

Business Performance Presentation
for the Six-Month Period Ended September 30, 2018

First Six Months of Fiscal 2019

Kikkoman Corporation

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Forecasts throughout this document were based on the economic environment as of the time they were prepared. Kikkoman therefore wishes to caution readers that actual results may differ materially from forecasts due to a number of unpredictable factors.

I. Major consolidated performance indicators

<i>Consolidated Results</i>		Six months ended September 30, 2016	Six months ended September 30, 2017	Six months ended September 30, 2018	2017.3 Actual	2018.3 Actual	2019.3 Forecast
Net Sales	millions of yen	196,783	214,473	226,099	402,174	430,602	450,800
	YoY Change	% (3.0)	9.0	5.4	(1.5)	7.1	4.7
Operating Profit	millions of yen	16,944	19,070	20,068	32,842	36,502	37,600
(Operating Profit Margin)	%	8.6	8.9	8.9	8.2	8.5	8.3
	YoY Change	% 0.0	12.5	5.2	0.7	11.1	3.0
Ordinary Profit	millions of yen	16,435	18,840	19,998	32,037	35,985	36,200
(Ordinary Profit Margin)	%	8.4	8.8	8.8	8.0	8.4	8.0
	YoY Change	% 3.0	14.6	6.1	3.2	12.3	0.6
Profit Attributable to Owners of Parent	millions of yen	16,013	12,042	14,333	23,810	23,846	25,500
(Ratio of Profit Attributable to Owners of Parent to Net Sales)	%	8.1	5.6	6.3	5.9	5.5	5.7
	YoY Change	% 52.7	(24.8)	19.0	19.3	0.1	6.9
Net Assets per Share	yen	-	-	-	1,242.71	1,292.18	-
Earnings per Share	yen	82.91	62.35	74.66	123.28	123.71	132.83
Diluted Earnings per Share	yen	-	-	-	-	-	-
Cash Dividends per Share	yen	-	-	-	34.00	39.00	40.00
Dividend Payout Ratio (Consolidated)	%	-	-	-	27.6	31.5	30.1
Total Net Assets	millions of yen	219,112	256,579	272,731	244,437	253,289	-
Shareholders' Equity	millions of yen	217,179	251,639	267,671	240,009	248,072	-
Total Assets	millions of yen	332,946	346,079	361,290	361,248	343,929	-
Shareholders' Equity Ratio	%	65.2	72.7	74.1	66.4	72.1	-
D/E Ratio	%	23.1	10.6	8.1	21.1	8.6	-
Dividend on Equity	%	-	-	-	2.8	3.1	-
Return on Equity	%	7.3	4.9	5.6	10.3	9.8	-
Ordinary Profit to Total Assets	%	4.7	5.3	5.7	8.8	10.2	-
Share Price as of Term-end	yen	3,220	3,460	6,760	3,325	4,280	-
PER	times	-	-	-	27.0	34.6	-
Cash Flows From Operating Activities	millions of yen	9,889	17,501	16,885	26,136	37,645	-
Cash Flows From Investing Activities	millions of yen	17,947	(9,007)	(13,351)	13,235	(14,640)	-
Cash Flows From Financing Activities	millions of yen	(27,147)	(29,193)	(3,341)	(30,359)	(43,968)	-
Term-end Cash and Cash Equivalents	millions of yen	33,824	23,591	23,991	44,205	22,785	-
Free Cash Flows	millions of yen	4,399	10,237	3,702	14,536	22,063	-
Free Cash Flows per Share	yen	22.78	53.01	19.29	75.26	114.46	-
Interest-bearing Debt	millions of yen	50,147	26,640	21,556	50,570	21,322	-
Capital Expenditures	millions of yen	4,435	6,325	12,793	12,165	18,180	29,300
(For Property, Plant and Equipment)	millions of yen	4,132	6,056	12,352	11,362	17,350	28,100
Depreciation and Amortization	millions of yen	5,952	6,380	6,459	12,339	13,159	13,500
(On Property, Plant and Equipment)	millions of yen	5,461	5,852	5,898	11,304	12,097	12,500
R&D Costs	millions of yen	1,881	1,784	1,818	3,943	3,772	-
Net Financial Income (Loss)	millions of yen	547	488	743	754	940	-
Average Term Exchange Rate	yen/US\$	106.43	111.42	110.07	109.03	110.81	110.00
No. of Employees	people	6,158	7,043	7,091	6,771	7,105	-
No. of Shares Issued and Outstanding at Term-end	thousand	193,144	193,132	191,979	193,133	191,980	-

(Notes) 1. Net sales do not include consumption and other taxes.

2. Free cash flows = Cash flows from operating activities – Purchase of property, plant, equipment and intangible assets
+ Sales of property, plant, equipment and intangible assets

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

4. Net financial income = Interest and dividend income – Interest expense

5. Shareholders' equity is computed by subtracting subscription rights to shares and non-controlling interests from net assets.

6. D/E ratio = Interest-bearing debt / Shareholders' equity

7. No. of shares issued and outstanding at term-end is computed, excluding treasury share.

8. Depreciation and Amortization do not include the amortization of goodwill.

9. Effective from the three-month period ended June 30, 2018, "Partial Amendments to Accounting Standard for Tax

Effect Accounting" are applied. The results for second quarter ended 2017.9 and fiscal year ended 2018.3 are based on figures recalculated after retroactively adopting the said accounting standards.

II. Business performance

1. Scope of consolidation and application of the equity method and exchange rates

[Scope of consolidation]

Comparison with the same period of the previous year

	2018.9 Actual	2017.9 Actual	Change	Particulars
Consolidated subsidiaries	59	56	3	+ DEL MONTE FOODS (XIAMEN) CO., LTD. + JFC MALAYSIA SDN. BHD. + MIKI JFC AS
Equity-method unconsolidated subsidiaries and affiliates	2	2	0	

Comparison with the fiscal year ended March 31, 2018

	2018.9 Actual	2018.3 Actual	Change	Particulars
Consolidated subsidiaries	59	57	2	+ JFC MALAYSIA SDN. BHD. + MIKI JFC AS
Equity-method unconsolidated subsidiaries and affiliates	2	2	0	

[Exchange rates]

	2018.9 Actual		2017.9 Actual		Change Increase (decrease)			
	Period Average (18.4-18.9)	End of Term (18.9)	Period Average (17.4-17.9)	End of Term (17.9)	Period Average	%	End of Term	%
US\$	110.07	113.57	111.42	112.73	(1.35)	98.8	0.84	100.7
EURO	129.88	132.14	126.63	132.85	3.25	102.6	(0.71)	99.5
S\$	81.58	83.01	81.00	83.05	0.58	100.7	(0.04)	100.0
A\$	81.77	81.83	86.00	88.47	(4.23)	95.1	(6.64)	92.5

2. Consolidated segment information

Net sales

¥ million

		2018.9 Actual	2017.9 Actual	Change increase (decrease)	%	Change excluding translation difference	%
Japan	Soy Sauce	24,504	24,714	(209)	99.2	(209)	99.2
	Food Products	30,784	30,024	759	102.5	759	102.5
	Portion accounted for by soy sauce derivative products	19,805	19,110	695	103.6	695	103.6
	Beverages	28,806	27,237	1,568	105.8	1,568	105.8
	Portion accounted for by soy milk beverages	19,605	18,278	1,326	107.3	1,326	107.3
	Liquor and Wine	5,313	5,903	(589)	90.0	(589)	90.0
	Eliminations	(84)	(83)	(1)	-	(1)	-
	Foods-Manufacturing and Sales	89,325	87,797	1,527	101.7	1,527	101.7
	Others	10,789	10,696	92	100.9	92	100.9
	Eliminations	(6,122)	(6,173)	50	-	50	-
Total		93,991	92,320	1,671	101.8	1,671	101.8
Overseas	Soy Sauce	37,714	35,786	1,927	105.4	1,994	105.6
	Del Monte	2,755	2,298	456	119.9	427	118.6
	Other Foods	6,075	6,302	(227)	96.4	(83)	98.7
	Foods-Manufacturing and Sales	46,544	44,387	2,157	104.9	2,338	105.3
	Foods-Wholesale	93,506	85,075	8,430	109.9	9,468	111.1
	Eliminations	(6,373)	(5,883)	(489)	-	(507)	-
Total		133,677	123,578	10,098	108.2	11,299	109.1
Kikkoman (Holding Company)		9,447	8,773	673	107.7	673	107.7
Eliminations		(11,017)	(10,199)	(817)	-	(817)	-
Consolidated Total		226,099	214,473	11,625	105.4	12,826	106.0

Operating profit

		2018.9 Actual	2017.9 Actual	Change increase (decrease)	%	Change excluding translation difference	%
Japan	Foods-Manufacturing and Sales	6,214	5,908	305	105.2	305	105.2
	Others	884	727	157	121.6	157	121.6
	Total		7,115	6,651	464	107.0	464
Overseas	Foods-Manufacturing and Sales	9,558	9,199	358	103.9	403	104.4
	Foods-Wholesale	3,808	3,758	50	101.3	70	101.9
	Total		13,211	12,785	426	103.3	492
Kikkoman (Holding Company)		3,820	3,159	660	120.9	660	120.9
Eliminations		(4,079)	(3,526)	(553)	-	(553)	-
Consolidated Total		20,068	19,070	998	105.2	1,063	105.6
Ordinary Profit		19,998	18,840	1,158	106.1	1,222	106.5
Profit before Income Taxes		20,056	18,380	1,675	109.1	1,744	109.5
Profit Attributable to Owners of Parent		14,333	12,042	2,291	119.0	2,342	119.5

3. Consolidated segment information in Japan

Net sales

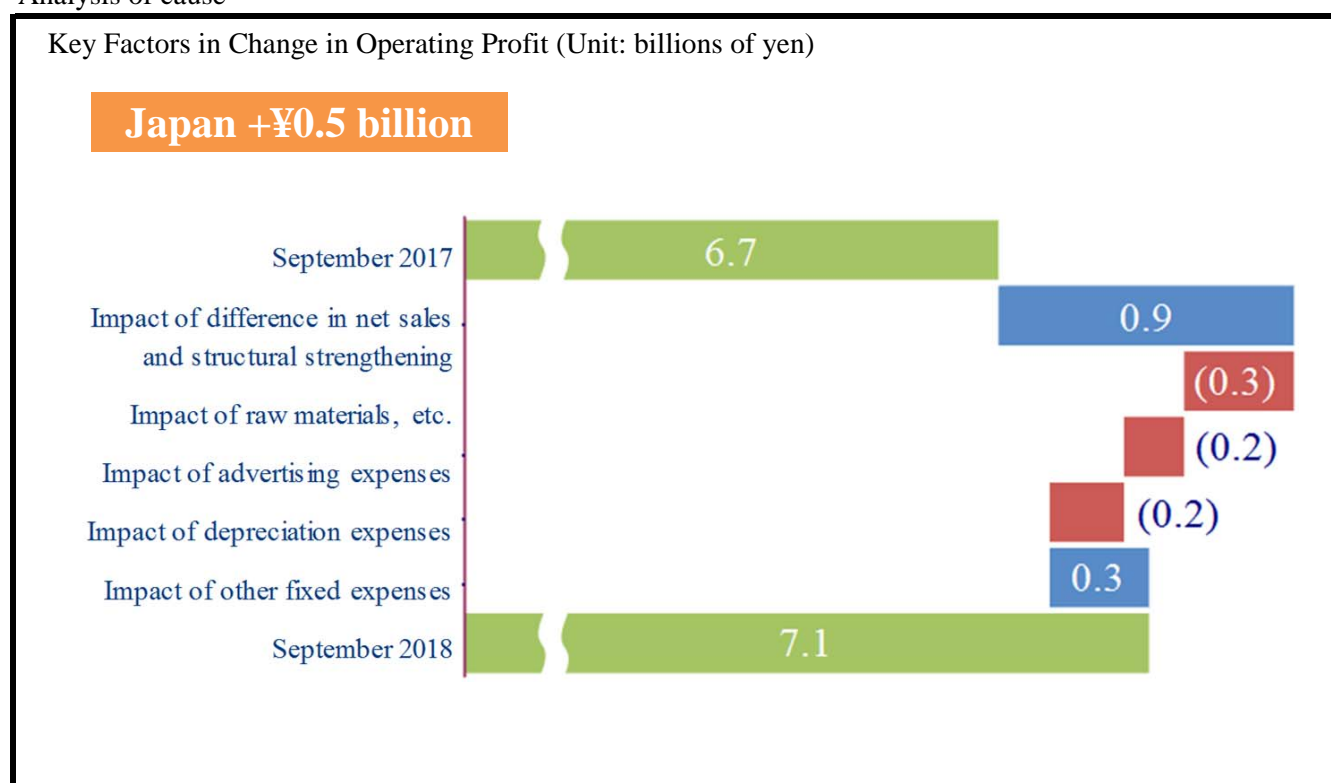
¥ million

		2018.9 Actual	2017.9 Actual	Change increase (decrease)	%	Change excluding translation difference	%
Japan	Soy Sauce	24,504	24,714	(209)	99.2	(209)	99.2
	Food Products	30,784	30,024	759	102.5	759	102.5
	Portion accounted for by soy sauce derivative products	19,805	19,110	695	103.6	695	103.6
	Beverages	28,806	27,237	1,568	105.8	1,568	105.8
	Portion accounted for by soy milk beverages	19,605	18,278	1,326	107.3	1,326	107.3
	Liquor and Wine	5,313	5,903	(589)	90.0	(589)	90.0
	Eliminations	(84)	(83)	(1)	-	(1)	-
	Foods-Manufacturing and Sales	89,325	87,797	1,527	101.7	1,527	101.7
Others	10,789	10,696	92	100.9	92	100.9	
Eliminations	(6,122)	(6,173)	50	-	50	-	
Total		93,991	92,320	1,671	101.8	1,671	101.8

Operating profit

		2018.9 Actual	2017.9 Actual	Change increase (decrease)	%	Change excluding translation difference	%
Japan	Foods-Manufacturing and Sales	6,214	5,908	305	105.2	305	105.2
	Others	884	727	157	121.6	157	121.6
	Total	7,115	6,651	464	107.0	464	107.0

Analysis of cause



4. Consolidated segment information overseas

Net sales

¥ million

			2018.9 Actual	2017.9 Actual	Change increase (decrease)	%	Change excluding translation difference	%	
Overseas	North America	Soy Sauce	23,799	22,924	874	103.8	1,166	105.1	
		Other Foods	6,075	6,302	(227)	96.4	(83)	98.7	
		Foods-Manufacturing and Sales	29,874	29,226	647	102.2	1,083	103.7	
		Foods-Wholesale	70,902	66,149	4,752	107.2	5,629	108.5	
		Eliminations	(4,335)	(4,051)	(283)	-	(336)	-	
	Total			96,441	91,324	5,116	105.6	6,376	107.0
	Europe	Foods-Manufacturing and Sales	6,397	5,711	686	112.0	525	109.2	
		Foods-Wholesale	9,940	8,463	1,476	117.4	1,320	115.6	
		Eliminations	(1,242)	(1,132)	(109)	-	(78)	-	
	Total			15,095	13,041	2,053	115.7	1,768	113.6
	Asia & Oceania	Soy Sauce	7,228	6,862	366	105.3	301	104.4	
		Del Monte	2,755	2,298	456	119.9	427	118.6	
		Foods-Manufacturing and Sales	9,983	9,161	822	109.0	728	108.0	
		Foods-Wholesale	8,686	8,375	310	103.7	637	107.6	
		Eliminations	(162)	(155)	(6)	-	(12)	-	
	Total			18,507	17,381	1,126	106.5	1,353	107.8
	Others			21,069	19,141	1,927	110.1	1,927	110.1
Eliminations			(17,437)	(17,311)	(126)	-	(126)	-	
Total			133,677	123,578	10,098	108.2	11,299	109.1	

Operating profit

			2018.9 Actual	2017.9 Actual	Change increase (decrease)	%	Change excluding translation difference	%
Overseas	North America	Foods-Manufacturing and Sales	6,234	6,208	25	100.4	136	102.2
		Foods-Wholesale	2,659	2,765	(105)	96.2	(72)	97.4
		Total	8,764	8,858	(93)	98.9	58	100.7
	Europe	Foods-Manufacturing and Sales	1,864	1,647	216	113.2	160	109.7
		Foods-Wholesale	373	301	72	123.9	59	119.9
		Total	2,227	1,910	316	116.6	240	112.6
	Asia & Oceania	Foods-Manufacturing and Sales	1,248	1,121	127	111.4	112	110.0
		Foods-Wholesale	81	186	(104)	43.7	(104)	44.1
		Total	1,331	1,300	31	102.4	16	101.2
	Others			934	891	43	104.9	43
Total			13,211	12,785	426	103.3	492	103.9

Analysis of cause

Key Factors in Change in Operating Profit (Unit: billions of yen)

Overseas +¥0.4



5. Non-operating income (expenses) and extraordinary income (loss)

[Consolidated total]

¥ million

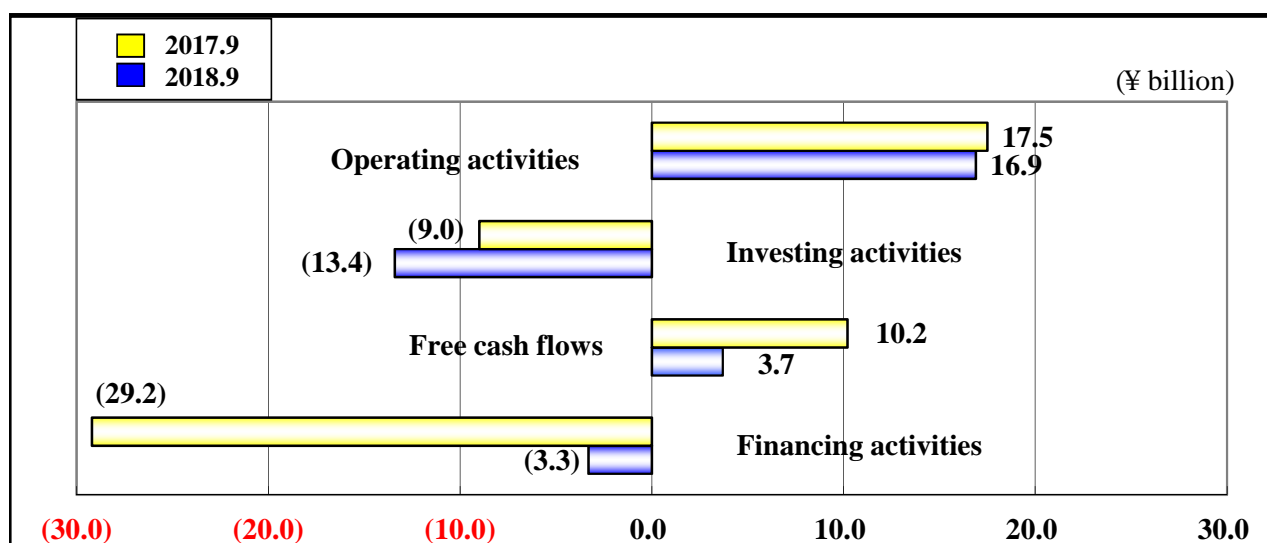
	2018.9 Actual	2017.9 Actual	Change increase (decrease)	%	Change excluding translation difference	%
Operating profit	20,068	19,070	998	105.2	1,063	105.6
Financial income (expenses) and dividends income	743	488	255	152.4	255	152.4
Equity in earnings (loss) of affiliates	93	106	(12)	88.3	(12)	88.3
Other	(907)	(824)	(83)	-	(84)	-
Total non-operating income (expenses)	(69)	(229)	160	-	158	-
Ordinary profit	19,998	18,840	1,158	106.1	1,222	106.5
Gain on sales of property, plant and equipment	382	5	377		382	
Gain on sales of investment securities	-	1,917	(1,917)		(1,917)	
Total extraordinary income	382	1,922	(1,540)	19.9	(1,535)	20.1
Loss on retirement of noncurrent assets	65	106	(41)		(41)	
Loss on valuation of investment securities	-	607	(607)		(607)	
Loss on bond retirement	-	1,668	(1,668)		(1,668)	
Provision for environmental measures	259	-	259		259	
Total extraordinary loss	324	2,382	(2,057)	13.6	(2,057)	13.6
Total extraordinary income (loss)	58	(459)	517	-	522	-
Profit before income taxes	20,056	18,380	1,675	109.1	1,744	109.5
Income taxes	5,493	6,140	(647)	89.5	(626)	89.8
Profit	14,563	12,240	2,322	119.0	2,371	119.4
Profit attributable to non-controlling interests	229	197	31	116.1	28	114.6
Profit attributable to owners of parent	14,333	12,042	2,291	119.0	2,342	119.5

6. Consolidated balance sheets

As of September 30, 2018 (Compared with 2018.3)

Total Asset	=	361,290	+17,361	(¥ million)
		Translation Difference	+4,956	US\$ 113.57 +7.33 EUR 132.14 +1.62
		Actual Difference	+12,404	
Current assets		+5,781	Liabilities	(3,386)
Cash and deposits		+3,312	Interest-bearing debt	+197
Notes and accounts receivable-trade		+2,406	Notes and accounts payable-trade	(1,462)
Inventories		+1,719	Accounts payable-other	+186
Other		(1,656)	Income taxes payable	+186
			Net defined benefit liability	(59)
			Deferred tax liabilities	+217
			Other	(2,465)
Noncurrent assets		+6,623	Net assets	+15,791
Property, plant and equipment		+6,260	Retained earnings	(20,535)
Intangible assets		+437	Valuation difference on available-for-sale securities	+468
[Goodwill		+283]	Foreign currency translation adjustment	+4,133
Investments and other assets		(74)	Non-controlling interests	(164)
[Investment securities		(553)]	Other	+31,889
[Deferred tax assets		(165)]		

7. Consolidated statements of cash flows



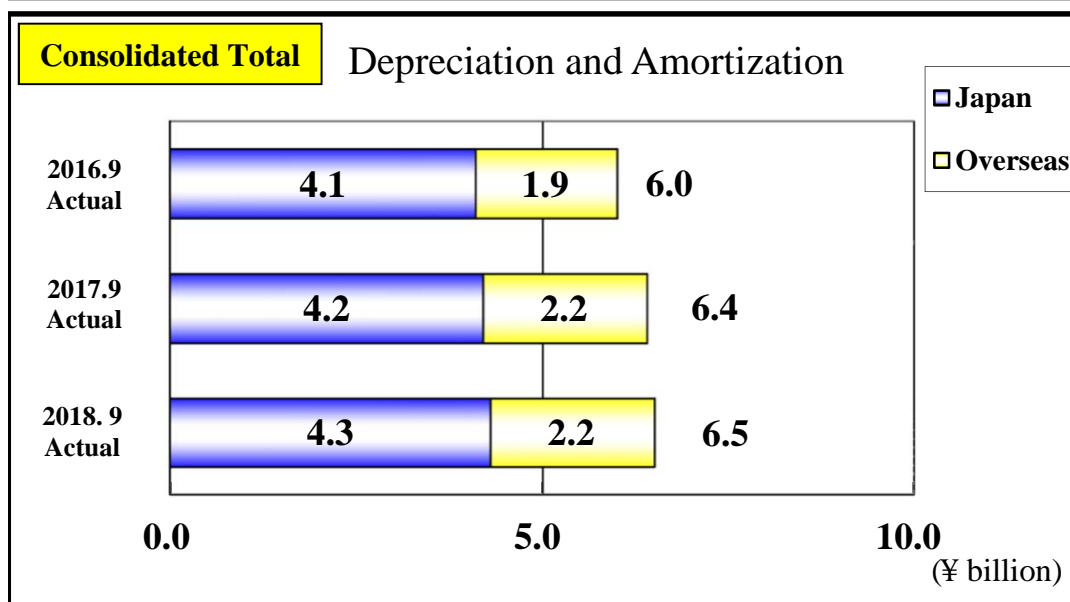
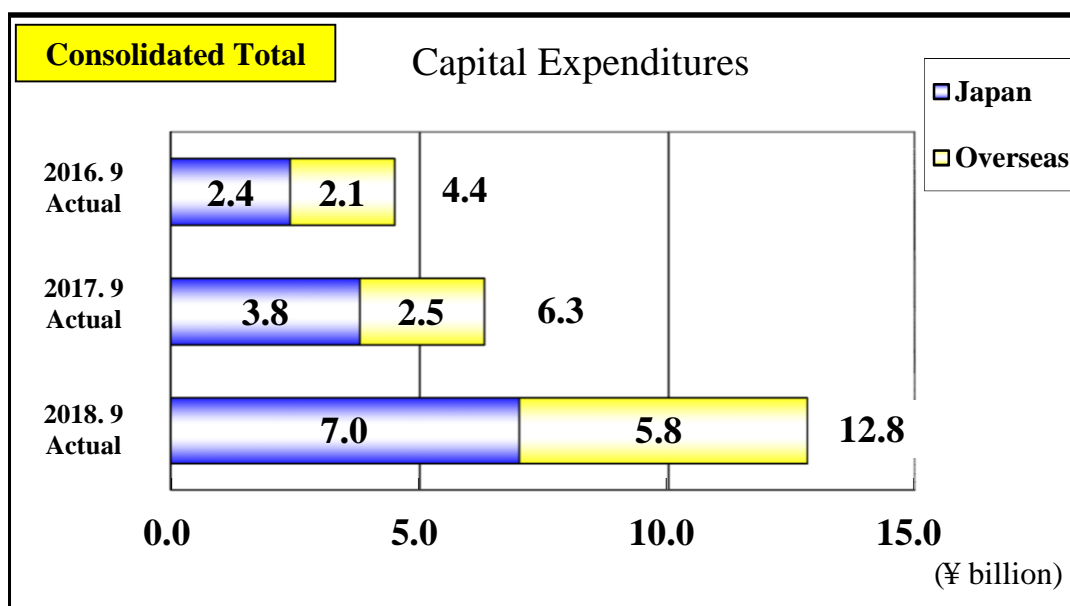
Consolidated statements of cash flows

¥ million

	2018.9 Actual	2017.9 Actual	Change increase (decrease)
	Amount	Amount	Amount
I Cash flows from operating activities	16,885	17,501	(616)
Profit before income taxes	20,056	18,380	1,675
Depreciation and amortization	6,459	6,380	79
Increase (decrease) in provision for directors' retirement	(12)	(59)	47
Increase (decrease) in net defined benefit liability	(194)	106	(300)
Interest and dividends income / interest expenses	(743)	(488)	(255)
Equity in (earnings) losses of affiliates	(93)	(106)	12
Loss (gain) on sales of property, plant and equipment / Loss on retirement of property, plant and equipment	(172)	285	(457)
Loss (gain) on sales of investment securities / Loss (gain) on valuation of investment securities	(5)	(1,310)	1,304
Decrease (increase) in notes and accounts receivable-trade/ Increase (decrease) in notes and accounts payable-trade	(1,603)	(4,572)	2,968
Decrease (increase) in inventories	(1,601)	(3,428)	1,827
Other, net	(42)	2,807	(2,850)
(Subtotal)	22,046	17,994	4,052
Interest and dividends received / Interest expenses paid	837	376	460
Income taxes paid	(5,999)	(869)	(5,129)
II Cash flows from investing activities	(13,351)	(9,007)	(4,344)
Purchase of property, plant and equipment	(13,173)	(6,978)	(6,195)
Proceeds from sales of property, plant and equipment	505	16	489
Purchase of intangible assets	(514)	(302)	(212)
Purchase of investment securities	(590)	(2,316)	1,726
Proceeds from sales of investment securities	36	775	(738)
Payments of loans receivable	(1,114)	(529)	(584)
Collection of loans receivable	394	143	251
Other, net	1,103	184	919
III Cash flows from financing activities	(3,341)	(29,193)	25,851
Net increase (decrease) in loans payable	197	6,025	(5,827)
Proceeds from issuance of bonds / Redemption of bonds	-	(31,668)	31,668
Purchase of treasury stock	(9)	(18)	8
Cash dividends paid (including non-controlling shareholders)	(3,508)	(3,505)	(2)
Other, net	(21)	(27)	5
IV Effect of exchange rate change on cash and cash equivalents	816	39	777
V Net increase (decrease) in cash and cash equivalents	1,008	(20,659)	21,668
Free cash flows	3,702	10,237	(6,534)

* Free cash flows = cash flows from operating activities – purchase of noncurrent assets + proceeds from sales of noncurrent assets

8. Capital expenditures, depreciation and amortization



Capital expenditures

(including intangible assets and long-term prepaid expenses)

(¥ million)

	Consolidated	Japan	Overseas
2016.9 Actual	4,435	2,378	2,056
2017.9 Actual	6,325	3,818	2,506
2018.9 Actual	12,793	6,955	5,837

Depreciation and amortization

(including intangible assets and long-term prepaid expenses)

	Consolidated	Japan	Overseas
2016.9 Actual	5,952	4,056	1,896
2017.9 Actual	6,380	4,186	2,194
2018.9 Actual	6,459	4,264	2,195

Note: Depreciation and amortization do not include the amortization of goodwill.

III. Forecast of business performance

1. Forecast of consolidated business performance (full year)

Net sales

¥ million

		Fiscal 2019 Forecast	Fiscal 2018 Actual	Change increase (decrease)	%	Change excluding translation difference	%
Japan	Soy Sauce	50,000	50,157	(157)	99.7	(157)	99.7
	Food Products	60,500	58,866	1,633	102.8	1,633	102.8
	Portion accounted for by soy sauce derivative products	38,550	37,137	1,412	103.8	1,412	103.8
	Beverages	53,600	50,703	2,896	105.7	2,896	105.7
	Portion accounted for by soy milk beverages	37,300	34,651	2,648	107.6	2,648	107.6
	Liquor and Wine	11,400	12,881	(1,481)	88.5	(1,481)	88.5
	Eliminations	(200)	(171)	(28)	-	(28)	-
	Foods-Manufacturing and Sales	175,300	172,437	2,862	101.7	2,862	101.7
	Others	21,300	21,149	150	100.7	150	100.7
	Eliminations	(12,100)	(12,177)	77	-	77	-
Total		184,500	181,409	3,090	101.7	3,090	101.7
Overseas	Soy Sauce	75,800	71,898	3,901	105.4	4,477	106.2
	Del Monte	5,800	5,240	559	110.7	595	111.4
	Other Foods	12,000	12,314	(314)	97.4	(30)	99.8
	Foods-Manufacturing and Sales	93,600	89,453	4,146	104.6	5,043	105.6
	Foods-Wholesale	188,700	174,457	14,242	108.2	16,680	109.6
	Eliminations	(13,000)	(11,786)	(1,213)	-	(1,304)	-
Total		269,300	252,124	17,175	106.8	20,419	108.1
Kikkoman (Holding Company)		19,000	17,855	1,144	106.4	1,144	106.4
Eliminations		(22,000)	(20,787)	(1,212)	-	(1,212)	-
Consolidated Total		450,800	430,602	20,197	104.7	23,441	105.4

Operating profit

		Fiscal 2019 Forecast	Fiscal 2018 Actual	Change increase (decrease)	%	Change excluding translation difference	%
Japan	Foods-Manufacturing and Sales	10,550	10,385	164	101.6	164	101.6
	Others	1,450	1,465	(15)	98.9	(15)	98.9
	Total	12,000	11,880	119	101.0	119	101.0
Overseas	Foods-Manufacturing and Sales	18,770	17,791	978	105.5	1,127	106.3
	Foods-Wholesale	8,400	8,166	233	102.9	316	103.9
	Total	26,900	25,759	1,140	104.4	1,383	105.4
Kikkoman (Holding Company)		6,950	6,281	668	110.6	668	110.6
Eliminations		(8,250)	(7,419)	(830)	-	(815)	-
Consolidated Total		37,600	36,502	1,097	103.0	1,355	103.7
Ordinary Profit		36,200	35,985	214	100.6	454	101.3
Profit before Income Taxes		36,200	35,999	200	100.6	444	101.2
Profit Attributable to Owners of Parent		25,500	23,846	1,653	106.9	1,847	107.7

Exchange rate

Yen/US\$	110.00	110.81	(0.81)
Yen/EUR	130.00	129.45	0.55

2. Forecast of consolidated business performance in Japan (full year)

Net sales

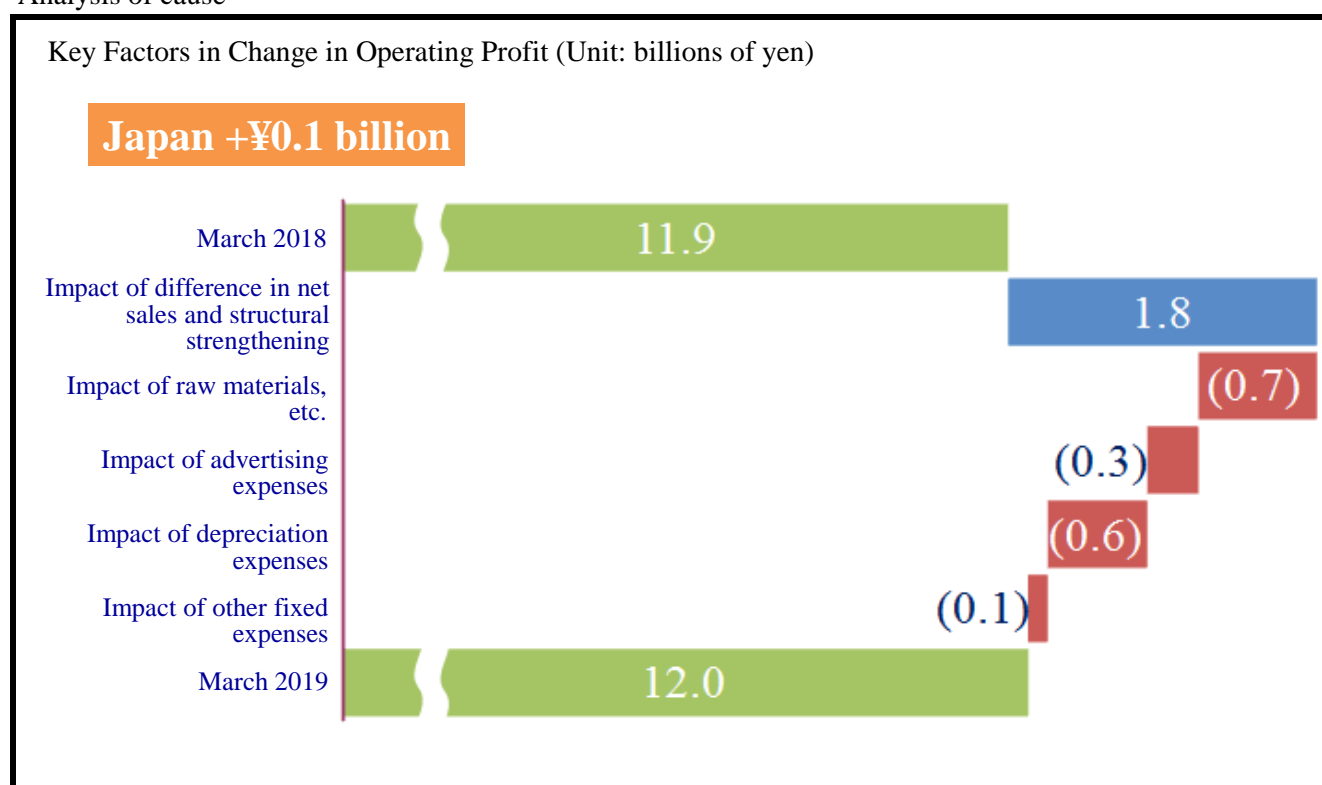
¥ million

		Fiscal 2019 Forecast	Fiscal 2018 Actual	Change increase (decrease)	%	Change excluding translation difference	%
Japan	Soy Sauce	50,000	50,157	(157)	99.7	(157)	99.7
	Food Products	60,500	58,866	1,633	102.8	1,633	102.8
	Portion accounted for by soy sauce derivative products	38,550	37,137	1,412	103.8	1,412	103.8
	Beverages	53,600	50,703	2,896	105.7	2,896	105.7
	Portion accounted for by soy milk beverages	37,300	34,651	2,648	107.6	2,648	107.6
	Liquor and Wine	11,400	12,881	(1,481)	88.5	(1,481)	88.5
	Eliminations	(200)	(171)	(28)	-	(28)	-
	Foods-Manufacturing and Sales	175,300	172,437	2,862	101.7	2,862	101.7
	Others	21,300	21,149	150	100.7	150	100.7
Eliminations	(12,100)	(12,177)	77	-	77	-	
Total		184,500	181,409	3,090	101.7	3,090	101.7

Operating profit

		Fiscal 2019 Forecast	Fiscal 2018 Actual	Change increase (decrease)	%	Change excluding translation difference	%
Japan	Foods-Manufacturing and Sales	10,550	10,385	164	101.6	164	101.6
	Others	1,450	1,465	(15)	98.9	(15)	98.9
	Total	12,000	11,880	119	101.0	119	101.0

Analysis of cause



3. Forecast of consolidated business performance overseas (full year)

Net sales

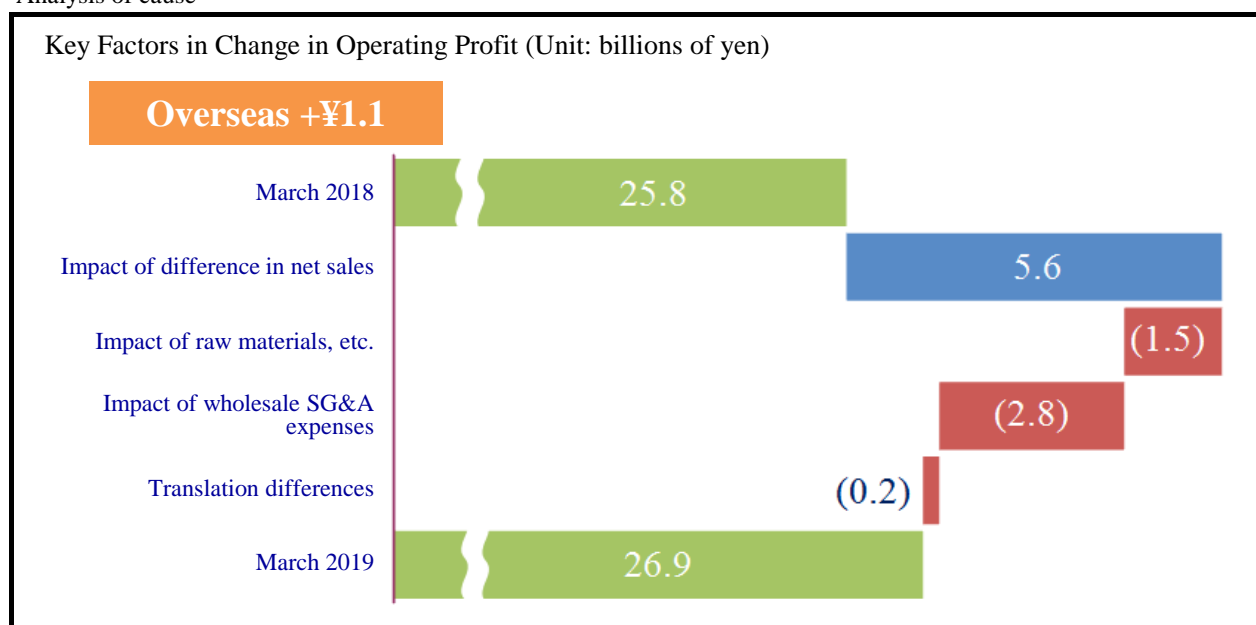
¥ million

			Fiscal 2019 Forecast	Fiscal 2018 Actual	Change increase (decrease)	%	Change excluding translation difference	%	
Overseas	North America	Soy Sauce	48,000	45,559	2,440	105.4	2,861	106.3	
		Other Foods	12,000	12,314	(314)	97.4	(30)	99.8	
		Foods-Manufacturing and Sales	60,000	57,874	2,125	103.7	2,831	104.9	
		Foods-Wholesale	144,700	135,625	9,074	106.7	10,598	107.8	
		Eliminations	(8,800)	(8,016)	(783)	-	(860)	-	
	Total			195,900	185,483	10,416	105.6	12,568	106.8
	Europe	Foods-Manufacturing and Sales	13,300	12,150	1,149	109.5	1,116	109.2	
		Foods-Wholesale	20,700	18,094	2,605	114.4	2,739	115.1	
		Eliminations	(2,600)	(2,330)	(269)	-	(263)	-	
	Total			31,400	27,914	3,485	112.5	3,592	112.9
	Asia & Oceania	Soy Sauce	14,000	13,602	397	102.9	603	104.4	
		Del Monte	5,800	5,240	559	110.7	595	111.4	
		Foods-Manufacturing and Sales	19,800	18,842	957	105.1	1,200	106.4	
		Foods-Wholesale	18,000	17,116	883	105.2	1,677	109.8	
		Eliminations	(400)	(315)	(84)	-	(100)	-	
	Total			37,400	35,643	1,756	104.9	2,777	107.8
	Others			39,800	37,869	1,930	105.1	1,930	105.1
	Eliminations			(35,200)	(34,785)	(414)	-	(449)	-
	Total			269,300	252,124	17,175	106.8	20,419	108.1

Operating profit

			Fiscal 2019 Forecast	Fiscal 2018 Actual	Change increase (decrease)	%	Change excluding translation difference	%
Overseas	North America	Foods-Manufacturing and Sales	12,350	11,836	513	104.3	645	105.5
		Foods-Wholesale	5,900	5,831	68	101.2	137	102.4
		Total	18,050	17,507	542	103.1	758	104.3
	Europe	Foods-Manufacturing and Sales	3,700	3,392	307	109.1	297	108.8
		Foods-Wholesale	850	782	67	108.6	69	108.9
		Total	4,550	4,137	412	110.0	400	109.7
	Asia & Oceania	Foods-Manufacturing and Sales	2,270	2,136	133	106.2	158	107.4
		Foods-Wholesale	280	356	(76)	78.5	(67)	81.1
		Total	2,550	2,492	57	102.3	91	103.7
	Others			1,850	1,756	93	105.3	93
Total			26,900	25,759	1,140	104.4	1,383	105.4

Analysis of cause



4. Forecast of consolidated business performance (2nd half)

Net sales

¥ million

		Forecast for Fiscal 2019 2H	Actual Performance for Fiscal 2018 2H	Change increase (decrease)	%	Change excluding translation difference	%
Japan	Soy Sauce	25,495	25,442	52	100.2	52	100.2
	Food Products	29,715	28,842	873	103.0	873	103.0
	Portion accounted for by soy sauce derivative products	18,744	18,026	717	104.0	717	104.0
	Beverages	24,793	23,466	1,327	105.7	1,327	105.7
	Portion accounted for by soy milk beverages	17,694	16,372	1,322	108.1	1,322	108.1
	Liquor and Wine	6,086	6,977	(891)	87.2	(891)	87.2
	Eliminations	(115)	(88)	(27)	-	(27)	-
	Foods-Manufacturing and Sales	85,974	84,640	1,334	101.6	1,334	101.6
	Others	10,510	10,452	57	100.6	57	100.6
Eliminations	(5,977)	(6,003)	26	-	26	-	
Total		90,508	89,089	1,418	101.6	1,418	101.6
Overseas	Foods-Manufacturing and Sales	47,055	45,066	1,989	104.4	2,705	106.0
	Foods-Wholesale	95,193	89,382	5,811	106.5	7,212	108.1
	Eliminations	(6,626)	(5,902)	(724)	-	(797)	-
Total		135,622	128,546	7,076	105.5	9,120	107.1
Kikkoman (Holding Company)		9,552	9,081	470	105.2	470	105.2
Eliminations		(10,982)	(10,587)	(394)	-	(394)	-
Consolidated Total		224,700	216,129	8,571	104.0	10,615	104.9

Operating profit

		Forecast for Fiscal 2019 2H	Actual Performance for Fiscal 2018 2H	Change increase (decrease)	%	Change excluding translation difference	%
Japan	Foods-Manufacturing and Sales	4,335	4,477	(141)	96.8	(141)	96.8
	Others	565	737	(172)	76.6	(172)	76.6
	Total	4,884	5,229	(345)	93.4	(345)	93.4
Overseas	Foods-Manufacturing and Sales	9,211	8,592	619	107.2	723	108.4
	Foods-Wholesale	4,591	4,407	183	104.2	246	105.6
	Total	13,688	12,974	714	105.5	890	106.9
Kikkoman (Holding Company)		3,129	3,122	7	100.2	7	100.2
Eliminations		(4,170)	(3,893)	(277)	-	(261)	-
Consolidated Total		17,531	17,431	99	100.6	291	101.7
Ordinary Profit		16,201	17,144	(943)	94.5	(767)	95.5
Profit before Income Taxes		16,143	17,618	(1,475)	91.6	(1,300)	92.6
Profit Attributable to Owners of Parent		11,166	11,803	(637)	94.6	(494)	95.8

Exchange rate

Yen/US\$	110.00	110.10	(0.10)
Yen/EUR	130.00	132.74	(2.74)

5. Forecast of consolidated business performance overseas (2nd half)

Net sales

¥ million

			Forecast for Fiscal 2019 2H	Actual Performance for Fiscal 2018 2H	Change increase (decrease)	%	Change excluding translation difference	%
Overseas	North America	Soy Sauce	24,200	22,634	1,565	106.9	1,694	107.5
		Other Foods	5,924	6,012	(87)	98.5	52	100.9
		Foods-Manufacturing and Sales	30,125	28,647	1,477	105.2	1,747	106.1
		Foods-Wholesale	73,797	69,475	4,321	106.2	4,968	107.2
		Eliminations	(4,464)	(3,965)	(499)	-	(523)	-
		Total	99,458	94,158	5,299	105.6	6,192	106.6
	Europe	Foods-Manufacturing and Sales	6,902	6,439	463	107.2	591	109.2
		Foods-Wholesale	10,759	9,630	1,128	111.7	1,418	114.7
		Eliminations	(1,357)	(1,197)	(160)	-	(185)	-
		Total	16,304	14,872	1,432	109.6	1,824	112.3
	Asia & Oceania	Soy Sauce	6,771	6,739	31	100.5	302	104.5
		Del Monte	3,044	2,942	102	103.5	168	105.7
		Foods-Manufacturing and Sales	9,816	9,681	134	101.4	472	104.9
		Foods-Wholesale	9,313	8,741	572	106.6	1,040	111.9
		Eliminations	(237)	(159)	(77)	-	(88)	-
		Total	18,892	18,262	629	103.4	1,424	107.8
	Others		18,730	18,727	3	100.0	3	100.0
	Eliminations		(17,762)	(17,474)	(288)	-	(323)	-
	Total		135,622	128,546	7,076	105.5	9,120	107.1

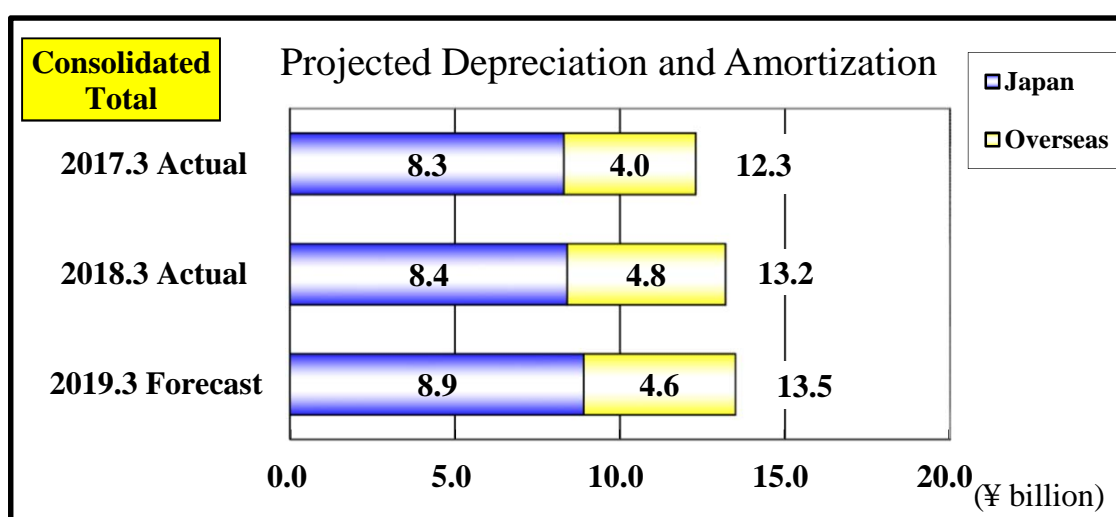
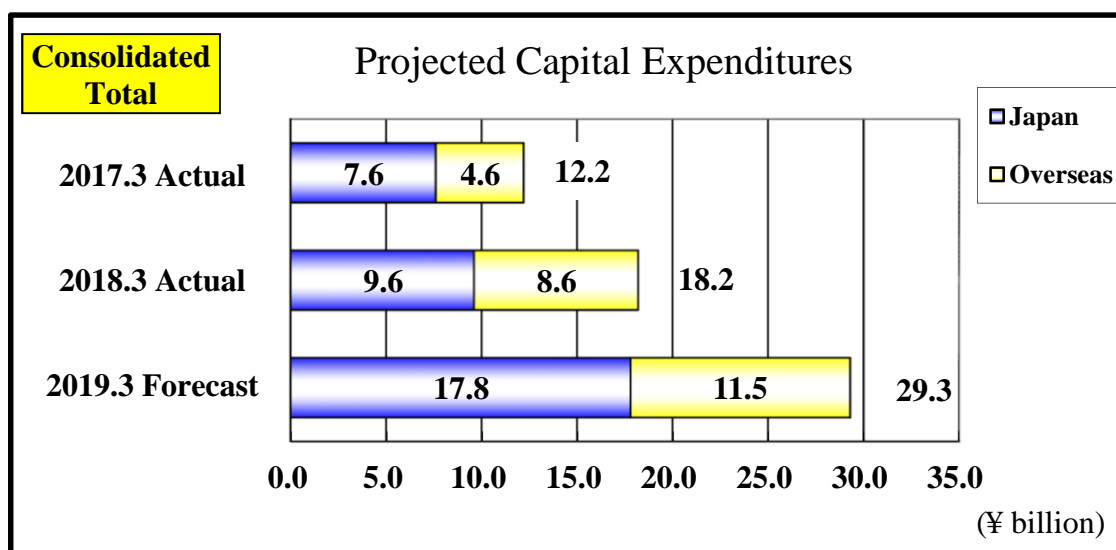
Operating profit

			Forecast for Fiscal 2019 2H	Actual Performance for Fiscal 2018 2H	Change increase (decrease)	%	Change excluding translation difference	%
Overseas	North America	Foods-Manufacturing and Sales	6,115	5,627	487	108.7	508	109.0
		Foods-Wholesale	3,240	3,066	173	105.7	210	106.9
		Total	9,285	8,649	636	107.4	700	108.1
	Europe	Foods-Manufacturing and Sales	1,835	1,745	90	105.2	137	107.9
		Foods-Wholesale	476	481	(5)	99.0	10	102.1
		Total	2,322	2,227	95	104.3	159	107.2
	Asia & Oceania	Foods-Manufacturing and Sales	1,021	1,015	5	100.5	45	104.5
		Foods-Wholesale	198	170	28	116.5	36	121.5
		Total	1,218	1,191	26	102.2	75	106.3
	Others		915	865	50	105.8	50	105.8
	Total		13,688	12,974	714	105.5	890	106.9

Exchange rate

Yen/US\$	110.00	110.10	(0.10)
Yen/EUR	130.00	132.74	(2.74)

6. Forecasts of capital expenditures, depreciation and amortization (full year)



Capital expenditures

(including intangible assets and long-term prepaid expenses)

(¥ million)

	Consolidated	Japan	Overseas
2017.3 Actual	12,165	7,598	4,567
2018.3 Actual	18,180	9,586	8,594
2019.3 Forecast	29,300	17,800	11,500

Depreciation and amortization

(including intangible assets and long-term prepaid expenses)

	Consolidated	Japan	Overseas
2017.3 Actual	12,339	8,292	4,047
2018.3 Actual	13,159	8,360	4,799
2019.3 Forecast	13,500	8,900	4,600

Note: Depreciation and amortization do not include the amortization of goodwill.