("ASBJ") Guidance No. 28, February 16, 2018), have been applied, and therefore the figures for the consolidated financial position as of March 31, 2018 are those after the said standards, are applied retroactively.

3) Cash Flows

(Millions of yen)

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Apr. 1, 2018 –Mar. 31, 2019	37,023	(25,698)	(7,041)	27,509
Apr. 1, 2017 –Mar. 31, 2018	37,645	(14,640)	(43,968)	22,785

2. Cash Dividends

	Cash dividends per share (yen)					Cash dividends total (full year) (millions of yen)	Dividend payout ratio (consolidated)	Dividend on equity (consolidated)
	Three-month period ended	Six-month period ended	Nine-month period ended	Full year ended	Total			
Apr. 1, 2017 -Mar. 31, 2018	-	22.00	-	17.00	39.00	7,514	31.5%	3.1%
Apr. 1, 2018 -Mar. 31, 2019	-	20.00	-	21.00	41.00	7,873	30.3%	3.1%
Apr. 1, 2019 -Mar. 31, 2020 (Estimated)	-	21.00	-	21.00	42.00		30.0%	

Dividends per share at the end of the six-month period ended September 30, 2017, are 17.00 yen for ordinary dividends and 5.00 yen for commemorative dividends, respectively.

3. Forecasts of Business Performance for the Fiscal Year Ending March 31, 2020 (April 1, 2019 to March 31, 2020)

(Millions of yen)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share (yen)
	Amount	Y o Y (%)	Amount	Y o Y (%)	Amount	Y o Y (%)	Amount	Y o Y (%)	
Apr.1, 2019-Sep.30, 2019	235,100	4.0	20,900	4.1	20,300	1.5	14,400	0.5	75.01
Apr.1, 2019-Mar.31, 2020	473,500	4.4	39,700	3.3	38,900	2.6	26,900	3.5	140.12

*Notes

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

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

Changes in accounting policy associated with accounting standard revisions: None

Changes in accounting policy other than those in above: None

Changes in accounting estimates: None

Restatement of revisions: None

3) Issued and outstanding shares (common stock)

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

March 31, 2019 - 193,883,202 shares March 31, 2018 - 210,383,202 shares

Treasury stock at end of period

March 31, 2019 - 1,905,508 shares March 31, 2018 - 18,403,085 shares

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

March 31, 2019 - 191,979,066 shares March 31, 2018 - 192,764,970 shares

(Reference) Overview of Non-consolidated Results

1. Business Performance (unconsolidated) for the Year Ended March 31, 2019
(April 1, 2018 to March 31, 2019)

1) Business Performance (unconsolidated)

(Millions of yen)

	Net sales		Operating profit		Ordinary profit		Profit	
	Amount	Y o Y (%)	Amount	Y o Y (%)	Amount	Y o Y (%)	Amount	Y o Y (%)
Apr. 1, 2018 –Mar. 31, 2019	24,031	7.0	8,159	14.9	9,281	15.1	9,612	16.6
Apr. 1, 2017 –Mar. 31, 2018	22,457	10.9	7,102	20.0	8,066	32.0	8,247	302.5

	Earnings per share (yen)	Earnings per share (Assuming full dilution) (yen)
Apr. 1, 2018 –Mar. 31, 2019	50.05	-
Apr. 1, 2017 –Mar. 31, 2018	42.77	-

2) Financial Position (unconsolidated)

(Millions of yen)

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share (yen)
Mar. 31, 2019	213,556	88,943	41.6 %	463.16
Mar. 31, 2018	210,175	89,472	42.6 %	465.91

(Reference) Total shareholders' equity

March 31, 2019: ¥ 88,943 million

March 31, 2018: ¥ 89,472 million

(Note) From the beginning of the consolidated fiscal year, "Partial Amendments to Accounting Standard for Tax Effect Accounting" (Accounting Standards Board of Japan ("ASBJ") Guidance No. 28, February 16, 2018), have been applied, and therefore the figures for the consolidated financial position as of March 31, 2018 are those after the said standards, are applied retroactively.

* This flash report is not included in the scope of an audit by certified public accountants or the audit corporations.

* 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 materially from forecasts. For details of business performance forecasts and guidelines for assumptions, please refer to the attachments to this report, Page 6, 2.Consolidated Business Forecasts.

(How to obtain business performance presentation materials)

(1)Kikkoman will publish supplementary schedules on TD-net for viewing in Japan, and on its website.

(2)Kikkoman plans to publish business performance presentation materials on its website.

Table of Contents of Attachments

1. Consolidated Operating Results	5
2. Consolidated Business Forecasts	6
3. Basic policy for selecting accounting standards	6
4. Consolidated Financial Statements	7
1) Consolidated Balance Sheets	7
2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income	9
(Consolidated Statements of Income)	9
(Consolidated Statements of Comprehensive Income)	10
3) Consolidated Statements of Changes in Net Assets	11
4) Consolidated Statements of Cash Flows	15
(Reference) Changes in cash flow-related indices	17
5) Notes on consolidated financial statements	18
(Notes Regarding Going Concern)	18
(Segment Information)	18
(Per Share Information)	21
(Material Subsequent Events)	21
5. Supplementary Schedules	22
1) Consolidated Forecasts for FY2020 and Effect of Exchange Rate Differences on Translation of Overseas Subsidiaries' Financial Statements	22

1. Consolidated Operating Results

<Consolidated Financial Statements>

(Millions of yen, %)

	Fiscal 2018 Actual		Fiscal 2019 Actual		Increase /Decrease			Translation difference	Increase /Decrease except translation difference	
	4.1.2017 – 3.31.2018		4.1.2018 – 3.31.2019		Amount	YoY	%		Amount	YoY
	Amount	%	Amount	%						
Net Sales	430,602	100.0	453,565	100.0	22,962	105.3	-	(1,895)	24,857	105.8
Operating Profit	36,502	8.5	38,417	8.5	1,915	105.2	(0.0)	(158)	2,073	105.7
Ordinary Profit	35,985	8.4	37,925	8.4	1,940	105.4	0.0	(148)	2,089	105.8
Profit attributable to owners of parent	23,846	5.5	25,992	5.7	2,145	109.0	0.2	(104)	2,250	109.4
Exchange Rate (¥/US\$)	110.81		110.69		(0.12)					
(¥/EUR)	129.45		128.43		(1.02)					

<Reporting segments>

(Millions of yen, %)

		Fiscal 2018 Actual		Fiscal 2019 Actual		Increase /Decrease			Translation difference	Increase /Decrease except translation difference	
		4.1.2017 – 3.31.2018		4.1.2018 – 3.31.2019		Amount	YoY	%		Amount	YoY
		Amount	%	Amount	%						
Domestic Foods— Manufacturing and Sales	Net Sales	172,437	100.0	174,654	100.0	2,217	101.3	-	-	2,217	101.3
	Operating Profit	10,385	6.0	10,597	6.1	211	102.0	0.1	-	211	102.0
Domestic Others	Net Sales	21,149	100.0	21,427	100.0	277	101.3	-	-	277	101.3
	Operating Profit	1,465	6.9	1,773	8.3	308	121.0	1.4	-	308	121.0
Overseas Foods— Manufacturing and Sales	Net Sales	89,453	100.0	93,510	100.0	4,056	104.5	-	(464)	4,521	105.1
	Operating Profit	17,791	19.9	18,745	20.0	953	105.4	0.1	(106)	1,060	106.0
Overseas Foods— Wholesale	Net Sales	174,457	100.0	192,109	100.0	17,651	110.1	-	(1,462)	19,114	111.0
	Operating Profit	8,166	4.7	8,597	4.5	431	105.3	(0.2)	(35)	466	105.7
Adjustments	Net Sales	(26,895)	100.0	(28,136)	100.0	(1,240)	-	-	32	(1,273)	-
	Operating Profit	(1,307)	-	(1,296)	-	11	-	-	(16)	27	-
Amount recorded in consolidated financial statements	Net Sales	430,602	100.0	453,565	100.0	22,962	105.3	-	(1,895)	24,857	105.8
	Operating Profit	36,502	8.5	38,417	8.5	1,915	105.2	(0.0)	(158)	2,073	105.7
Exchange Rate (¥/US\$)		110.81		110.69		(0.12)					
(¥/EUR)		129.45		128.43		(1.02)					

2. Consolidated Business Forecasts

Consolidated business forecasts for the year ending March 31, 2020 are as follows:

(Millions of yen)

	Net Sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Earnings per share (yen)
Apr. 1, 2019 –Mar. 31, 2020	473,500	39,700	38,900	26,900	140.12
Apr. 1, 2018 –Mar. 31, 2019	453,565	38,417	37,925	25,992	135.39
Changes (YoY)	19,934 (104.4%)	1,282 (103.3%)	974 (102.6%)	907 (103.5%)	4.73 (-)

- * Kikkoman is assuming an average foreign exchange rate of US\$1=¥110.00 for the year ending March 31, 2020. (¥110.69 for the year ended March 31, 2019)
- * The above forecasts are prepared assuming economic conditions prevailing at the time of preparation. Actual results may differ from these business forecasts due to various unforeseen factors.

3. Basic policy for selecting accounting standards

Kikkoman is considering adopting the International Financial Reporting Standards (IFRS) to increase the international comparability of financial information in capital markets.

4. Consolidated Financial Statements

1) Consolidated Balance Sheets

	(Millions of yen)	
	As of March 31, 2018	As of March 31, 2019
Assets		
Current assets		
Cash and deposits	22,196	30,162
Notes and accounts receivable-trade	58,452	60,719
Short-term investment securities	2,892	-
Merchandise and finished goods	37,760	42,513
Work in process	10,894	10,997
Raw materials and supplies	4,991	5,330
Other	7,159	7,512
Allowance for doubtful accounts	(499)	(717)
Total current assets	143,847	156,518
Noncurrent assets		
Property, plant and equipment		
Buildings and structures, net	41,240	42,862
Machinery, equipment and vehicles, net	36,768	40,879
Land	20,779	20,936
Lease assets, net	213	254
Construction in progress	7,264	14,080
Other, net	3,856	4,376
Total property, plant and equipment	110,121	123,390
Intangible assets		
Goodwill	5,081	4,969
Other	5,440	5,339
Total intangible assets	10,522	10,308
Investments and other assets		
Investment securities	65,151	59,207
Long-term loans receivable	773	1,491
Net defined benefit assets	7,371	5,936
Deferred tax assets	2,863	3,053
Other	4,303	3,940
Allowance for doubtful accounts	(1,027)	(1,726)
Total investments and other assets	79,437	71,902
Total noncurrent assets	200,081	205,601
Total assets	343,929	362,119

	(Millions of yen)	
	As of March 31, 2018	As of March 31, 2019
Liabilities		
Current liabilities		
Notes and accounts payable-trade	21,535	22,383
Short-term loans payable	3,692	3,487
Lease obligations	33	50
Accounts payable-other	17,737	18,872
Income taxes payable	3,433	3,230
Provision for bonuses	2,497	2,592
Provision for directors' bonuses	115	125
Other	8,436	5,497
Total current liabilities	57,481	56,240
Noncurrent liabilities		
Long-term loans payable	13,000	13,602
Lease obligations	40	90
Deferred tax liabilities	7,309	7,934
Provision for directors' retirement benefits	712	711
Provision for environmental measures	124	31
Net defined benefit liabilities	4,783	5,511
Other	7,187	7,546
Total noncurrent liabilities	33,157	35,427
Total liabilities	90,639	91,667
Net assets		
Shareholders' equity		
Capital stock	11,599	11,599
Capital surplus	13,915	13,695
Retained earnings	238,660	225,835
Treasury stock	(35,616)	(3,631)
Total shareholders' equity	228,558	247,498
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	20,956	17,521
Deferred gains or losses on hedges	(38)	(4)
Foreign currency translation adjustment	(2,050)	1,081
Remeasurements of defined benefit plans	647	(667)
Total Accumulated other comprehensive income	19,514	17,930
Non-controlling interests	5,216	5,022
Total net assets	253,289	270,451
Total liabilities and net assets	343,929	362,119

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

	(Millions of yen)	
	Year ended March 31, 2018	Year ended March 31, 2019
Net sales	430,602	453,565
Cost of sales	260,426	277,805
Gross profit	170,176	175,759
Selling, general and administrative expenses		
Selling expenses	102,220	105,498
General and administrative expenses	31,453	31,843
Total selling, general and administrative expenses	133,673	137,341
Operating profit	36,502	38,417
Non-operating income		
Interest income	257	256
Dividends income	987	1,108
Equity in earnings of affiliates	172	126
Rent income	701	691
Foreign exchange gains	2,701	120
Gain on valuation of derivatives	5	3,650
Gain on investments in investment partnerships	639	886
Other	1,318	1,236
Total non-operating income	6,783	8,077
Non-operating expenses		
Interest expenses	304	131
Foreign exchange losses	203	2,315
Loss on valuation of derivatives	2,169	34
Provision of allowance for doubtful accounts	292	863
Other	4,331	5,224
Total non-operating expenses	7,300	8,569
Ordinary profit	35,985	37,925
Extraordinary income		
Gain on sales of property, plant and equipment	-	688
Gain on sales of investment securities	3,981	1,484
Compensation for forced relocation	-	540
Total extraordinary income	3,981	2,714
Extraordinary loss		
Impairment loss	141	2,378
Loss on retirement of noncurrent assets	305	235
Loss on valuation of investment securities	1,076	-
Loss on valuation of subsidiary securities	381	210
Loss on valuation of golf club membership	2	7
Loss on bond retirement	1,668	-
Environmental expenses	-	213
100th anniversary project cost	392	-
Total extraordinary loss	3,967	3,044
Profit before income taxes	35,999	37,595
Income taxes-current	10,390	9,008
Income taxes-deferred	1,450	2,182
Total income taxes	11,841	11,191
Profit	24,157	26,403
Profit attributable to non-controlling interests	311	411
Profit attributable to owners of parent	23,846	25,992

(Consolidated Statements of Comprehensive Income)

	(Millions of yen)	
	Year ended March 31, 2018	Year ended March 31, 2019
Profit	24,157	26,403
Other comprehensive income		
Valuation difference on available-for-sale securities	653	(3,266)
Deferred gains or losses on hedges	(35)	33
Foreign currency translation adjustment	(4,530)	3,578
Remeasurements of defined benefit plans, net of tax	1,128	(1,294)
Share of other comprehensive income of associates accounted for using equity method	(86)	(216)
Total other comprehensive income	(2,870)	(1,165)
Comprehensive income	21,287	25,238
Total comprehensive income attributable to:		
Owners of parent	20,833	25,081
Non-controlling interests	454	156

3) Consolidated Statements of Changes in Net Assets

	(Millions of yen)	
	Year ended March 31, 2018	Year ended March 31, 2019
Shareholders' equity		
Capital stock		
Balance at beginning of the period	11,599	11,599
Changes of items during the period		
Total changes of items during the period	-	-
Balance at end of the period	11,599	11,599
Capital surplus		
Balance at beginning of the period	13,914	13,915
Changes of items during the period		
Cancellation of treasury stock	-	(220)
Disposal of treasury stock	0	0
Total changes of items during the period	0	(219)
Balance at end of the period	13,915	13,695
Retained earnings		
Balance at beginning of the period	222,614	238,660
Changes of items during the period		
Dividends from surplus	(7,727)	(7,105)
Profit attributable to owners of parent	23,846	25,992
Adjustments due to change in the fiscal period of consolidated subsidiaries	-	140
Change of scope of consolidation	(72)	(72)
Cancellation of treasury stock	-	(31,779)
Total changes of items during the period	16,045	(12,825)
Balance at end of the period	238,660	225,835
Treasury stock		
Balance at beginning of the period	(30,600)	(35,616)
Changes of items during the period		
Purchase of treasury stock	(5,016)	(15)
Cancellation of treasury stock	-	31,999
Disposal of treasury stock	0	0
Total changes of items during the period	(5,016)	(31,985)
Balance at end of the period	(35,616)	(3,631)

	(Millions of yen)	
	Year ended March 31, 2018	Year ended March 31, 2019
Total shareholders' equity		
Balance at beginning of the period	217,528	228,558
Changes of items during the period		
Dividends from surplus	(7,727)	(7,105)
Profit attributable to owners of parent	23,846	25,992
Adjustments due to change in the fiscal period of consolidated subsidiaries	-	140
Change of scope of consolidation	(72)	(72)
Purchase of treasury stock	(5,016)	(15)
Cancellation of treasury stock	-	-
Disposal of treasury stock	1	1
Total changes of items during the period	11,030	18,939
Balance at end of the period	228,558	247,498

	(Millions of yen)	
	Year ended March 31, 2018	Year ended March 31, 2019
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities		
Balance at beginning of the period	20,306	20,956
Changes of items during the period		
Net changes of items other than shareholders' equity	649	(3,434)
Total changes of items during the period	649	(3,434)
Balance at end of the period	20,956	17,521
Deferred gains or losses on hedges		
Balance at beginning of the period	(3)	(38)
Changes of items during the period		
Net changes of items other than shareholders' equity	(35)	33
Total changes of items during the period	(35)	33
Balance at end of the period	(38)	(4)
Foreign currency translation adjustment		
Balance at beginning of the period	2,652	(2,050)
Changes of items during the period		
Net changes of items other than shareholders' equity	(4,703)	3,131
Total changes of items during the period	(4,703)	3,131
Balance at end of the period	(2,050)	1,081
Remeasurements of defined benefit plans		
Balance at beginning of the period	(473)	647
Changes of items during the period		
Net changes of items other than shareholders' equity	1,121	(1,315)
Total changes of items during the period	1,121	(1,315)
Balance at end of the period	647	(667)
Total accumulated other comprehensive income		
Balance at beginning of the period	22,481	19,514
Changes of items during the period		
Net changes of items other than shareholders' equity	(2,967)	(1,584)
Total changes of items during the period	(2,967)	(1,584)
Balance at end of the period	19,514	17,930

	(Millions of yen)	
	Year ended March 31, 2018	Year ended March 31, 2019
Non-controlling interests		
Balance at beginning of the period	4,427	5,216
Changes of items during the period		
Net changes of items other than shareholders' equity	789	(194)
Total changes of items during the period	789	(194)
Balance at end of the period	5,216	5,022
Total net assets		
Balance at beginning of the period	244,437	253,289
Changes of items during the period		
Dividends from surplus	(7,727)	(7,105)
Profit attributable to owners of parent	23,846	25,992
Adjustments due to change in the fiscal period of consolidated subsidiaries	-	140
Change of scope of consolidation	(72)	(72)
Purchase of treasury stock	(5,016)	(15)
Cancellation of treasury stock	-	-
Disposal of treasury stock	1	1
Net changes of items other than shareholders' equity	(2,177)	(1,778)
Total changes of items during the period	8,852	17,161
Balance at end of the period	253,289	270,451

4) Consolidated Statements of Cash Flows

	(Millions of yen)	
	Year ended March 31, 2018	Year ended March 31, 2019
Cash flows from operating activities		
Profit before income taxes	35,999	37,595
Depreciation and amortization	13,160	13,258
Impairment loss	141	2,378
Increase (decrease) in provision for directors' retirement benefits	(74)	(0)
Increase (decrease) in net defined benefit liabilities	1,157	410
Interest and dividends income	(1,245)	(1,364)
Interest expenses	304	131
Equity in (earnings) losses of affiliates	(172)	(126)
Loss (gain) on sales of property, plant and equipment	(231)	(700)
Loss (gain) on sales of investment securities	(3,981)	(1,490)
Loss on retirement of property, plant and equipment	813	1,028
Loss (gain) on valuation of investment securities	1,077	-
Decrease (increase) in notes and accounts receivable-trade	(4,010)	(1,462)
Decrease (increase) in inventories	(4,479)	(4,649)
Increase (decrease) in notes and accounts payable-trade	596	643
Other, net	1,722	(727)
Subtotal	40,779	44,923
Interest and dividends received	1,234	1,414
Interest expenses paid	(431)	(139)
Income taxes paid	(3,936)	(9,175)
Net cash provided by (used in) operating activities	37,645	37,023
Cash flows from investing activities		
Purchase of property, plant and equipment	(16,390)	(26,585)
Proceeds from sales of property, plant and equipment	1,576	830
Purchase of intangible assets	(768)	(967)
Purchase of investment securities	(3,542)	(2,612)
Proceeds from sales of investment securities	4,609	3,164
Payments of loans receivable	(622)	(1,501)
Collection of loans receivable	413	554
Other, net	84	1,420
Net cash provided by (used in) investing activities	(14,640)	(25,698)
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	536	79
Proceeds from long-term loans payable	-	602
Repayment of long-term loans payable	-	(300)
Redemption of bonds	(31,668)	-
Purchase of treasury stock	(5,035)	(19)
Cash dividends paid	(7,727)	(7,105)
Dividends paid to non-controlling interests	(24)	(248)
Other, net	(48)	(50)
Net cash provided by (used in) financing activities	(43,968)	(7,041)

	(Millions of yen)	
	Year ended March 31, 2018	Year ended March 31, 2019
Effect of exchange rate change on cash and cash equivalents	(703)	246
Net increase (decrease) in cash and cash equivalents	(21,666)	4,529
Cash and cash equivalents at beginning of the period	44,205	22,785
Increase (decrease) in cash and cash equivalents resulting from changes in the fiscal year-end of consolidated subsidiaries	-	(6)
Increase in cash and cash equivalents from newly consolidated subsidiary	335	200
Decrease in cash and cash equivalents resulting from exclusion of subsidiaries from consolidation	(88)	-
Cash and cash equivalents at end of the period	22,785	27,509

(Reference) Changes in cash flow-related indices

	Year ended March 31, 2015	Year ended March 31, 2016	Year ended March 31, 2017	Year ended March 31, 2018	Year ended March 31, 2019
Shareholders' equity ratio (%)	62.4	61.2	66.4	72.1	73.3
Shareholders' equity ratio (%) using fair value	196.7	195.1	177.8	238.9	287.9
Ratio of cash flow to interest-bearing debt (years)	2.3	1.9	1.9	0.6	0.6
Interest coverage ratio (times)	33.4	36.8	27.1	87.3	265.6

Notes:

Shareholders' equity ratio

Shareholders' equity / Total assets

Shareholders' equity ratio using fair value

Market capitalization / Total assets

Ratio of cash flow to interest-bearing debt

Interest-bearing debt / Cash flows

Interest coverage ratio

Cash flows / Interest payments

* From the beginning of the consolidated fiscal year, "Partial Amendments to Accounting Standard for Tax Effect Accounting" (Accounting Standards Board of Japan ("ASBJ") Guidance No. 28, February 16, 2018), have been applied, and therefore the figures for Year ended March 31, 2018 in the table above are those after the said standards, are applied retroactively.

* Each index is calculated using consolidated figures.

* Market capitalization is calculated by multiplying the closing share price at the fiscal year-end by the number of shares issued and outstanding at the fiscal year-end (excluding treasury stock).

* Cash flows refer to operating cash flow.

* Interest-bearing debt refers to all liabilities on the consolidated balance sheets on which interest is paid.

* Interest payments represent interest paid as shown on the consolidated statements of cash flows.

5) Notes on consolidated financial statements (Notes Regarding Going Concern)

No applicable items.

(Segment Information)

Year ended March 31, 2019 (April 1, 2018 —March 31, 2019)

1. Overview of Reporting Segments

For reporting segments, financial data is available broken down into separate business segments and decisions for allocating business resources and performance assessments are subject to regular review by the Board of Directors.

Led by the holding company, Kikkoman formulates Group strategies and manages operating companies. Under this structure, companies in Japan are categorized into those that primarily engage in the manufacture and sale of foods and those that operate other businesses. Overseas, the holding company's overseas divisions are categorized as operating companies that engage in foods manufacturing and sales and those that engage in oriental food wholesaling under the holding company's overseas business divisions.

Consequently, Group operations are divided into segments broken down into domestic and overseas operations and into overlapping businesses. The four segments are: Domestic Foods— Manufacturing and Sales, Domestic Others, Overseas Foods—Manufacturing and Sales, and Overseas Foods—Wholesale.

Domestic Foods— Manufacturing and Sales engages in the manufacturing and sale of soy sauce, food products, beverages, liquor and wine. The Domestic others engages in the manufacturing and sale of pharmaceuticals, chemical products, etc. and in real estate rentals, logistics, back-office functions, and other businesses. Overseas Foods— Manufacturing and Sales engages in the manufacturing and sale of soy sauce, Del Monte products, health foods, etc. overseas and in the export and sales of products for overseas sales. Overseas Foods—Wholesale purchases and sells oriental foods, etc.

2. Calculation Method for the Amount of Sales, Operating Profits (Losses), Assets (Liabilities) and Other Items by Reporting Segment

Profits for the reporting segments are operating profit amounts and adjustments for intra group profit and transfers are based on prevailing market prices.

3. Information on the Amount of Sales, Operating Profits (Losses), Assets (Liabilities) and Other Items by Reporting Segment

Fiscal 2018 Actual (Apr. 1, 2017 –Mar. 31, 2018)

(Millions of yen)

	Reporting Segment					Adjustments (Note 1)	Amount recorded in consolidated financial statements (Note 2)
	Domestic Foods — Manufacturing and Sales	Domestic Others	Overseas Foods — Manufacturing and Sales	Overseas Foods — Wholesale	Total		
Sales							
Sales to third parties	170,907	7,579	78,043	174,072	430,602	-	430,602
Intra group sales or transfers	1,529	13,570	11,410	384	26,895	(26,895)	-
Total sales	172,437	21,149	89,453	174,457	457,498	(26,895)	430,602
Operating profit	10,385	1,465	17,791	8,166	37,809	(1,307)	36,502
Total assets(Note 3)	117,882	22,417	141,862	67,995	350,158	(6,229)	343,929
Other items							
Depreciation and amortization	6,275	1,235	3,664	1,062	12,237	785	13,023
Amortization of goodwill	543	-	108	-	651	-	651
Changes in the amount of tangible fixed assets and intangible fixed assets	7,563	1,464	5,124	3,470	17,622	558	18,180

(Notes) 1. Adjustment amounts are as follows.

- 1) Adjustments of ¥(1,307) million in segment operating profit include ¥(1,163) million difference in the allocation of corporate expenses.
 - 2) Adjustments of ¥(6,229) million in segment assets include ¥117,850 million in corporate assets, which consist primarily of Kikkoman's cash and deposits and investment securities, in addition to the elimination of transactions between segments.
 - 3) Adjustments of ¥785 million in depreciation and amortization expenses have primarily to do with corporate assets.
 - 4) Adjustments of ¥558 million for the increase in tangible fixed assets and intangible fixed assets are corporate asset adjustments.
2. Segment operating profits are adjusted to the operating profits recorded in the consolidated statements of income.
3. From the beginning of the consolidated fiscal year, "Partial Amendments to Accounting Standard for Tax Effect Accounting" (Accounting Standards Board of Japan ("ASBJ") Guidance No. 28, February 16, 2018), have been applied, and therefore the figures for the total assets of Segment Information as of March 31, 2018 are those after the said standards, are applied retroactively.

Fiscal 2019 Actual (Apr. 1, 2018 –Mar. 31, 2019)

(Millions of yen)

	Reporting Segment					Adjustments (Note 1)	Amount recorded in consolidated financial statements (Note 2)
	Domestic Foods — Manufacturing and Sales	Domestic Others	Overseas Foods — Manufacturing and Sales	Overseas Foods — Wholesale	Total		
Sales							
Sales to third parties	172,899	7,661	81,325	191,679	453,565	-	453,565
Intra group sales or transfers	1,755	13,766	12,184	430	28,136	(28,136)	-
Total sales	174,654	21,427	93,510	192,109	481,701	(28,136)	453,565
Operating profit	10,597	1,773	18,745	8,597	39,714	(1,296)	38,417
Total assets	119,643	22,786	153,594	75,633	371,657	(9,538)	362,119
Other items							
Depreciation and amortization	6,734	1,284	3,464	1,059	12,542	605	13,148
Amortization of goodwill	543	-	105	32	680	-	680
Changes in the amount of tangible fixed assets and intangible fixed assets	10,601	1,289	7,719	4,515	24,125	4,220	28,346

(Notes) 1. Adjustment amounts are as follows.

- 1) Adjustments of ¥(1,296) million in segment operating profit include ¥(1,142) million difference in the allocation of corporate expenses.
 - 2) Adjustments of ¥(9,538) million in segment assets include ¥121,335 million in corporate assets, which consist primarily of Kikkoman's cash and deposits and investment securities, in addition to the elimination of transactions between segments.
 - 3) Adjustments of ¥605 million in depreciation and amortization expenses have primarily to do with corporate assets.
 - 4) Adjustments of ¥4,220 million for the increase in tangible fixed assets and intangible fixed assets are corporate asset adjustments, which consist mainly of capital investment in a new research and development building.
2. Segment operating profits are adjusted to the operating profits recorded in the consolidated statements of income.

(Per Share Information)

	Year ended March 31, 2018	Year ended March 31, 2019
Net assets per share	¥1,292.18	¥1,382.60
Earnings per share	¥123.71	¥135.39

Note : 1. Diluted earnings per share is not stated because there are no dilutive securities.

2. The basis for the calculation of earnings per share is as follows.

	Year ended March 31, 2018	Year ended March 31, 2019
Profit attributable to owners of parent (¥ million)	23,846	25,992
Amount not attributable to common shareholders (¥ million)	-	-
Profit attributable to owners of parent related to common stock (¥ million)	23,846	25,992
Average number of shares of common stock outstanding during the fiscal year (thousands of shares)	192,764	191,979

(Material Subsequent Events)

No applicable items.

5. Supplementary Schedules

1) Consolidated Forecasts for FY2020 and Effect of Exchange Rate Differences on Translation of Overseas Subsidiaries' Financial Statements

Net sales (Millions of yen)

		Fiscal 2020 Forecast	Fiscal 2019 Actual	Change increase (decrease)	%	Change excluding translation difference	%
Japan	Foods—Manufacturing and Sales	180,000	174,654	5,345	103.1	5,345	103.1
	Others	22,000	21,427	572	102.7	572	102.7
	Eliminations	(12,700)	(12,287)	(412)	—	(412)	—
	Total	189,300	183,794	5,505	103.0	5,505	103.0
Overseas	Foods—Manufacturing and Sales	98,100	93,510	4,589	104.9	5,930	106.3
	Foods—Wholesale	203,100	192,109	10,990	105.7	12,813	106.7
	Eliminations	(13,600)	(12,605)	(994)	—	(1,137)	—
	Total	287,600	273,013	14,586	105.3	17,606	106.4
Kikkoman (Holding Company)		19,900	18,976	923	104.9	923	104.9
Eliminations		(23,300)	(22,219)	(1,080)	—	(1,080)	—
Consolidated Total		473,500	453,565	19,934	104.4	22,955	105.1

Operating Profit (Millions of yen)

		Fiscal 2020 Forecast	Fiscal 2019 Actual	Change increase (decrease)	%	Change excluding translation difference	%
Japan	Foods—Manufacturing and Sales	10,700	10,597	102	101.0	102	101.0
	Others	1,800	1,773	26	101.5	26	101.5
	Total	12,500	12,403	96	100.8	96	100.8
Overseas	Foods—Manufacturing and Sales	19,650	18,745	904	104.8	1,165	106.2
	Foods—Wholesale	9,300	8,597	702	108.2	782	109.1
	Total	28,900	27,121	1,778	106.6	2,118	107.8
Kikkoman (Holding Company)		7,300	7,278	21	100.3	21	100.3
Eliminations		(9,000)	(8,385)	(614)	—	(576)	—
Consolidated Total		39,700	38,417	1,282	103.3	1,660	104.3

Exchange Rate (¥/US\$) 110.00 110.69 (0.69)

(¥/EUR) 125.00 128.43 (3.43)