

Kikkoman Corporation

***Business Performance Presentation
for the Year ended March 31, 2016***

April 27, 2016

- *The information in this presentation is based on Kikkoman's best knowledge at the time it was prepared.*
- *This presentation does not constitute a promise or guarantee that the company will achieve its numerical targets or necessarily implement the strategies outlined.*

➤ *Performance in Fiscal 2016 and Forecast for Fiscal 2017*

Shozaburo Nakano

Director, Executive Corporate Officer and CFO

➤ *Progress of the Medium-Term Management Plan*

Noriaki Horikiri

President and CEO

Performance in Fiscal 2016 and Forecast for Fiscal 2017

Shozaburo Nakano
Director, Executive Corporate Officer and CFO

1-1. Performance in Fiscal 2016

Consolidated P/L Results (Compared with Previous Year)

Full-year actual results

(Unit: billion yen)

	Fiscal 2016	Fiscal 2015	Change Increase / Decrease	%	Breakdown of change		
					Translation Difference	Actual Difference	%
Net Sales	408.4	371.3	37.0	110.0	13.4	23.6	106.4
Japan	176.6	169.7	6.8	104.0		6.8	104.0
Overseas	234.3	203.9	30.4	114.9	13.4	17.0	108.4
Operating Income	32.6	25.4	7.2	128.5	1.6	5.6	122.0
Japan	8.1	3.8	4.3	213.7		4.3	213.7
Overseas	24.0	20.5	3.4	116.7	1.5	1.9	109.2
Kikkoman (Holding Company)	4.4	5.3	(0.9)	83.7		(0.9)	83.7
Eliminations	(3.9)	(4.2)	0.4		0.1	0.3	
Ordinary income	31.0	24.4	6.7	127.4	1.5	5.2	121.3
Income before income taxes and minority interests	30.3	23.8	6.4	127.0	1.4	5.0	121.1
Net income attributable to owners of parent	20.0	15.4	4.6	129.8	0.9	3.7	124.0
Exchange Rate (¥/US\$)	120.2	110.0	10.1				
(¥/EUR)	132.4	138.7	(6.3)				

1-2. Performance in Fiscal 2016

Net Sales in Japan (Compared with Previous Year)

Full-year actual results

(Unit: billion yen)

			Fiscal 2016	Fiscal 2015	Change Increase / Decrease	%
Japan	Soy Sauce		49.4	46.9	2.4	105.2
	Food Products		60.3	58.5	1.8	103.2
	Beverages		44.8	42.8	2.0	104.6
	Liquor and wine		13.4	13.2	0.2	101.6
	Eliminations		(0.2)	(0.1)		
	Foods-Manufacturing and sales		167.7	161.3	6.4	104.0
	Others		20.7	20.2	0.5	102.5
	Eliminations		(11.8)	(11.7)	(0.1)	
Total			176.6	169.7	6.8	104.0

- Increase in sales in all divisions.
- The *Itsudemo Shinsen* (“always fresh”) series continued to perform well.

1-3. Performance in Fiscal 2016

Net Sales Overseas (Compared with Previous Year)

Full-year actual results

(Unit: billion yen)

						Breakdown of change		
		Fiscal 2016	Fiscal 2015	Change Increase / Decrease	%	Translation Difference	Actual Difference	%
Overseas	North America	176.9	153.5	23.4	115.3	14.4	9.1	105.9
	Foods-Manufacturing and sales	57.8	50.4	7.4	114.8	5.3	2.1	104.2
	Foods-Wholesale	126.8	109.8	17.0	115.5	9.7	7.3	106.7
	Europe	23.6	21.9	1.8	108.1	(0.8)	2.6	111.8
	Foods-Manufacturing and sales	10.5	10.1	0.4	104.4	(0.5)	1.0	109.4
	Foods-Wholesale	14.7	13.4	1.3	109.8	(0.4)	1.7	112.7
	Asia & Oceania	29.2	25.3	3.9	115.3		3.8	115.1
	Foods-Manufacturing and sales	16.2	13.5	2.7	119.6	0.7	1.9	114.3
	Foods-Wholesale	13.2	12.0	1.2	110.2	(0.7)	1.9	115.9
	Others	34.4	30.0	4.4	114.8		4.4	114.8
Eliminations		(29.9)	(26.8)	(3.1)		(0.2)	(2.9)	
Total		234.3	203.9	30.4	114.9	13.4	17.0	108.4
Exchange Rate (¥/US\$)		120.2	110.0	10.1				
(¥/EUR)		132.4	138.7	(6.3)				

- Sales grew generally steadily overall and in all segments and regions.

1-4. Performance in Fiscal 2016 (Consolidated Operating Income (Compared with Previous Year))

Full-year actual results

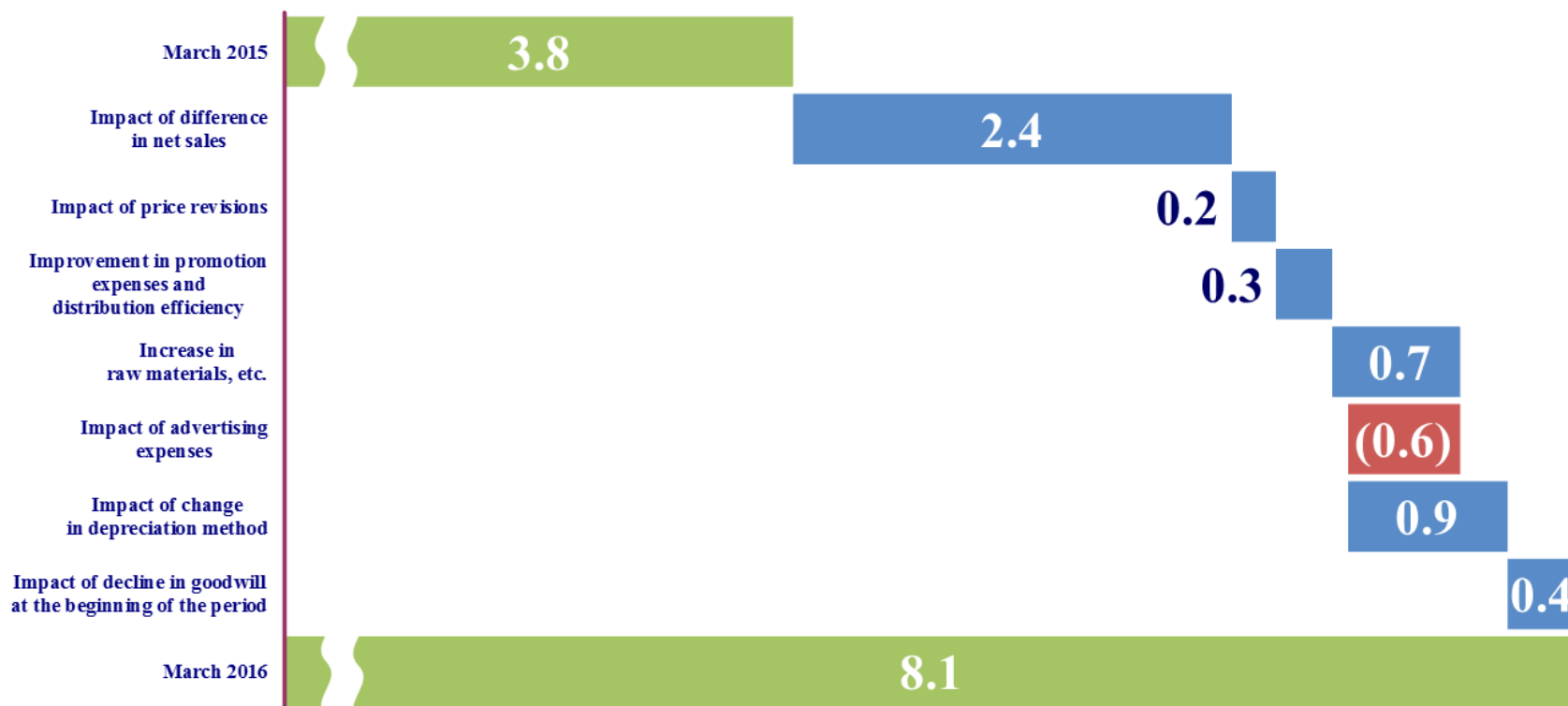
(Unit: billion yen)

						Breakdown of change		
		Fiscal 2016	Fiscal 2015	Change Increase / Decrease	%	Translation Difference	Actual Difference	%
Japan	Foods-Manufacturing and sales	6.5	2.7	3.8	240.7		3.8	240.7
	Others	1.5	1.0	0.5	146.3		0.5	146.3
	Total	8.1	3.8	4.3	213.7		4.3	213.7
Overseas	North America	16.6	13.8	2.9	120.9	1.5	1.4	109.9
	Europe	3.3	3.2	0.1	102.4	(0.1)	0.2	106.7
	Asia & Oceania	2.5	2.1	0.3	116.0	0.1	0.3	112.3
	Others	1.5	1.4	0.1	106.1		0.1	106.1
	Total	24.0	20.5	3.4	116.7	1.5	1.9	109.2
Kikkoman (Holding Company)		4.4	5.3	(0.9)	83.7		(0.9)	83.7
Eliminations		(3.9)	(4.2)	0.4		0.1	0.3	
Consolidated Total		32.6	25.4	7.2	128.5	1.6	5.6	122.0
Exchange Rate (¥/US\$)		120.2	110.0	10.1				
(¥/EUR)		132.4	138.7	(6.3)				

1-5. Major Factors for Changes in Operating Income in Japan

Japan +¥4.3 billion

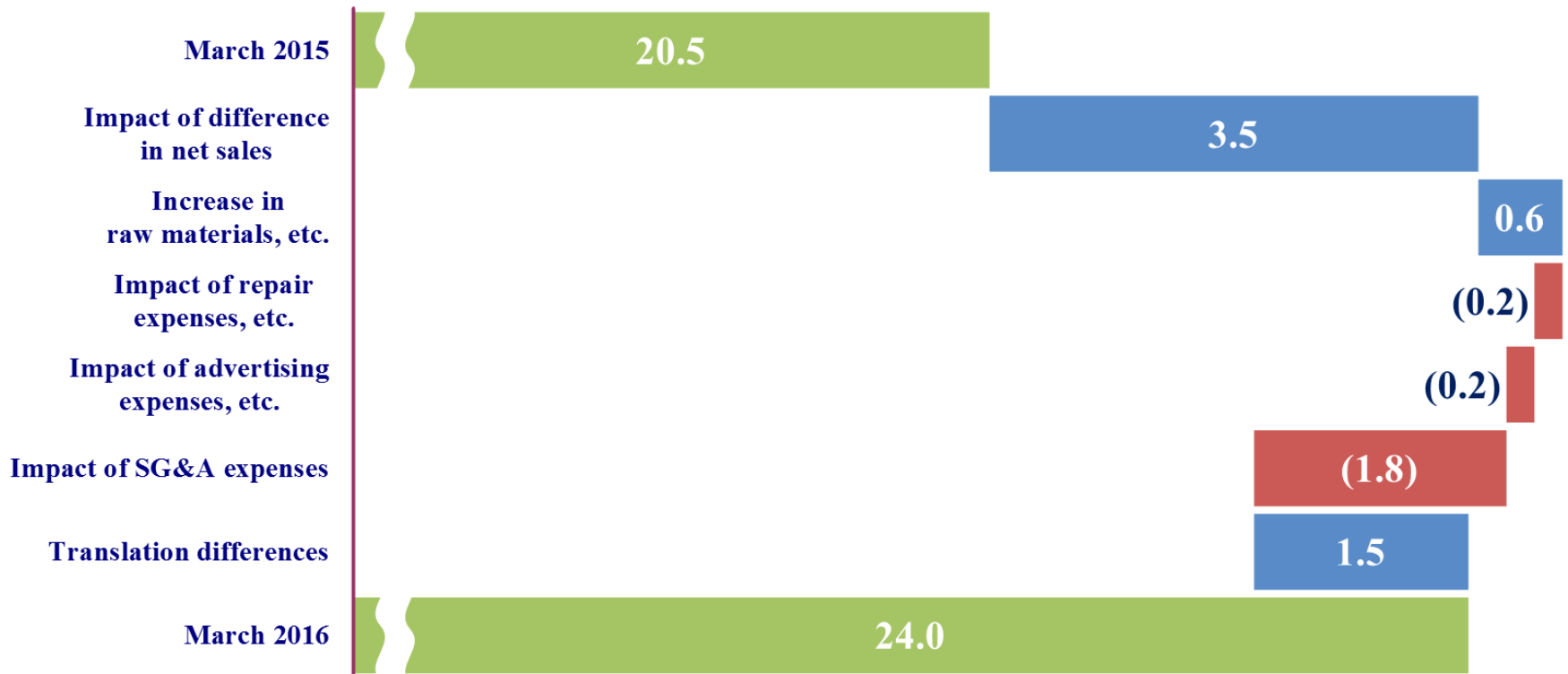
(Unit: billion yen)



1-6. Major Factors for Changes in Operating Income Overseas

Overseas +¥3.4 billion

(Unit: billion yen)



1-7. Change in Consolidated Balance Sheets

a.Total Asset = 365.7	(Compared with 2015.3)	(13.1)
b.Translation Difference		(5.6)
Actual Difference (a. - b.)		(7.5)

Assets	(7.5)	Total liabilities and net assets	(7.5)
Current assets	+0.1	Liabilities	+1.7
Cash and deposits	+2.2	Interest bearing debt	(2.6)
Notes and accounts receivable-trade	+3.1	Notes and accounts payable-trade	+2.1
Inventories	+1.0	Accounts payable-other	
Deferred tax assets	(0.3)	Income taxes payable	+1.9
Other	(5.9)	Net defined benefit liabilities	+0.9
		Deferred tax liabilities	(2.4)
		Other	+1.8
Noncurrent assets	(7.6)	Net assets	(9.2)
Property, plant and equipment	+2.2	Capital surplus	(7.5)
Intangible assets	(5.8)	Retained earnings	+16.8
Investments and other assets	(3.9)	Treasury stock	(10.2)
[Investment securities	(0.3)]	Valuation difference on available-for-sale securities	(0.4)
[Net defined benefit assets	(4.2)]	Foreign currency translation adjustment	(4.2)
		Remeasurements of defined benefit plans	(3.8)

1-8. Consolidated Cash Flows

Net CF (a + b + c + d) = +2.9

(Unit: billion yen)

a. Cash flows from operating activities

	+37.7
Income before income taxes	+30.3
Depreciation and amortization	+11.9
Decrease (increase) in notes and accounts receivable-trade	(3.2)
Inventories	(0.9)
Increase (decrease) notes and accounts payable-trade	+0.6
Income taxes paid	(8.2)
Other	+7.2

b. Cash flows from investing activities

	(15.9)
2' Purchase of property, plant, equipment and intangible assets	(13.6)
2' Proceeds from sales of property, plant and equipment	+0.1
Purchase of investment securities	(0.7)
Payments for transfer of business	(1.9)
Loans receivable	(0.2)
Other	+0.4

a.+2' Free Cash Flows

+24.1

b.-2' Cash Flows from Investing Activities

(Excluding Purchase of Property, Plant and Equipment)

(2.3)

c. Cash flows from financing activities

	(17.8)
Short-term loans	(0.6)
Long-term loans	(2.0)
Cash dividends paid	(4.8)
Purchase of treasury stock	(10.3)
Other	(0.2)

d. Effect of exchange rate

(1.1)

2-1. Forecast for Fiscal 2017

Assumptions Made for Full-Year Forecasts

➤ Exchange rates

Full year: ¥110.0/US\$, ¥125.0/EUR

➤ Impact of raw materials, etc.

Consolidated total

Full year: ¥0.4 billion increase in profit

(Japan +¥0.6 billion, Overseas -¥0.2billion)

(Underlying assumptions)

Soybeans (market price)

approx. \$9-\$11/bushel

Wheat (market price)

approx. \$5-\$7/bushel

Crude oil (market price)

approx. \$40-\$60/barrel

2-2. Forecast for Fiscal 2017

Consolidated P/L Results (Compared with Previous Year)

Full-year forecasts

(Unit: billion yen)

	Forecast 2017	Fiscal 2016	Change Increase / Decrease	%	Breakdown of change		
					Translation Difference	Actual Difference	%
Net Sales	403.5	408.4	(4.9)	98.8	(19.2)	14.3	103.5
Japan	179.0	176.6	2.4	101.4		2.4	101.4
Overseas	227.5	234.3	(6.8)	97.1	(19.2)	12.4	105.3
Operating Income	31.5	32.6	(1.1)	96.6	(2.1)	1.0	103.0
Japan	8.6	8.1	0.5	106.4		0.5	106.4
Overseas	23.7	24.0	(0.3)	98.7	(1.9)	1.6	106.6
Kikkoman (Holding Company)	3.5	4.4	(1.0)	78.2		(1.0)	78.2
Eliminations	(4.2)	(3.9)	(0.3)		(0.2)	(0.2)	
Ordinary income	30.0	31.0	(1.0)	96.7	(1.8)	0.8	102.6
Income before income taxes	30.0	30.3	(0.3)	99.2	(1.8)	1.6	105.3
Net income attributable to owners of parent	20.0	20.0		100.2	(1.2)	1.3	106.4
Exchange Rate (¥/US\$)	110.0	120.2	(10.2)				
(¥/EUR)	125.0	132.4	(7.4)				

2-3. Forecast for Fiscal 2017

Net Sales in Japan (Compared with Previous Year)

Full-year forecasts

(Unit: billion yen)

			Forecast 2017	Fiscal 2016	Change Increase / Decrease	%
Japan	Soy Sauce		49.7	49.4	0.3	100.7
	Food Products		60.1	60.3	(0.2)	99.7
	Beverages		46.5	44.8	1.7	103.9
	Liquor and wine		13.9	13.4	0.5	103.5
	Eliminations		(0.2)	(0.2)		
	Foods-Manufacturing and sales		170.0	167.7	2.3	101.4
	Others		21.0	20.7	0.3	101.7
	Eliminations		(12.0)	(11.8)	(0.2)	
Total			179.0	176.6	2.4	101.4

- Sales are expected to increase in Soy Sauce, Beverages and Liquor and wine.
- In Food Products, sales are set to decline as the price structure will be revised in *tsuyu*.

2-4. Forecast for Fiscal 2017

Net Sales Overseas (Compared with Previous Year)

(Unit: billion yen)

Full-year forecasts

		Forecast 2017	Fiscal 2016	Change Increase / Decrease	%	Breakdown of change		
						Translation Difference	Actual Difference	%
Overseas	North America	171.7	176.9	(5.2)	97.0	(15.9)	10.6	106.0
	Foods-Manufacturing and sales	55.0	57.8	(2.8)	95.2	(5.2)	2.4	104.1
	Foods-Wholesale	124.2	126.8	(2.6)	97.9	(11.4)	8.8	106.9
	Europe	23.8	23.6	0.2	100.7	(1.7)	1.9	107.9
	Foods-Manufacturing and sales	10.9	10.5	0.4	103.5	(0.6)	1.0	109.4
	Foods-Wholesale	14.7	14.7	0.0	100.2	(1.2)	1.2	108.2
	Asia & Oceania	29.0	29.2	(0.2)	99.4	(1.9)	1.7	105.8
	Foods-Manufacturing and sales	15.7	16.2	(0.5)	97.2	(1.2)	0.8	104.8
	Foods-Wholesale	13.5	13.2	0.3	102.3	(0.6)	0.9	107.1
	Others	33.6	34.4	(0.8)	97.6		(0.8)	97.6
Eliminations		(30.6)	(29.9)	(0.7)		0.3	(1.0)	
Total		227.5	234.3	(6.8)	97.1	(19.2)	12.4	105.3

Exchange Rate (¥/US\$) 110.0 120.2 (10.2)

(¥/EUR) 125.0 132.4 (7.4)

- We expect that net sales overseas will rise 12.4 billion yen in local currency terms, driven by growth in business in each region.

2-5. Forecast for Fiscal 2017

Consolidated Operating Income (Compared with Previous Year)

(Unit: billion yen)

Full-year forecasts

		Forecast 2017	Fiscal 2016	Change Increase / Decrease	%	Breakdown of change		
						Translation Difference	Actual Difference	%
Japan	Foods-Manufacturing and sales	7.1	6.5	0.6	108.6		0.6	108.6
	Others	1.5	1.5	(0.0)	99.0		(0.0)	99.0
	Total	8.6	8.1	0.5	106.4		0.5	106.4
Overseas	North America	16.2	16.6	(0.5)	97.1	(1.5)	1.0	106.2
	Europe	3.5	3.3	0.1	104.4	(0.2)	0.4	110.9
	Asia & Oceania	2.5	2.5	0.0	101.3	(0.2)	0.2	107.6
	Others	1.6	1.5	0.0	102.7		0.0	102.7
	Total	23.7	24.0	(0.3)	98.7	(1.9)	1.6	106.6
Kikkoman (Holding Company)		3.5	4.4	(1.0)	78.2		(1.0)	78.2
Eliminations		(4.2)	(3.9)	(0.3)		(0.2)	(0.2)	
Consolidated Total		31.5	32.6	(1.1)	96.6	(2.1)	1.0	103.0
Exchange Rate(¥/US\$)		110.0	120.2	(10.2)				
(¥/EUR)		125.0	132.4	(7.4)				

Progress of the Medium-Term Management Plan

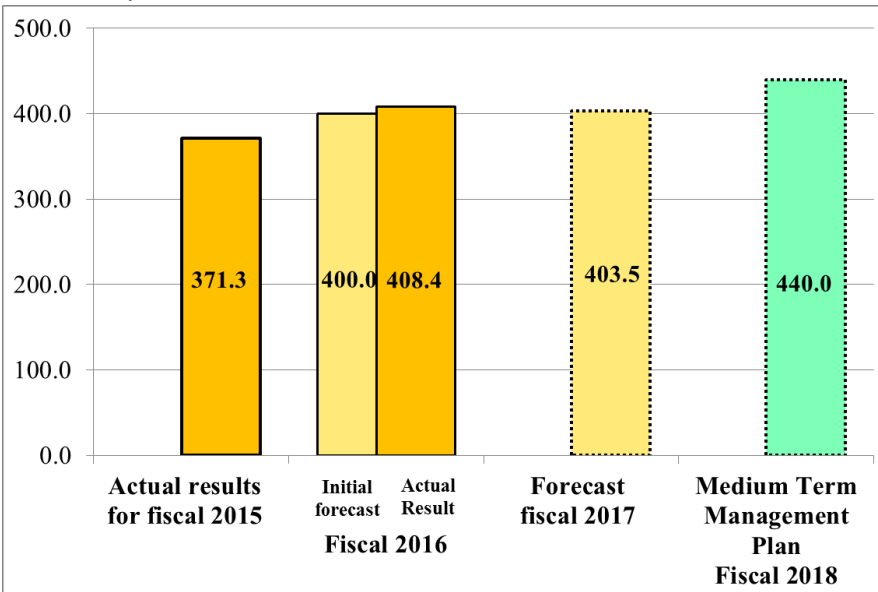
Noriaki Horikiri
President and CEO

Progress of the Medium-Term Management Plan

Medium-Term Management Plan: Consolidated Targets and Progress

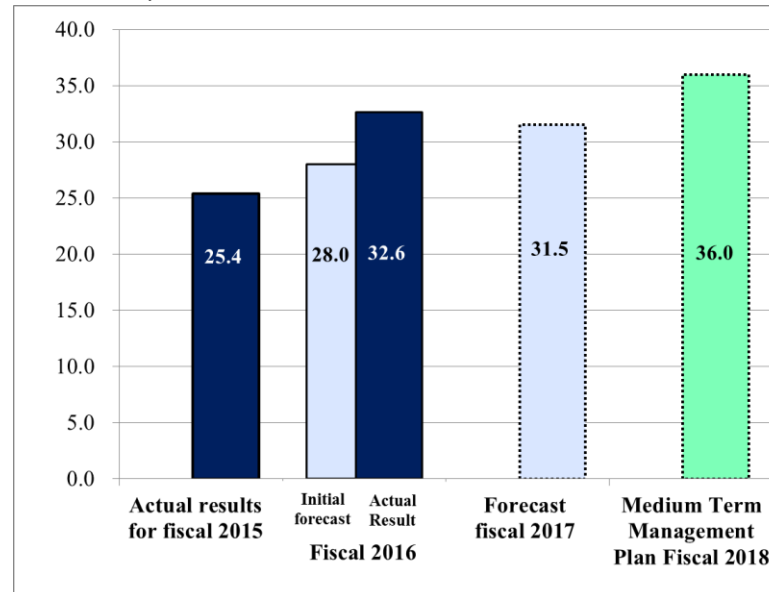
Net Sales

(Unit: billion yen)



Operating Income

(Unit: billion yen)



		Actual results for fiscal 2015	Initial forecast for fiscal 2016	Actual results for fiscal 2016	Forecast for fiscal 2017	Target for fiscal 2018
Net Sales		371.3 billion	400.0 billion	408.4 billion	403.5 billion	440.0 billion
Operating Income		25.4 billion	28.0 billion	32.6 billion	31.5 billion	36.0 billion
Operating income ratio		6.8%	7.0%	8.0%	7.8%	8.2%
ROE		6.9%	(-)	8.7%	(-)	9% or more
Foreign exchange rates	Dollar	¥110.0	¥115.0	¥120.2	¥110.0	¥115.0
	Euro	¥138.7	¥125.0	¥132.4	¥125.0	¥125.0

Medium-Term Management Plan: Consolidated Targets by Segment

(Unit: billion yen)

			Actual results for fiscal 2015	Initial forecast for fiscal 2016	Actual results for fiscal 2016	Forecast for fiscal 2017	Target for fiscal 2018
Japan	Foods-Manufacturing and sales	Net Sales	161.3	167.3	167.7	170.0	174.8
		Operating Income	2.7	4.7	6.5	7.1	7.4
		Operating income ratio (%)	1.7	2.8	3.9	4.2	4.2
	Others	Net Sales	20.2	20.8	20.7	21.0	21.1
		Operating Income	1.0	1.2	1.5	1.5	1.7
		Operating income ratio (%)	5.1	5.5	7.3	7.1	8.1
	Total	Net Sales	169.7	176.1	176.6	179.0	183.8
		Operating Income	3.8	5.8	8.1	8.6	9.1
		Operating income ratio (%)	2.2	3.3	4.6	4.8	5.0
Overseas	North America	Net Sales	153.5	169.5	176.9	171.7	192.2
		Operating Income	13.8	15.2	16.6	16.2	17.4
		Operating income ratio (%)	9.0	9.0	9.4	9.4	9.1
	Europe	Net Sales	21.9	22.2	23.6	23.8	25.5
		Operating Income	3.2	3.3	3.3	3.5	4.2
		Operating income ratio (%)	14.7	14.6	14.0	14.5	16.4
	Asia & Oceania	Net Sales	25.3	32.3	29.2	29.0	39.2
		Operating Income	2.1	2.8	2.5	2.5	3.2
		Operating income ratio (%)	8.4	8.5	8.5	8.6	8.2
	Total	Net Sales	203.9	226.0	234.3	227.5	258.4
		Operating Income	20.5	22.6	24.0	23.7	26.4
		Operating income ratio (%)	10.1	10.0	10.2	10.4	10.2
Kikkoman (Holding Company) Eliminations		Net Sales	(2.2)	(2.1)	(2.5)	(3.0)	(2.2)
		Operating Income	1.0	(0.4)	0.5	(0.8)	0.5
Consolidated Total		Net Sales	371.3	400.0	408.4	403.5	440.0
		Operating Income	25.4	28.0	32.6	31.5	36.0
		Operating income ratio (%)	6.8	7.0	8.0	7.8	8.2
Exchange Rate (¥/US\$)			110.0	115.0	120.2	110.0	115.0
(¥/EUR)			138.7	125.0	132.4	125.0	125.0

Improving profitability

1. Maintaining growth overseas

- All businesses and regions make steady progress. We will continue to aim for growth.

2. Improving productivity in Japan

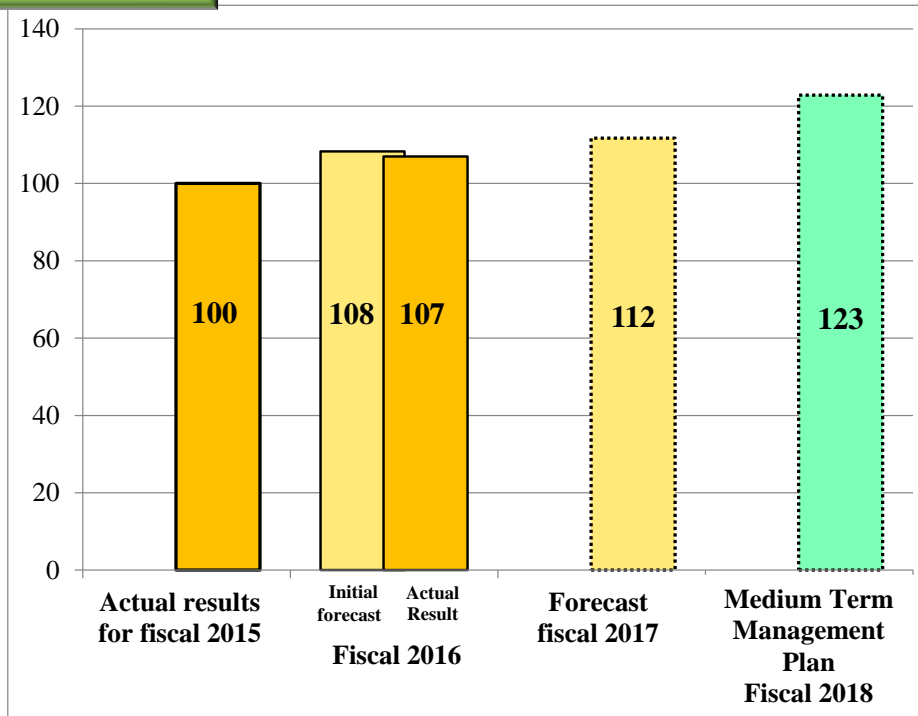
- Both the strengthening of growth categories and structural improvement show good progress.
We will continue to seek to achieve the targets.

Maintaining growth overseas

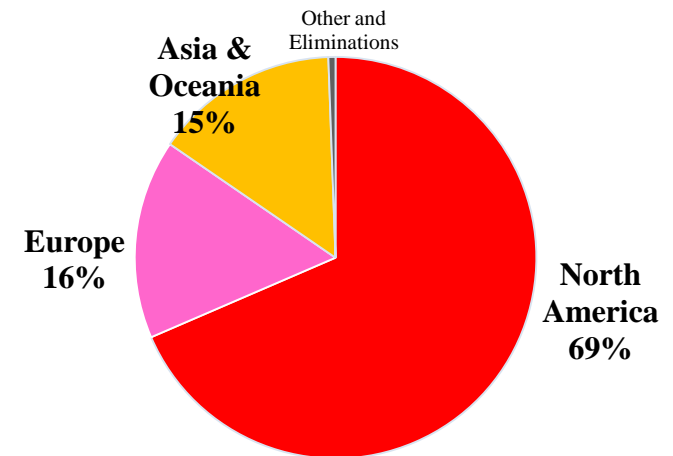
Maintaining Growth Overseas

Overseas Soy Sauce Business: Targets and Progress in the Medium-Term Management Plan and Breakdown of Sales by Region

Net Sales



Breakdown of sales by region in Overseas Soy Sauce Business of the Company (FY2016)



* Trends and targets (in local currencies) of net sales in the overseas soy sauce business are presented using indexes, with the actual results for fiscal 2015 as 100.

Maintaining Growth Overseas

Overseas Soy Sauce Business: Initiatives and efforts in each area

North America

Sales growth target: Average of 4% per year or more
(in local currencies)

Initiative 1

- Developing new products to increase non-price competitiveness; treating customers with meticulous care to increase opportunities for existing customers to buy our products and gain new customers.

Past efforts

- Expanding sales of soy sauce and soy sauce derivatives, taking advantage of the Kikkoman brand.
- Promoting product development for industrial and food service users.

Future efforts

- Promoting the development of products that meet user needs.
- Strengthening measures for industrial and food service users.

Initiative 2

- Developing markets in Canada and Mexico.

Past efforts

- Offering popular products in the United States to Canada.
- Offering products tailored to local preferences to Mexico.

Future efforts

- Promoting the proposal of recipes suited for each food culture by offering popular products in the United States and products tailored to local preferences.
- Developing the sales system for sustainable growth in the future.



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Maintaining Growth Overseas

Overseas Soy Sauce Business: Initiatives and efforts in each area

Europe

**Sales growth target: Average of 10% per year or more
(in local currencies)**

Initiative 1

- Cultivating the major markets and developing emerging markets.

Past efforts

- Conducting in-store demonstrations and proposing recipes to increase sales of soy sauce.
- Developing active promotion activities using media.

Future efforts

- Seeking to further enhance recognition of the Kikkoman brand and soy sauce through active promotion activities tailored to the market in each country.



Initiative 2

- Promoting the development of new products.

Past efforts

- Expanding the product lineup by launching new products of soy sauce derivatives.

Future efforts

- Promoting the sales expansion of soy sauce by launching new products tailored to local preferences.



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Maintaining Growth Overseas

Overseas Soy Sauce Business: Initiatives and efforts in each area

Asia & Oceania

Sales growth target: Average of 10% per year or more
(in local currencies)

Initiative 1

- Promoting product development and marketing in accordance with the conditions in each country.
- Strengthening marketing systems in Asia.

Past efforts

- Conducting demonstration activities using local foods and ingredients by promoting new product development.
- Establishing local bases in the Philippines and Thailand to develop and sell products tailored to local preferences.

Future efforts

- Promoting products that have already been launched and developing new products.
- Marketing activities tailored to the conditions in each country
- Further review and strengthening of sales systems in each country



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Maintaining Growth Overseas

Overseas Foods Wholesale Business: Initiatives and efforts in business

Sales growth target: Average of 7% per year or more (in local currencies)



Initiative 1

- Opening new bases.



Past efforts

- Opening and expanding bases in each region, including Italy (Milan).



Future efforts

- Opening and expanding bases going forward.

Initiative 2

- Strengthening product sourcing and development capabilities.



Past efforts

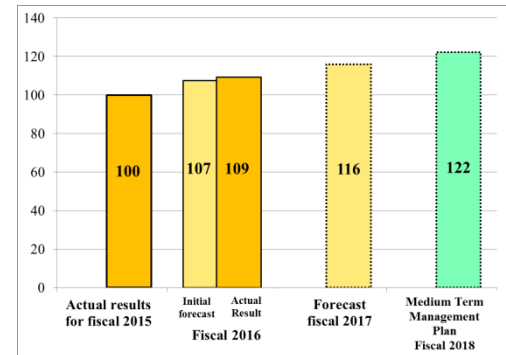
- Developing new products that meet local needs and enhancing product sourcing capabilities in cooperation with regions around the world.



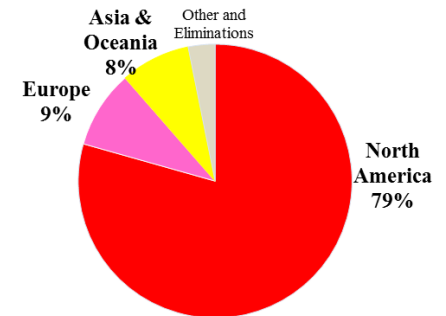
Future efforts

- Promoting the handling of products with a strong brand power.

Trends in the growth rate of net sales in Foods Wholesale Business (in local currency terms)



Breakdown of net sales by region in Foods Wholesale Business (FY2016)



Improving Productivity in Japan

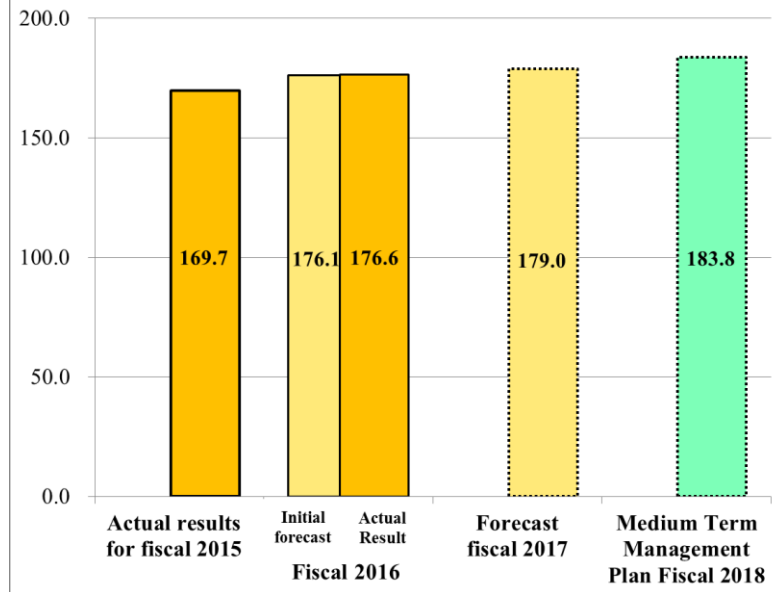
Improving Productivity in Japan

Domestic Businesses: Medium-Term Management Plan Targets and Progress

Strengthening growth categories and promoting structural improvement

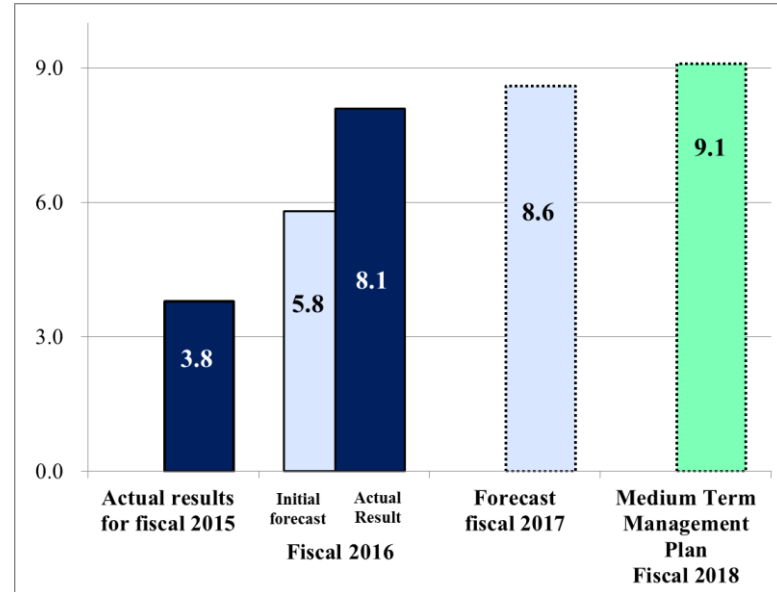
Net Sales

(Unit: billion yen)



Operating Income

(Unit: billion yen)



	Actual results for fiscal 2015	Initial forecast for fiscal 2016	Actual results for fiscal 2016	Forecast for fiscal 2017	Target for fiscal 2018
Domestic business Operating income ratio	2.2%	3.3%	4.6%	4.8%	5.0%

Improving Productivity in Japan

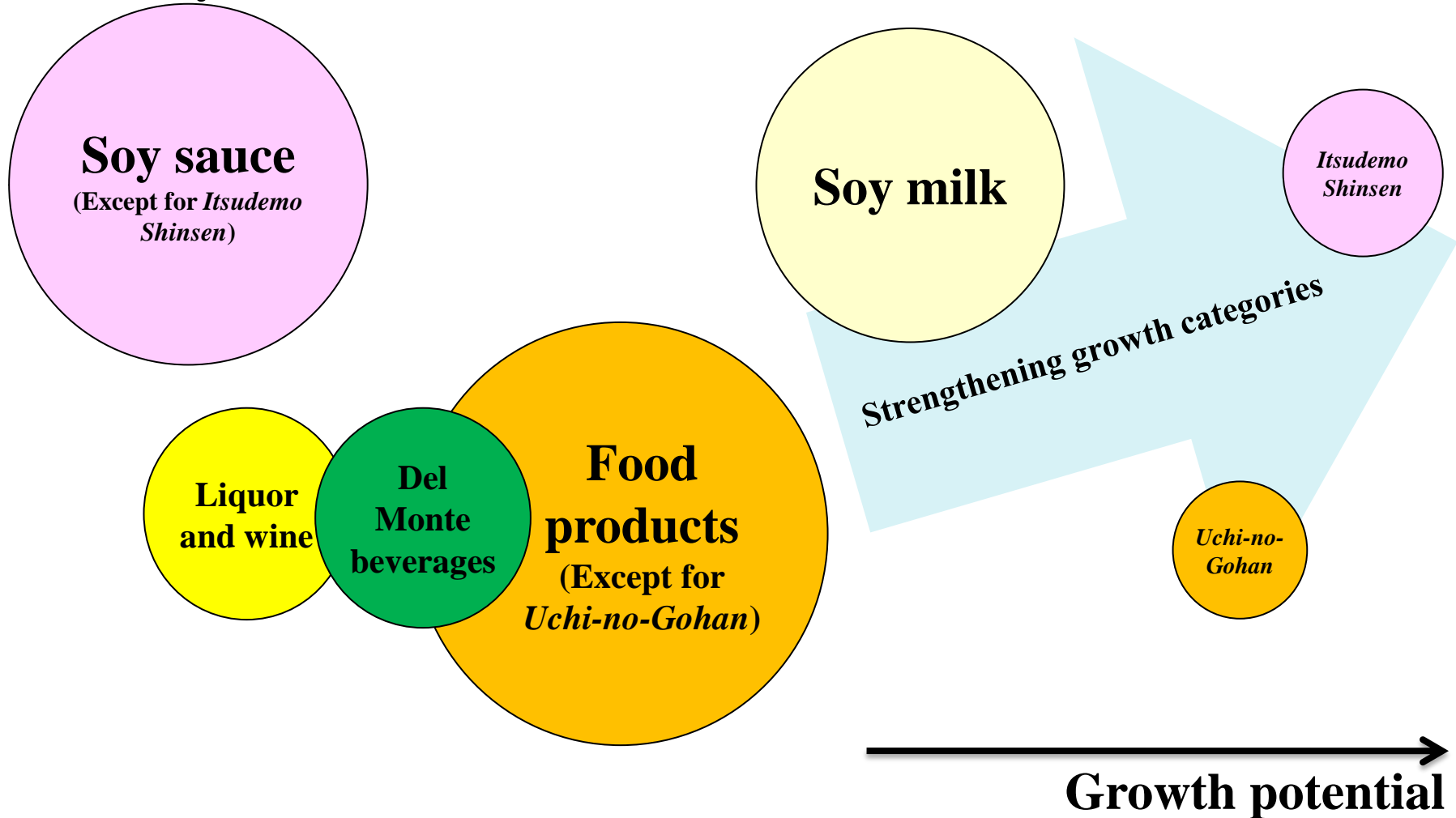
Breakdown of positive and negative factors in domestic business

Issues			Initiatives in the medium-term management plan and major positive and negative factors	Effects in FY2016
Positive factor	Initiatives for improving productivity	Strengthening growth categories ¥3.6 billion	<ul style="list-style-type: none">● Soy sauce: Shift to Itsudemo Shinsen series● Food: Growth of Uchi-no-Gohan (handy Japanese style seasoning mixes)● Beverages: Growth of the soy milk business	¥2.4 billion
		Structural improvement ¥1.5 billion	<ul style="list-style-type: none">● Improvement in operating efficiency● Improvement in efficiency in distribution● Improvement in labor productivity● Improvement in cost of manufacturing	¥0.5 billion
	Other ¥1.4 billion		<ul style="list-style-type: none">● Change in the method of depreciation and Amortization● Reduction in the burden of raw materials costs due to changes in market prices and exchange rates, etc.	¥2.0 billion
	Advertising (¥1.2 billion)		<ul style="list-style-type: none">● Increase in investment in advertising	(¥0.6) billion
Total ¥ 5.3 billion				¥4.3 billion

Improving Productivity in Japan

Image of domestic business portfolio

Profitability



Growth potential

Improving Productivity in Japan

Strengthening growth categories



Initiative

- Soy sauce: Shift to the *Itsudemo Shinsen* series.

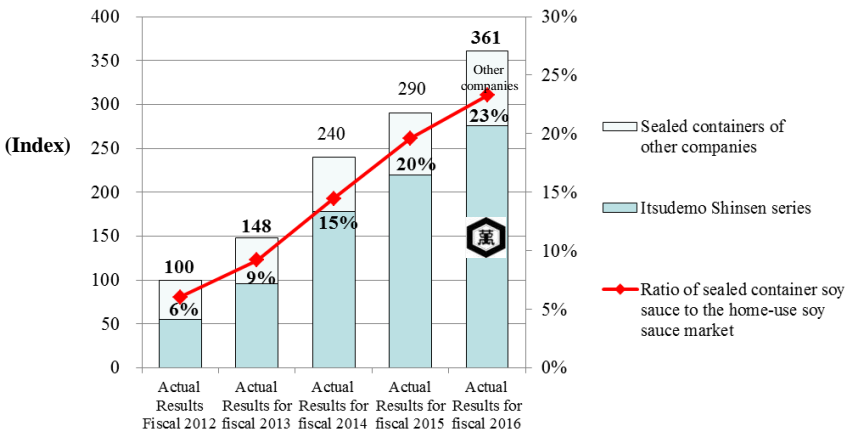
Past efforts

- Conducting active promotion activities and expanding product lineup.

Future efforts

- Evoking trials through continued active promotion activities and making proposal of the use of multiple kinds of soy sauce according to consumer preferences and cooking.

Ratio of the sealed container market to the overall home-use market and trends in sales value of soy sauce in sealed containers (based on retail sales)

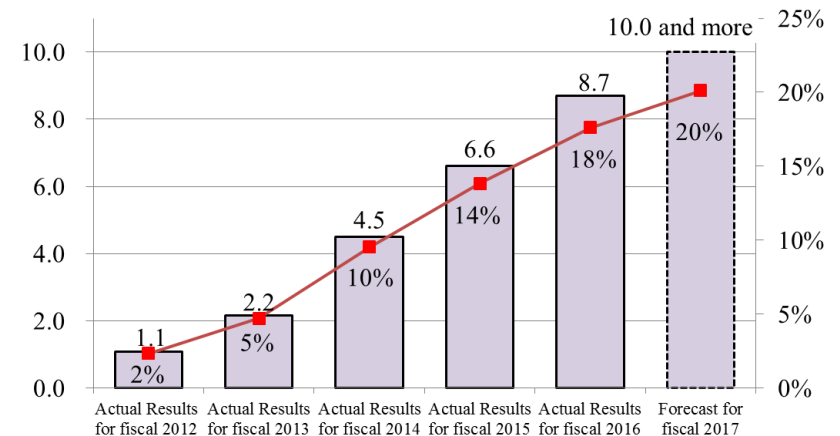


* Trends in the sales value of sealed container soy sauce are shown by an index with actual sales in fiscal 2011 as 100 based on retail sales prices.

Source: Data of value breakdowns in the soy sauce market from April 2011 to March 2015 in SCI of Intage

Trends of annual sales of the *Itsudemo Shinsen* series and the percentage of sales to total sales of the entire Kikkoman Soy Sauce Division

(Unit: billion yen)



Improving Productivity in Japan

Strengthening growth categories

Initiative

- Food: Growth of *Uchi-no-Gohan*.

Past efforts

- Active offering of products and seasonal promotion activities

Future efforts

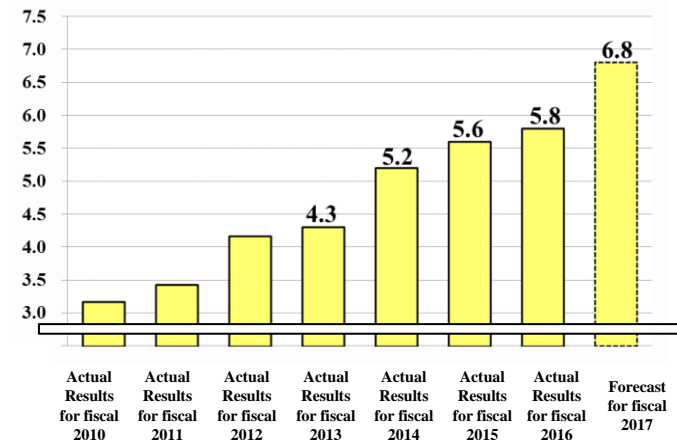
To revitalize the market,

- Increasing sales of *Wa-no-Gochiso-Ni*, new series, and expanding the lineup of existing series.
- Conducting active promotion.



Trends of annual sales of *Uchi-no-Gohan*

(Unit: billion yen)



Improving Productivity in Japan

Strengthening growth categories



Initiative

- Beverages: Growth of the soy milk business.



Past efforts

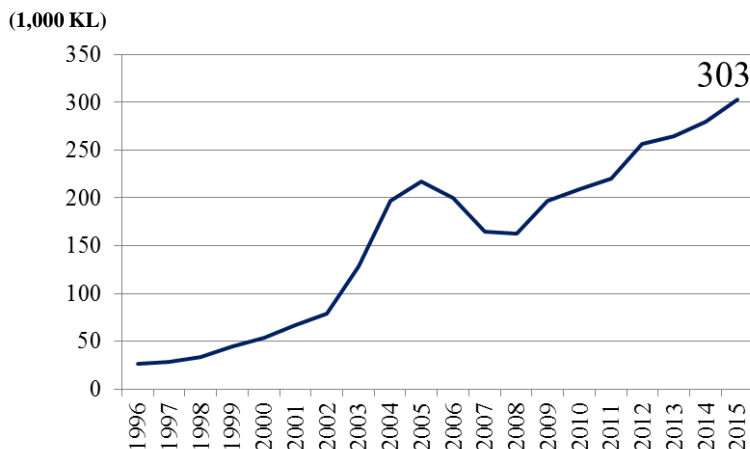
- Developing promotion activities for the expansion of use for cooking in addition to drinking, with health-conscious consumers as a backdrop.



Future efforts

- Offering new products for further growth.
- Maintaining sales promotion activities to expand applications.

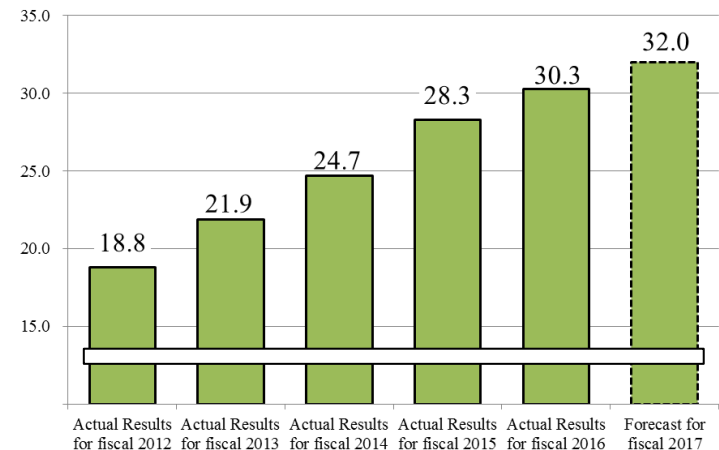
Trends in production volume in the soy milk market



Source: Japan Soymilk Association (years above are from January to December)

Trends in annual sales of soy milk

(Unit: billion yen)



Domestic Business: Efforts for structural improvement

**Improvement in
operating efficiency**

**Improvement in
efficiency of
distribution**

**Structural
improvement**

**Improvement in
labor productivity**

**Improvement in
cost of
manufacturing**

Financial Strategy

Cash flows from operating activities
Fiscal 2016 to fiscal 2018
Approx. 90 billion yen

**Returns to
Shareholders**

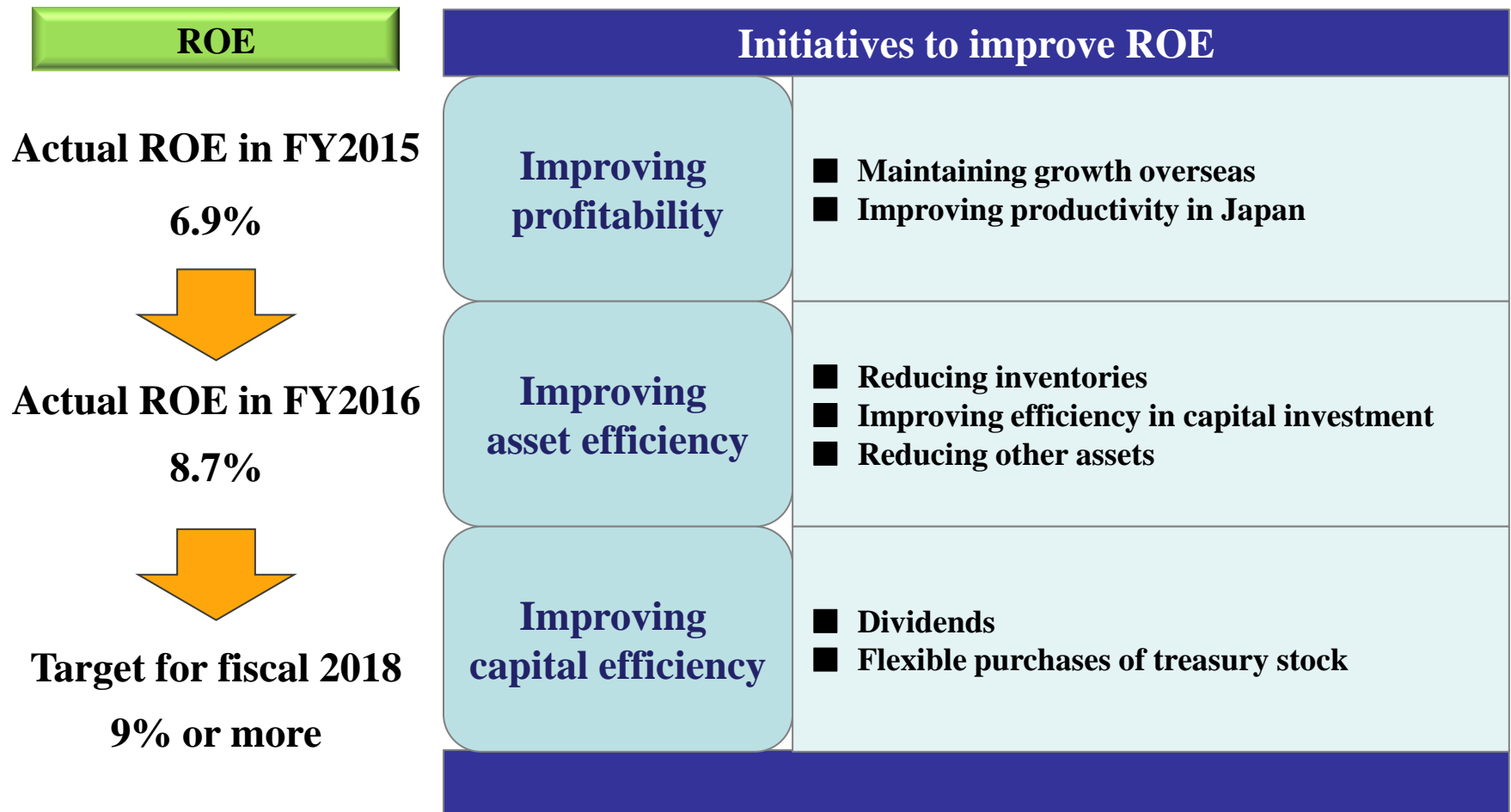
- Consolidated payout ratio
target 30% or more
Fiscal 2016 31.2%
- Flexible share buybacks
Fiscal 2016 Actual Result
¥10 billion

**Capital
Investment**

- Investment in growth fields
Approx. ¥40 billion for
fiscal 2016 – 2018
(the same level as
depreciation and
amortization)
Fiscal 2016 Actual Result
¥14.8 billion

**Investment in
New Business**

- Actively promoting
investment to
strengthen the
business portfolio



The target above is based on the assumption that the exchange rates in fiscal 2018 will be 115 yen against the dollar and 125 yen against the euro and that the stock market will be at the level at the end of March 2015.

Concept of Corporate Social Responsibility

The Kikkoman Group Management Principles

- (1) To pursue the fundamental principle “consumer-oriented”
- (2) To promote the international exchange of food culture
- (3) To become a company whose existence is meaningful to the global society

Responsible Operations

Fundamental responsibilities of a corporate citizen

We carry out responsible business operations that respond to the trust and expectations of each of our stakeholders; that company not only with the law but also with social norms and standards of propriety; and that are in harmony with the environment.

- Compliance
- Corporate governance
- Communication with stakeholders
- Environmental activities
- Building talent and fostering a positive workplace

Products / Services

Fundamental function of a food company

We deliver products and services of high quality and safety in a stable manner while promoting research and product development that create new value. We also propose new food lifestyles through the fusion of international food cultures.

- Product and service innovations
- Food safety and quality
- Stable supplies
- Delivering new and healthy food experiences

Actions for global society

Kikkoman’s initiatives

We contribute to the sustainable development of global society mainly in the areas of “food and health” by promoting activities that are unique to Kikkoman.

- Promotion of Japanese food culture
- Exchange of food cultures across the world
- Shokuiku (Food education)
- Commitment to society through food and health

Key
Aspects

Areas of
Focus

Overview of Corporate Governance

(As of April 27, 2016)

Basic Approach

The Company regards the enhancement of corporate value through the practice of the Group management philosophy as the basis of business management. To realize this, the improvement and strengthening of the corporate governance system is the most important management issue.

Organization

Structure	Company with Audit & Supervisory Board
Corporate officer system	Yes

Executives

	Directors	Audit & Supervisory Board Members
Number (including the number of outside appointments)	11 (3)	4 (2)
Term of office	1 year	4 years

Key steps taken to reinforce corporate governance

Time	Initiative	Purpose
March 2001	Introduced corporate officer system	Clarified management responsibilities and accelerated decision-making and business execution
June 2002	Appointed outside directors	Increased management transparency and strengthened management oversight
	Established Nominating Committee and Remuneration Committee	
October 2009	Adopted holding company structure	Clarified roles and responsibilities of holding company and operating companies and created a structure to maximize Group synergies

Nominating Committee and Remuneration Committee

	Structure	Role
Nominating Committee	5 members (3 outside directors, 2 directors) Committee chaired by an outside director	Recommends candidates for director, audit & supervisory board member and corporate officer posts to the Board of Directors (The Audit & Supervisory Board provides its consent for audit & supervisory board member candidates)
Remuneration Committee	5 members (3 outside directors, 2 directors) Committee chaired by an outside director	Develops remuneration proposals for directors, audit & supervisory board members and corporate officers

