

## Consolidated Financial Results

# Kikkoman Corporation Flash Report for Fiscal 2019 1Q

Three-month period ended June 30, 2018

Listed company name: **Kikkoman Corporation**  
Shares listed: Tokyo (1st Section)  
Code No.: 2801  
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Scheduled submission date of quarterly accounting report: August 9, 2018  
Scheduled date for cash dividend payments: —  
Supplementary Schedules for quarter: Yes  
Results briefing for quarter: No

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 Three-month Period Ended June 30, 2018 (April 1, 2018 to June 30, 2018)

### 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 -Jun. 30, 2018	111,774	4.6	10,100	4.1	10,034	0.7	7,102	16.4
Apr. 1, 2017 -Jun. 30, 2017	106,834	8.1	9,703	14.6	9,962	15.1	6,102	(44.9)

(Note) Comprehensive Income

April 1, 2018 to June 30, 2018: ¥ 12,778 million (50.0%)

April 1, 2017 to June 30, 2017: ¥ 8,516 million (—%)

	Earnings per share (yen)	Earnings per share (Assuming full dilution) (yen)
Apr. 1, 2018 -Jun. 30, 2018	37.00	—
Apr. 1, 2017 -Jun. 30, 2017	31.60	—

### 2) Financial Position

(Millions of yen)

	Total assets	Net assets	Shareholders' equity ratio
Jun. 30, 2018	352,349	261,947	72.9%
Mar. 31, 2018	343,929	253,289	72.1%

(Reference) Total shareholders' equity

June 30, 2018: ¥ 256,935 million

March 31, 2018: ¥ 248,072 million

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

## 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, 2017 -Mar. 31, 2018	—	22.00	—	17.00	39.00
Apr. 1, 2018 -Mar. 31, 2019	—				
Apr. 1, 2018 -Mar. 31, 2019 (Estimated)		20.00	—	20.00	40.00

(Note) Revisions to recently announced forecasts of dividends: None

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, 2019 (April 1, 2018 to March 31, 2019)

(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, 2018- Sep.30, 2018	218,650	1.9	19,460	2.0	18,600	(1.3)	13,200	9.6	68.76
Apr.1, 2018- Mar.31, 2019	442,000	2.6	37,600	3.0	36,200	0.6	25,500	6.9	132.83

(Note) Revisions to recently announced forecasts of business performance: None

### [Notes]

- 1) Changes in important subsidiaries during the first three months (Changes in certain specific subsidiaries resulting in a revised scope of consolidation): No
- 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 14, 2. Consolidated Quarterly Financial Statements and Main Notes, 3) Notes on quarterly consolidated financial statements, (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)		
June 30, 2018 — 193,883,202 shares	March 31, 2018 — 210,383,202 shares	
② Treasury stock at end of period		
June 30, 2018 — 1,903,555 shares	March 31, 2018 — 18,403,085 shares	
③ Shares outstanding during the period (cumulative for period, consolidated)		
June 30, 2018 — 191,979,900 shares	June 30, 2017 — 193,133,254 shares	

\* 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 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) Explanation of forward-looking statements, including forecasts of consolidated business performance.

##### (How to obtain business performance presentation materials)

Kikkoman will publish supplementary schedules to the first quarter results on TD-net for viewing in Japan, and on its website.

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## 1. Qualitative Information and Consolidated Financial Statements, etc.

## 1) Explanation of business performance

During the first three months under review, the U.S. economy maintained a steady recovery while the European economy also continued to grow moderately. Overall, the global economy remained relatively strong. The Japanese economy, too, continued to revitalize at a modest pace.

In this environment, the overall domestic sales of the Group rose year on year in the Foods-Manufacturing and Sales business thanks to year-on-year increases in sales of soy sauce, food products and beverages, despite a year-on-year decrease in the sales of liquor and wine. Overseas sales also climbed year on year supported by the strong performance of the Foods-Manufacturing and Sales business and the Foods-Wholesale business.

As a result, consolidated operating results for the first three months of fiscal 2019 were as follows.

## &lt;Consolidated Financial Statements&gt;

(Millions of yen, %)

	FY2018 1Q		FY2019 1Q		Increase /Decrease			Translation difference	Increase /Decrease except translation difference	
	4.1.2017 – 6.30.2017		4.1.2018 – 6.30.2018		Amount	YoY	%		Amount	YoY
	Amount	%	Amount	%						
Net Sales	106,834	100.0	111,774	100.0	4,940	104.6	–	(972)	5,913	105.5
Operating Profit	9,703	9.1	10,100	9.0	396	104.1	(0.1)	(62)	459	104.7
Ordinary Profit	9,962	9.3	10,034	9.0	71	100.7	(0.3)	(58)	130	101.3
Profit attributable to owners of parent	6,102	5.7	7,102	6.4	1,000	116.4	0.7	(44)	1,045	117.1
Exchange Rate (¥/US\$)	111.61		108.71		(2.90)					
(¥/EUR)	123.14		129.39		6.25					

## &lt;Reporting Segments&gt;

(Millions of yen, %)

		FY2018 1Q		FY2019 1Q		Increase /Decrease			Translation difference	Increase /Decrease except translation difference	
		4.1.2017 – 6.30.2017		4.1.2018 – 6.30.2018		Amount	YoY	%		Amount	YoY
		Amount	%	Amount	%				Amount		
Domestic Foods-Manufacturing and Sales	Net Sales	43,566	100.0	44,485	100.0	919	102.1	–	–	919	102.1
	Operating Profit	2,887	6.6	3,052	6.9	165	105.7	0.3	–	165	105.7
Domestic Others	Net Sales	5,279	100.0	5,202	100.0	(76)	98.5	–	–	(76)	98.5
	Operating Profit	367	7.0	372	7.2	5	101.6	0.2	–	5	101.6
Overseas Foods-Manufacturing and Sales	Net Sales	22,334	100.0	23,009	100.0	674	103.0	–	(228)	903	104.0
	Operating Profit	4,733	21.2	4,972	21.6	238	105.0	0.4	(48)	287	106.1
Overseas Foods-Wholesale	Net Sales	42,658	100.0	46,353	100.0	3,694	108.7	–	(773)	4,467	110.5
	Operating Profit	2,071	4.9	1,940	4.2	(131)	93.7	(0.7)	(15)	(116)	94.4
Adjustments	Net Sales	(7,004)	100.0	(7,275)	100.0	(271)	–	–	28	(300)	–
	Operating Profit	(355)	–	(237)	–	118	–	–	0	117	–
Consolidated Total	Net Sales	106,834	100.0	111,774	100.0	4,940	104.6	–	(972)	5,913	105.5
	Operating Profit	9,703	9.1	10,100	9.0	396	104.1	(0.1)	(62)	459	104.7
Exchange Rate (¥/US\$)		111.61		108.71		(2.90)					
		(¥/EUR)	123.14	129.39		6.25					

Performance in each reporting segment is outlined as follows.

## 【Domestic】

Sales in Japan were as follows.

## 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* (soy sauce soup base), *tare* (dipping and marinade sauces), and Del Monte seasonings, as well as the Beverages Division, which includes soy milk beverages and Del Monte beverages, and the Liquor and Wine Division, which includes *mirin* and wines. Sales for each division were as follows.

## ■ Soy Sauce Division

Sales of the *Itsudemo Shinsen* (always fresh) series of soy sauce increased in the home-use sector of the Soy Sauce Division with the increased understanding of its added values, such as “great taste of fresh *nama shoyu* (raw soy sauce),” “maintaining freshness,” and “ease of use” in the market attributable to the thorough execution of marketing measures, including TV advertising. In the meantime, sales fell year on year for products in plastic bottles such as *Koikuchi Shoyu*. Sales were also down year on year in the industrial-use and foodservice-use sectors. As a result, sales increased year on year for the Soy Sauce Division overall.

## ■ Food Products Division

Sales of *tsuyu* products increased year on year. Among *tsuyu* products in the home-use sector, the *Gumen* series, a straight type that does not need to be diluted, sold well and sales of condensed *tsuyu* products, such as *Koidashi Hon Tsuyu*, also rose year on year. Among *tare* products, the mainstay *Wagaya wa Yakinikuyasan* series performed strongly. Sales also grew for *Steak Shoyu* and products for industrial-use and foodservice -use. As a result, *tare* sales rose year on year overall. Sales decreased year on year for the *Uchi No Gohan* series (handy Japanese-style seasoning mixes). Sales grew year on year for Del Monte seasonings with the strong performance of high value-added products, including *Lycopene-Rich*. As a result, sales rose year on year for the Food Products Division.

## ■ Beverages Division

Among soy milk beverages, sales grew for products designated as Food for Specified Health Use, with the rising health awareness. Increasing numbers of consumers are using soy milk not only as a beverage, but also as a cooking ingredient. As a result, sales of soy milk beverages increased year on year.

Sales decreased year on year for Del Monte beverages due to the poor performance of health drinks, and fruits and vegetable juice focused on gift products in spite of the strong performance of *Lycopene-Rich* tomato beverage. As a result, sales grew year on year for the Beverages Division.

## ■ Liquor and Wine Division

Sales decreased year on year for *Hon Mirin*. In the home-use sector, sales rose for high value-added products focused on *Komekoji Kodawari-jikomi Hon Mirin*, but failed to grow for *Houjun Hon Mirin*. In the industrial-use sector, products in large containers decreased. Sales decreased year on year for domestic wines in home-use, industrial-use and foodservice-use sectors. Sales also declined for imported wines, reflecting factors such as the effects of the sales termination for products handed by Kikkoman Food Products Company. As a result, sales declined year on year for the Liquor and Wine Division.

As a result of the above, the Foods-Manufacturing and Sales segment recorded higher sales and higher profit, with net sales increasing 2.1% year on year, to ¥44,485 million, and operating profit increasing 5.7% year on year, to ¥3,052 million.

## 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.

Sales were strong for clinical diagnostic reagents and hygiene inspection agents, but failed to increase for chemical products such as hyaluronic acid. Sales rose year on year for the logistics business. As a result, sales decreased year on year for the Others Division.

As a result of the above, the Others segment recorded lower sales and higher profit, with net sales decreasing 1.5% year on year, to ¥5,202 million, and operating profit increasing 1.6% year on year, to ¥372 million.



## 【Overseas】

Sales overseas were as follows.

### Foods—Manufacturing and Sales

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

#### ■ Soy Sauce Division

In the North American market, the division harnessed Kikkoman's brand power to expand its business by continuing to enhance the lineup of mainstay soy sauce products, soy sauce-based seasonings, and other products for the home-use sector. In addition, the division worked to expand businesses in the industrial- and foodservice-use sectors, dealing with customer needs attentively. As a result, sales in the market rose year on year.

In the European market, sales increased year on year, thanks to strong performance in key markets such as Britain and France.

In the Asia and Oceania market, sales rose in countries such as Philippines. Sales increased in China, too. Sales in the market grew year on year as a result.

As a result, aggregate sales in this division rose year on year.

#### ■ Del Monte Division

This division manufactures and sells canned fruits, canned corn, tomato ketchup and other products in the Asia and Oceania region.

Sales grew in China and recovered in Hong Kong. As a result, sales for the Del Monte Division increased year on year.

#### ■ Other Foods Division

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

Sales through general retailers were weak despite strong sales through medical doctors. As a result, sales decreased year on year.

As a result of the above, the Foods-Manufacturing and Sales segment recorded higher sales and higher profit, with net sales increasing 3.0% year on year, to ¥23,009 million, and operating profit increasing 5.0% year on year, to ¥4,972 million.

### Foods—Wholesale

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

Sales grew in North America as a result of efforts to penetrate not only Asian markets but also local markets in general. Moreover, markets continued to grow in Europe and Asia and Oceania, leading to good growth in sales in each region. As a result, sales increased year on year for the segment.

As a result of the above, the Foods-Wholesale segment recorded higher sales and lower profit, with net sales increasing 8.7% year on year, to ¥46,353 million, and operating profit decreasing 6.3% year on year, to ¥1,940 million.

As a result of the aforementioned segment results, the Company reported consolidated net sales for the first three months of fiscal 2019 of ¥111,774 million increasing 4.6% year on year, operating profit of ¥10,100 million increasing 4.1%, ordinary profit of ¥10,034 million increasing 0.7%, and profit attributable to owners of parent of ¥7,102 million increasing 16.4%.

## 2) Explanation of financial position

### (Assets)

Current assets as of June 30, 2018 were ¥148,118 million, up ¥4,270 million from March 31, 2018. This was mainly due to increases in merchandise and finished goods as well as notes and accounts receivable-trade, despite a decrease in short-term investment securities. Noncurrent assets were ¥204,231 million, up ¥4,150 million. This was largely attributable to increases in machinery, equipment and vehicles, net, construction in progress, as well as investment securities.

As a result, total assets increased ¥8,420 million from March 31, 2018, to ¥352,349 million.

### (Liabilities)

Current liabilities were ¥56,172 million, down ¥1,309 million from March 31, 2018. This was mainly owing to decreases in accounts payable-other and other current liabilities, which offset an increase in short-term loans payable. Noncurrent liabilities were ¥34,230 million, up ¥1,072 million. This was largely due to an increase in deferred tax liabilities. As a result, total liabilities declined ¥237 million from March 31, 2018, to ¥90,402 million.

### (Net Assets)

Net assets were ¥261,947 million, up ¥8,657 million from March 31, 2018. This was largely attributable to the cancellation of treasury stock and an increase in foreign currency translation adjustment, despite a decrease in retained earnings.

As a result, the equity ratio was 72.9% (up from 72.1% on March 31, 2018).

Effective from the beginning of the first quarter of the consolidated fiscal year under review, “Partial Amendments to Accounting Standard for Tax Effect Accounting” (ASBJ Guidance No. 28, February 16, 2018), etc. are applied and comparisons are made with figures as of March 31, 2018 that were retroactively recalculated.

## 3) Explanation of forward-looking statements, including forecasts of consolidated business performance

There are no changes to the semiannual and full year forecasts of business performance that were announced in the flash report published on April 26, 2018. There are no significant changes to business risks that might affect business performance from the disclosures in the latest securities report (submitted on June 26, 2018).

## 2. Consolidated Quarterly Financial Statements and Main Notes

## 1) Consolidated Quarterly Balance Sheets

	(Millions of yen)	
	As of March 31, 2018	As of June 30, 2018
<b>Assets</b>		
Current assets		
Cash and deposits	22,196	22,975
Notes and accounts receivable-trade	58,452	60,640
Short-term investment securities	2,892	705
Merchandise and finished goods	37,760	40,453
Work in process	10,894	10,992
Raw materials and supplies	4,991	4,969
Other	7,159	7,932
Allowance for doubtful accounts	(499)	(550)
<b>Total current assets</b>	<b>143,847</b>	<b>148,118</b>
Noncurrent assets		
Property, plant and equipment		
Buildings and structures, net	41,240	41,233
Machinery, equipment and vehicles, net	36,768	38,403
Land	20,779	20,901
Lease assets, net	213	236
Construction in progress	7,264	8,157
Other, net	3,856	3,862
<b>Total property, plant and equipment</b>	<b>110,121</b>	<b>112,796</b>
Intangible assets		
Goodwill	5,081	5,510
Other	5,440	5,683
<b>Total intangible assets</b>	<b>10,522</b>	<b>11,194</b>
Investments and other assets		
Investment securities	65,151	65,928
Long-term loans receivable	773	762
Net defined benefit asset	7,371	7,486
Deferred tax assets	2,863	2,679
Other	4,303	4,405
Allowance for doubtful accounts	(1,027)	(1,020)
<b>Total investments and other assets</b>	<b>79,437</b>	<b>80,241</b>
<b>Total noncurrent assets</b>	<b>200,081</b>	<b>204,231</b>
<b>Total assets</b>	<b>343,929</b>	<b>352,349</b>

	(Millions of yen)	
	As of March 31, 2018	As of June 30, 2018
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable-trade	21,535	22,102
Short-term loans payable	3,692	8,189
Lease obligations	33	45
Accounts payable-other	17,737	14,580
Income taxes payable	3,433	3,443
Provision for bonuses	2,497	1,075
Provision for directors' bonuses	115	28
Other	8,436	6,706
<b>Total current liabilities</b>	<b>57,481</b>	<b>56,172</b>
Noncurrent liabilities		
Long-term loans payable	13,000	13,000
Lease obligations	40	65
Deferred tax liabilities	7,309	8,094
Provision for directors' retirement benefits	712	694
Provision for environmental measures	124	125
Net defined benefit liability	4,783	4,936
Other	7,187	7,313
<b>Total noncurrent liabilities</b>	<b>33,157</b>	<b>34,230</b>
<b>Total liabilities</b>	<b>90,639</b>	<b>90,402</b>
<b>Net assets</b>		
Shareholders' equity		
Capital stock	11,599	11,599
Capital surplus	13,915	13,694
Retained earnings	238,660	210,785
Treasury stock	(35,616)	(3,619)
<b>Total shareholders' equity</b>	<b>228,558</b>	<b>232,460</b>
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	20,956	22,471
Deferred gains or losses on hedges	(38)	5
Foreign currency translation adjustment	(2,050)	1,361
Remeasurements of defined benefit plans	647	637
<b>Total Accumulated other comprehensive income</b>	<b>19,514</b>	<b>24,474</b>
Non-controlling interests	5,216	5,011
<b>Total net assets</b>	<b>253,289</b>	<b>261,947</b>
<b>Total liabilities and net assets</b>	<b>343,929</b>	<b>352,349</b>

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

### (Consolidated Quarterly Statements of Income) (During the first three months of fiscal 2019)

	(Millions of yen)	
	Three months ended June 30, 2017	Three months ended June 30, 2018
Net sales	106,834	111,774
Cost of sales	64,033	67,472
Gross profit	42,801	44,302
Selling, general and administrative expenses	33,097	34,202
Operating profit	9,703	10,100
Non-operating income		
Interest income	65	56
Dividends income	539	646
Equity in earnings of affiliates	50	50
Rent income	183	173
Gain on valuation of derivatives	513	2,014
Other	385	593
Total non-operating income	1,736	3,535
Non-operating expenses		
Interest expenses	121	26
Foreign exchange losses	209	2,044
Other	1,446	1,530
Total non-operating expenses	1,477	3,601
Ordinary profit	9,962	10,034
Extraordinary income		
Gain on sales of property, plant and equipment	5	—
Total extraordinary income	5	—
Extraordinary loss		
Loss on retirement of noncurrent assets	—	26
Loss on valuation of investment securities	605	—
Total extraordinary loss	605	26
Profit before income taxes	9,362	10,008
Income taxes	3,152	2,773
Profit	6,210	7,234
Profit attributable to non-controlling interests	107	131
Profit attributable to owners of parent	6,102	7,102

(Consolidated Quarterly Statements of Comprehensive Income)  
(During the first three months of fiscal 2019)

	(Millions of yen)	
	Three months ended June 30, 2017	Three months ended June 30, 2018
Profit	6,210	7,234
Other comprehensive income		
Valuation difference on available-for-sale securities	1,506	1,587
Deferred gains or losses on hedges	6	43
Foreign currency translation adjustment	680	3,993
Remeasurements of defined benefit plans, net of tax	139	(7)
Share of other comprehensive income of associates accounted for using equity method	(26)	(73)
Total other comprehensive income	2,306	5,543
Comprehensive income	8,516	12,778
Total comprehensive income attributable to:		
Owners of parent	8,467	12,736
Non-controlling interests	49	41

### 3) Notes on quarterly consolidated financial statements (Notes Regarding Going Concern)

No applicable items.

#### (Notes Regarding Significant Changes in Shareholders' Equity)

Based on the resolution made at the Board of Directors' meeting held on April 26, 2018, 16,500,000 shares of treasury stock were cancelled on May 15, 2018. As a result, capital surplus declined by ¥220 million to ¥13,694 million, retained earnings by ¥31,779 million to ¥210,785 million, and treasury stock by ¥31,999 million to ¥3,619 million as of June 30, 2018.

#### (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 profit before income taxes and non-controlling interests for the consolidated fiscal year, including the first three months under review, is reasonably estimated, and the tax expenses are calculated by multiplying this estimated effective tax rate by profit before income taxes and non-controlling interests.

#### (Additional Information)

(Application of "Partial Amendments to Accounting Standard for Tax Effect Accounting," etc.)

From the beginning of the first quarter of the consolidated fiscal year under review, "Partial Amendments to Accounting Standard for Tax Effect Accounting" (ASBJ Guidance No. 28, February 16, 2018), etc. have been applied, and therefore deferred tax assets are stated under investments and other assets, and deferred tax liabilities are stated under noncurrent liabilities.

## (Segment Information, etc.)

 I. First three months of fiscal 2018 (April 1, 2017 to June 30, 2017)  
 Sales, Profit, 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	43,170	1,844	19,251	42,568	106,834	–	106,834
Intragroup sales or transfers	395	3,434	3,083	90	7,004	(7,004)	–
Total sales	43,566	5,279	22,334	42,658	113,839	(7,004)	106,834
Operating profit	2,887	367	4,733	2,071	10,059	(355)	9,703

(Notes)

1. Adjustments of ¥ (355) million in segment operating profit consist mainly of difference in the allocation of corporate expenses.
2. Segment operating profits are adjusted to the operating profits recorded in the consolidated statements of income.

 II. First three months of fiscal 2019 (April 1, 2018 to June 30, 2018)  
 Sales, Profit, 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	44,024	1,782	19,719	46,247	111,774	–	111,774
Intragroup sales or transfers	460	3,419	3,290	105	7,275	(7,275)	–
Total sales	44,485	5,202	23,009	46,353	119,050	(7,275)	111,774
Operating profit	3,052	372	4,972	1,940	10,338	(237)	10,100

(Notes)

1. Adjustments of ¥ (237) million in segment operating profit consist mainly of difference in the allocation of corporate expenses.
2. Segment operating profits are adjusted to the operating profits recorded in the consolidated statements of income.