kikkoman
seasoning your life

Annual Report 2011

Year Ended March 31, 2011

Profile

KIKKOMAN CORPORATION takes pride in enriching the lives of consumers throughout the world with the distinctive qualities of its food seasonings. The No. 1 producer of soy sauce in the world, Kikkoman has grown from humble beginnings in the 17th century to become a company that provides a comprehensive range of foodstuffs, fine wines, superb dining, and effective biotechnology. We are constantly searching for new recipes to enhance the flavors of Western and Oriental cuisines, drawing on more than 350 years of natural brewing experience. Superseding these activities is a higher goal of contributing to the health and happiness of the communities in the almost 100 countries in which we operate.

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Forward-Looking Statements:
Statements made in this annual report with respect to the Kikkoman Group's present plans, outlook, strategies and projections regarding future business results inherently involve risks and uncertainties. Potential risks and uncertainties include, without limitation, general economic conditions, conditions in the Group's business domains and exchange rates. Please be aware that actual results could differ significantly from forecasts because of these risks and uncertainties.

On the Front Cover

(Description of photographs on the cover)

A word about the photographs used in this Annual Report
As part of an effort to share the meaning of its corporate slogan of "seasoning your life" with customers everywhere, Kikkoman launched a photography contest on its website in fiscal 2008, the year ended March 31, 2009, based on the theme of "delicious things you use to season your life."
During fiscal 2010, the year ended March 31, 2011, customers responded by submitting many wonderful photographs, all of which can be viewed on Kikkoman's website.
Some of the prize-winning submissions to this photography contest are featured on the cover of this Annual Report.

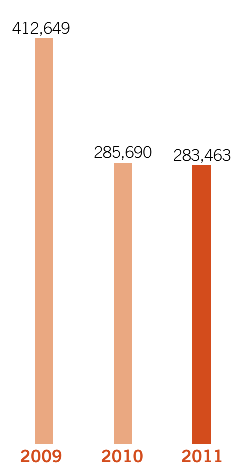
Financial Highlights

Kikkoman Corporation and Consolidated Subsidiaries

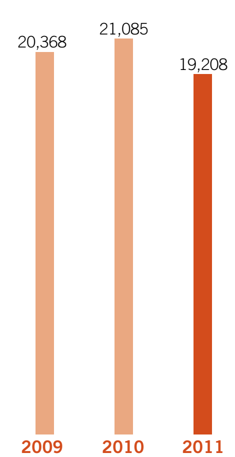
	Millions of yen					Thousands of U.S. dollars (Note 4)
Years ended March 31	**2011**	2010	2009	2008	2007	**2011**
For the year:						
Net sales	**¥283,463**	¥285,690	¥412,649	¥413,938	¥392,611	**$3,415,216**
Operating income	**19,208**	21,085	20,368	23,854	21,646	**231,421**
Net income	**7,770**	8,602	2,746	11,447	10,739	**93,614**
At year-end:						
Total assets	**¥298,867**	¥311,175	¥310,873	¥342,287	¥348,995	**$3,600,807**
Property, plant and equipment, net	**96,323**	97,955	96,671	134,042	133,522	**1,160,518**
Interest-bearing debt (Note 1)	**89,832**	97,081	102,083	78,716	70,616	**1,082,313**
Net assets	**162,600**	167,086	161,817	199,415	206,919	**1,959,036**
	Yen					U.S. dollars (Note 4)
Per share data:						
Net income (Note 2)	**¥37.74**	¥41.65	¥13.59	¥59.16	¥55.49	**$0.45**
Diluted net income	**–**	–	13.59	59.12	55.45	**–**
Cash dividends applicable to the year (Note 3)	**15.00**	15.00	15.00	15.00	15.00	**0.18**

Notes: 1. Interest-bearing debt refers to all liabilities on the consolidated balance sheets on which interest is paid.
2. Net income per share is computed based on the weighted average number of shares outstanding during the year.
3. The fiscal year ended March 31, 2007 dividend includes a commemorative dividend of ¥3.00 per share.
4. U.S. dollar amounts are translated from yen, for convenience only, at the rate of ¥83=US$1.00.
5. Tone Coca-Cola Bottling Co., Ltd. was removed from the scope of consolidation as of March 31, 2009. This change affects results starting in fiscal 2009, the year ending March 31, 2010.

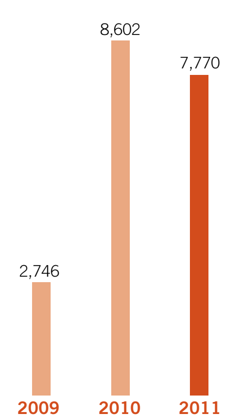
Net sales (Millions of yen)



Operating income (Millions of yen)



Net income (Millions of yen)



Message from the Management

First of all, I would like to express my heartfelt sadness for the lives lost as a result of the Great East Japan Earthquake that struck on March 11, 2011. My deepest sympathies go out to everyone who has been affected by the disaster.

Whilst the Great East Japan Earthquake has affected our business results for the year under review, there has only been a slight impact on our business overall in terms of damage to production facilities. We have, however, booked an extraordinary loss of ¥2,352 million due mainly to the impact of the Nippon Del Monte Fukushima plant, which will be closed in September 2011, as was previously scheduled.

Left:
Yuzaburo Mogi
Honorary Chief Executive Officer and Chairman of the Board of Directors

Right:
Mitsuo Someya
President and Chief Executive Officer

The Fiscal Year in Review

Given this environment, the Kikkoman Group in Japan saw net sales that overall were roughly the same as the previous fiscal year. Sales of soy sauce fell slightly year-on-year, while food products performed approximately the same as the previous year. In beverages, soy milk and Del Monte beverages performed strongly, offsetting the influence of the Great East Japan Earthquake. Overseas, year-on-year sales rose on a local-currency basis in the regions of North America, Europe, Asia and Oceania, despite the adverse impact of currency translation effects from the strong yen.

On the other hand, operating income in Japan declined, partly due to the effects of changes in inventory accounting methods in the previous year. On the surface, overall operating income declined overseas due to the negative impact of currency translation effects from the strong yen. However, on a local-currency basis, the temporary drop in the operating income of the Foods–Wholesale Business due to the strong yen, which increased purchasing costs, was absorbed by the higher operating income of the Foods–Manufacturing and Sales. Thus, overall, overseas operating income rose on a local-currency basis.

As a result, consolidated net sales decreased 0.8% to ¥283,463 million, while operating income fell 8.9% to ¥19,208 million. Net income decreased 9.7% to ¥7,770 million, due in part to the booking of an extraordinary loss resulting from the effects of the Great East Japan Earthquake.

Management Principles and Business Areas

The management principles of the Kikkoman Group are based on the following three pillars:

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

We believe that the future performance and prosperity of the Group will be a direct result of customer satisfaction. Based on this conviction, the Kikkoman Group pays keen attention to the opinions of consumers and closely observes the market in order to offer products and services that will be of value to them.

Moreover, as a manufacturer of food products, our fundamental mission is to offer consumers a stable supply of safe and high-quality products at a reasonable price. Moving forward, we will continue our efforts in this area.

Business Areas of the Kikkoman Group

The Kikkoman Group will pursue global operations in the following fields:

1. Manufacturing and marketing food products
2. Providing products and services related to food and health

Medium-Term Management Plan

We have adopted a medium-term management plan covering the period from fiscal 2011 to fiscal 2013. However, there have been unexpected changes in currency exchange rates and raw material costs since the time this plan was formulated (October 2009). Considering the impact of these factors, we are in the process of revising this plan.

Long-Term Management Strategy and Key Topics

Kikkoman Corporation established "Global Vision 2020" in April 2008. This plan expresses our vision for the future of the Kikkoman Group and the basic strategy for reaching our goals by 2020.

Vision for the Future:
1. Make Kikkoman soy sauce a truly global seasoning
2. Become a company that supports a healthy lifestyle through food
3. Become a company whose existence is meaningful to the global society

Basic Strategy
1. Global soy sauce strategy
2. Global strategy for oriental food wholesale
3. Del Monte business strategy
4. Health-related business strategy

Basic Approach to Corporate Governance

Kikkoman believes that responding accurately to changes in the business environment, and bolstering management of the Group as a whole to raise corporate value, are fundamental to the success of managing a company that meets the demands of its shareholders.

At the same time, one of our most important priorities is executing sound governance to fulfill our corporate responsibility to our stakeholders.

Corporate Governance Framework

Kikkoman is organized as a "company with auditors", as defined under Japanese corporate law. We have taken steps to improve and enhance our corporate governance framework with the aims of realizing greater management transparency, clarifying responsibilities, accelerating decision-making, and strengthening management oversight.

In March 2001, Kikkoman introduced a corporate officer system and delegated authority to the officers with a view to clarifying responsibilities and accelerating decision-making processes. In June 2002, we elected outside directors, and established the Nominating Committee and Remuneration Committee. These actions were designed to achieve greater management transparency and strengthen management oversight.

The Kikkoman Group shifted to a holding company structure in October 2009. By enhancing value creation in each of the operating companies, and through the rights and responsibilities of those companies under the management strategy newly formulated, we are maximizing the corporate value of the entire Group.

Enhancing Internal Control Systems

Establishing an internal control system that ensures proper implementation of operations is an important compliance issue. Based on this belief, we are making Group-wide efforts to reinforce a framework that ensures effective and efficient operations in line with applicable laws and regulations.

In order to enhance internal control systems, we have been making necessary revisions to the basic policy determined by the Board of Directors in May 2006. In response to rules regarding the evaluation and supervision of internal control reporting under the Financial Instruments and Exchange Act that went into effect in April 2008, we established an Internal Control Department in November 2008. Additionally, we formulated another basic policy regarding internal controls over financial reporting and created a framework for enhancing such controls.

Basic Policy on Distribution of Profits

Kikkoman considers its shareholder dividend policy to be a key management issue. Our basic policy is to reward shareholders with a distribution of profits, backed by strong financial performance on a consolidated basis, while using funds to strengthen the company's corporate foundation and future business.

In the long-term, we will deploy internal reserves in ways that create robust corporate value. Our future plans include market and strategic investments to expand our international operations; streamlined production facilities; research and development targeting new businesses; and the cultivation of new demand.

In fiscal 2011, we paid an annual dividend of ¥15 per share of common stock, and we forecast a dividend of ¥15 per share in the next fiscal year as well.

Outlook for the Current Fiscal Year

Our overseas business will act as a driver for the future growth of the Kikkoman Group.

In North America, we believe it is important to maintain stable growth in soy sauce. We will focus on increasing the opportunities for consumers to use soy sauce in existing markets by strengthening our development of recipes. Also, we aim to develop new markets by targeting consumers who have not used soy sauce. In addition, we will foster new business beyond the soy sauce segment by implementing initiatives in health food.

In Europe, we are expanding the soy sauce market with the goal of maintaining double-digit growth. While cultivating existing key markets, we will also develop new markets in Central and Eastern Europe and Russia.

In Asia, we will classify various areas of the ASEAN region according to market characteristics, and then develop sales strategies attuned to these areas.

In the Foods–Wholesale business, we will continue to take advantage of the increasing interest in Japanese food overseas to achieve strong growth in every region. In Asia in particular, we are working to make significant advances into Singapore through the establishment of a base purchased in December last year, and we will actively develop other markets in the ASEAN region in the future.

In the field of home-use soy sauce products in Japan, we will increase sales of high value-added products, such as *Shiboritate-nama Shoyu* (fresh raw soy sauce with filtration), and focus on providing a greater proportion of high value-added products. In the foodservice and industrial-use sectors, in addition to continuing to provide safe, high-quality products, we will also further our efforts to leverage the company's collective strengths by providing technical support and other services.

In food products, we will strive to extend our market share by further expanding sales of *tsuyu* (soy sauce soup base) and *tare* (dipping and marinade sauces). In addition, we will work to expand the market for the *Uchi-no-Gohan* (a handy Japanese-style seasoning mix) as we continue to target strong growth.

Within beverages, we will work to achieve growth centered on soy milk, the pillar of this business segment, and aim to expand sales by actively developing new beverages under the Del Monte brand.

In our *sake* and wine business, we will focus on increasing market share in home-use *mirin* (sweet *sake* for cooking), while developing sales initiatives for high value-added wine products.

In the biochemical business, we established Kikkoman Biochemifa Company in April 2011 to prepare a system for growth in the biochemical and health-related fields. We will work to expand sales of various products, including chemical products such as hyaluronic acid, clinical diagnostic reagents, and hygiene inspection agents.

As a result of the Great East Japan Earthquake, companies are being required to reduce the amount of electric power they use this summer. We have taken adequate countermeasures to ensure there will be no interruption to the supply of our products.

The Kikkoman Group is determined to make every effort to aggressively tackle these issues. Moving forward, we will work wholeheartedly to raise Kikkoman's corporate value and increase our presence as a company.

August 2011

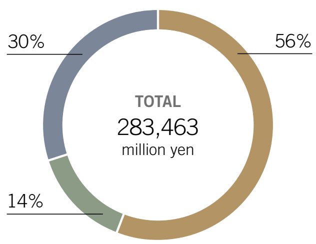
Yuzaburo Mogi
Honorary Chief Executive Officer and Chairman of the Board of Directors

Mitsuo Someya
President and Chief Executive Officer

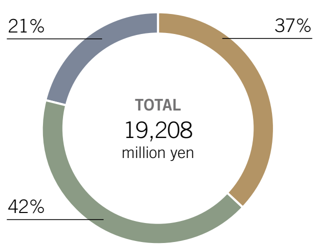
KIKKOMAN at a Glance

KIKKOMAN CORPORATION

Net Sales



Operating Income



■ Domestic
■ Overseas Foods—Manufacturing and Sales
■ Overseas Foods—Wholesale

Domestic

FOODS–MANUFACTURING AND SALES

Soy Sauce P. 10

Food Products P. 11

Overseas

FOODS–MANUFACTURING AND SALES

Soy Sauce P. 12

Other Foods P. 13

Beverages P. 11

***Sake* and Wine** P. 11

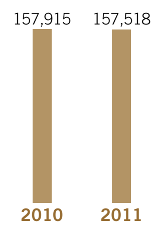
OTHERS

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.

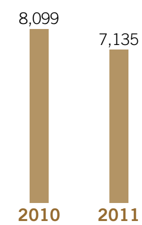
P. 12

* Hygiene inspection agents and a measuring instrument

Net Sales (Millions of yen)



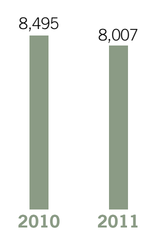
Operating Income (Millions of yen)



Del Monte P. 13

Net Sales (Millions of yen)

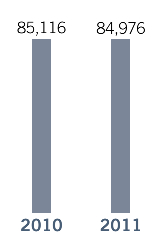
Operating Income (Millions of yen)



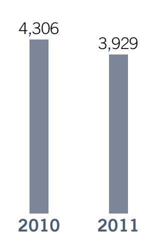
FOODS–WHOLESALE

P. 13

Net Sales (Millions of yen)



Operating Income (Millions of yen)



Management's Discussion and Analysis

OPERATING RESULTS

During the fiscal year under review, in domestic operations, the soy sauce business was slightly down year on year, while in beverages, soy milk and Del Monte beverages turned in strong performances. As a result, although sales were negatively impacted by the Great East Japan Earthquake, the overall performance was about the same as the previous year. Profits were lower, partly as a result of a change in inventory accounting methods in the year ended March 2010.

In overseas operations, sales rose on a local currency basis in North America, Europe, and Asia and Oceania, although there were negative currency translation effects related to the strong yen. Earnings on a local currency basis were up overall, despite these translation effects related to the strong yen, as earnings increases in Overseas Foods–Manufacturing and Sales offset earnings decreases in Overseas Foods–Wholesale resulting from increased procurement costs due to the strong yen.

Consequently, on a consolidated basis, net sales decreased by ¥2,227 million, or 0.8%, year on year to ¥283,463 million. Operating income decreased by ¥1,876 million, or 8.9%, to ¥19,208 million, and net income declined by ¥831 million, or 9.7%, to ¥7,770 million, partly due to the booking of an extraordinary loss in relation to the Great East Japan Earthquake.

SEGMENT INFORMATION

The Kikkoman Group categorizes its business operations both in Japan and overseas into four reporting segments: Domestic Foods–Manufacturing and Sales, Domestic Others, Overseas Foods–Manufacturing and Sales, and Overseas Foods–Wholesale.

DOMESTIC

DOMESTIC FOODS–MANUFACTURING AND SALES

This business segment comprises manufacturing and sales in Japan of products from the Soy Sauce Division; the Food Products Division, which includes *tsuyu* (soy sauce soup base), *tare* (dipping and marinade sauces) and Del Monte seasonings; the Beverages Division, which includes soy milk and Del Monte beverages; and the *Sake* and Wine Division, which includes *mirin* (sweet *sake* for cooking) and wines.

Segment sales edged down 0.6% year on year to ¥150,456 million, partly due to the impact of the Great East Japan Earthquake, while operating income declined 21.5% to ¥5,678 million, in part as a result of changes in inventory accounting methods in the year ended March 2010.

SOY SAUCE DIVISION

Sales of soy sauce in the home-use sector fell year on year as the soy sauce market contracted, despite the steady popularization in the market of 750 ml bottles of *Tokusen Marudaizu Shoyu* (premium soy sauce) and *Gen-en Shoyu* (less sodium soy sauce) introduced in the previous fiscal year, as well as the new product *Shiboritate-nama Shoyu* (fresh raw soy sauce with filtration). In the industrial- and foodservice-use sectors, sales were steady due in part to the contribution of new business development in the industrial-use sector, but overall division sales declined slightly compared to the previous year.

FOOD PRODUCTS DIVISION

In *tsuyu* (soy sauce soup base), home-use sector sales of flagship product *Hon Tsuyu* were steady, as were the contributions from some new products. In the industrial- and foodservice-use sectors also, some products were newly adopted. As a result, overall *tsuyu* sales rose from the previous year's level. In *tare* (dipping and marinade sauces), overall sales fell year on year despite increased sales year on year in the home-use sector, resulting partly from contribution of steady sales of new products in the *Wagaya-wa-Yakinikuyasan* series, our mainstay product in this area, because the industrial- and foodservice-use sectors struggled in a harsh market environment. Sales of the *Uchi-no-Gohan* series (a handy Japanese-style seasoning mix) continued to be strong as the customer base steadily expanded, reflecting aggressive product development and storefront promotion activities. In Del Monte seasonings, sales declined year on year despite a significant increase in sales of the *Yo-Gohan-Tsukuro* series (seasoning for Western style dishes) due to the termination of sales of some products following a review of the sales composition aimed at improving profits. As a result, overall division sales remained about the same as the previous year.

BEVERAGES DIVISION

In soy milk beverages, sales rose year on year as sales continued to be strong for modified soy milk, and there were also contributions from other revamped soy milk beverages, and from new chilled cup products. In Del Monte beverages, overall sales were substantially higher than the previous year. Tomato and vegetable juices performed strongly amid a recovery trend in their markets, to which in addition there were contributions from aggressive storefront promotion activities and the new product "Fruity Tomato." Overall, division sales increased year on year.

SAKE AND WINE DIVISION

Overall sales of *Hon Mirin* were about the same as the previous year. In the home-use sector, sales of mainstay product *Manjo Houjun Hon Mirin* and other products in 1-liter bottles struggled. However, in the industrial- and foodservice-use sectors, sales rose year on year, partly due to the acquisition of new users. With wine, sales were steady for a new category of *Manns Wine* products and wines for cooking. Although a subsidiary selling imported fine wine performed strongly, overall sales of domestic wines fell year on year, reflecting the termination of sales of certain casual wines. As a result, overall division sales declined year on year.

DOMESTIC OTHERS

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

Sales of clinical diagnostic reagents and hygiene inspection agents were strong and rose substantially year on year. Sales of hyaluronic acid were steady because demand increased for its food applications in Japan, but sales for its cosmetics applications struggled. Overall, sales of chemical products increased year on year. Sales in the logistics business, meanwhile, were steady.

As a result, segment sales increased 17.8% year on year to ¥19,636 million, while operating income climbed 68.0% to ¥1,456 million.

OVERSEAS

OVERSEAS FOODS–MANUFACTURING AND SALES

This business comprises the manufacturing and sales and the sale for export overseas of products from the Soy Sauce Division, the Del Monte Division, and the Other Foods Division, which sells health foods and other products.

After conversion to yen, segment sales decreased 4.1% year on year to ¥46,699 million and operating income decreased 5.7% to ¥8,007 million. Although the performance was lower due to the impact of currency translation, on a local currency basis, both sales and earnings were higher.

SOY SAUCE DIVISION

In the North American market, the division sought to leverage its brand power to expand business by enhancing the lineup of mainstay soy sauce products and soy sauce-based seasonings for the home-use sector. In addition, in the industrial- and foodservice-use sectors, we worked attentively to meet customer needs. As a result, although economic conditions remained sluggish, sales in all three sectors were strong and rose year on year on a local currency basis. In the European market, demand was steady in the major countries such as the U.K., Germany and France, the central and eastern Europe markets and the Russian market. In conjunction with strong sales in the foodservice-use sectors, sales increased year on year on a local currency basis. In the Asia and Oceania market, sales were up year on year as there was sales growth mainly in the ASEAN region.

As a result, although overall division sales were down year on year due to the impact of foreign currency translation, sales increased year on year on a local currency basis.

DEL MONTE DIVISION

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

During the fiscal year under review, sales in the key markets of Hong Kong and South Korea, and in addition in Indonesia, Malaysia and other markets, increased year on year. As a result, overall division sales increased year on year on a local currency basis.

OTHER FOODS DIVISION

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

Overall division sales declined year on year during the fiscal year under review, partly due to the impact of sluggish business conditions, as we responded to the standards for production management and quality control stipulated by the U.S. Food and Drug Administration.

OVERSEAS FOODS–WHOLESALE

This segment is engaged in the purchase and sale of oriental food products in Japan and overseas.

Due to the impact of the strong yen, the harsh market conditions continued with each region overseas facing rising costs to import Japanese products. However, in the North American market, sales were steady and rose year on year on a local currency basis. In the European market, too, the continued growing popularity of Japanese food contributed to a steady growth in sales on a local currency basis. Sales in the Asia and Oceania market also rose year on year despite the intensifying competition.

As a result, sales rose on a local currency basis, although they declined a small 0.2% year on year to ¥85,273 million due to the impact of foreign currency translation. Operating income declined 8.7% year on year to ¥3,929 million.

FINANCIAL POSITION

ASSETS

Current assets at March 31, 2011 were down by ¥5,145 million from the end of the previous fiscal year, mainly due to declines in proceeds from the sales of stocks receivable and trade notes and accounts receivable. Total property, plant and equipment, net and investments and other assets were down by ¥7,163 million from the previous fiscal year-end, due in part to a decline in investment securities. As a result, total assets as of March 31, 2011 were ¥298,867 million, a decrease of ¥12,308 million from a year earlier.

LIABILITIES

Current liabilities decreased by ¥4,354 million compared to the end of the previous fiscal year due mainly to a decline in short-term bank loans, while long-term liabilities declined by ¥3,467 million, mainly reflecting a decrease in long-term debt. As a result, total liabilities decreased by ¥7,822 million to ¥136,266 million.

NET ASSETS

Retained earnings rose year on year, while foreign currency translation adjustments declined due to the strong yen, and unrealized holding gain (loss) on securities, net of taxes, also decreased due to the falling market price of shares. As a result, net assets were ¥162,600 million, and the equity ratio increased by 0.7 percentage points to 53.8%. Net assets per share decreased ¥17.21 to ¥783.58.

CASH FLOWS

Cash and cash equivalents were ¥28,855 million as of March 31, 2011, an increase of ¥3,847 million compared to the end of the previous fiscal year.

Details of the status of cash flows in each type of activity and the major contributing factors during the year under review are described below.

Operating activities provided net cash of ¥24,534 million, an increase of ¥6,530 million from the previous fiscal year. This mainly reflected a decrease in income taxes paid.

Investing activities used net cash of ¥7,802 million mainly for the acquisition of property, plant and equipment, offset by proceeds from sales of investment securities.

Financing activities used net cash of ¥11,493 million. This primarily reflected outflows for the payment of cash dividends and repayment of short-term bank loans and long-term debt.

RISK FACTORS

CHANGES IN MARKET ENVIRONMENT

The Kikkoman Group is developing business in various countries worldwide, including Japan, North America, Europe and Asia, and aims for sustained business development. A decline in demand for the products and services that the Group provides, due to worsening economic conditions in particular countries where the Kikkoman Group is doing business, a change in consumers' tastes or values held as regards products, the emergence of new business competitors, or other factors, could result in lower sales and earnings and thus adversely affect the Kikkoman Group's business results and financial position.

CHANGES IN SOCIAL ENVIRONMENT

Should any disruption in business activity arise in the countries where the Group does business due to unexpected events such as war, terrorism and changes in politics or society, it could adversely affect the Group's business results and financial position.

NATURAL DISASTERS, EPIDEMICS AND ACCIDENTS

Should any emergency situation beyond expectation arise, such as an earthquake or other natural disaster, the wide-scale spread of an epidemic, or a major accident, resulting in damage to manufacturing, logistics, or other facilities, or difficulties in the procurement of raw materials or energy, or in securing the required personnel, such events could reduce the Group's manufacturing and sales capabilities, and could thus lower sales and earnings. In addition, cost increases including expenses incurred to restore facilities and the procurement cost of raw materials, energy and other resources, could adversely affect the Group's business results and financial position.

EXCHANGE RATE FLUCTUATIONS

Kikkoman converts the financial statements of its overseas subsidiaries and other foreign domiciled entities into Japanese yen for preparing its consolidated financial statements. The line items in the financial statements of these subsidiaries and other entities are thus subject to foreign currency exchange rate fluctuations when converted into Japanese yen. In particular, where there is an appreciation of the yen against other currencies, the converted amount in yen will be lower.

Furthermore, exchange rate fluctuations could affect the provision price of products and services denominated in foreign currencies and the procurement cost of raw materials and products purchased by the Kikkoman Group.

The Kikkoman Group uses various techniques to mitigate and avoid foreign currency exchange risk, but changes in currency markets could adversely affect its business results and financial position.

FLUCTUATIONS IN RAW MATERIAL PRICES

Some raw materials used by the Kikkoman Group are subject to the effects of commodities market conditions. The soybeans, soybean meal and wheat used in the mainstay soy sauce product are subject to the effects of conditions in international commodities markets. Fluctuations in crude oil prices could also affect manufacturing and delivery costs for PET bottles used to package Kikkoman's products and other products. A rapid increase in market prices for these materials could lead to higher manufacturing and delivery expenses and thus adversely affect the Kikkoman Group's business results and financial position.

ACCOUNTING FOR IMPAIRMENT OF ASSETS

The Kikkoman Group owns a variety of assets, including real estate used in the course of business operations. Should recovery of the Group's investment in such assets become unlikely due to a decline in market value or a decrease in profitability, the assets will become liable for asset impairment accounting. This could adversely affect the Kikkoman Group's business results and financial position.

FLUCTUATIONS IN THE MARKET VALUE OF SECURITIES

The Kikkoman Group holds marketable securities with fair market values. Should there be a significant decline in the market value of these securities, this could adversely affect the Kikkoman Group's business results and financial position.

WEATHER

The Kikkoman Group sells beverages such as soy milk and vegetable beverages that are subject to the effects of weather. In particular, a cool summer could result in lower sales of these products, and thus adversely affect the Kikkoman Group's business results and financial position.

ISSUES RELATED TO FOOD SAFETY

The Kikkoman Group works to strengthen its quality assurance and quality control systems based on the fundamental mission of providing high-quality products in a safe and stable manner. Nevertheless, in the event that an accident occurs in connection with one of its products, including as the result of a chance occurrence, or in the event that a situation beyond the scope of the Group's initiatives arises, this could adversely affect the Group's business results and financial position.

INTELLECTUAL PROPERTY

The Kikkoman Group is acquiring industrial property rights, including patent rights, utility model rights, and trademarks, as necessary with respect to the technology it develops. These intellectual property rights have many advantages from an operational perspective and are thus regarded as an important management resource.

However, if another company develops similar rights or technology that is superior to its own, the Kikkoman Group could lose its competitive advantage, which could adversely affect its business results and financial position.

ALLIANCES AND CORPORATE ACQUISITIONS

The Kikkoman Group has formed alliances with other companies in specific fields of business. Going forward, to utilize resources as necessary from outside the Group, the Group may form strategic alliances, including equity-based alliances and corporate acquisitions. However, the inability of the Kikkoman Group to carry out its business plan as expected after forming an alliance or conducting an acquisition could adversely affect the Group's business results and financial position.

LAWS AND REGULATIONS

In Japan, the Kikkoman Group is subject to laws and regulations such as the Food Sanitation Law and the Product Liability Act. In addition, the Group is subject to the laws and regulations of each country in which it develops business. Changes to these and other laws and regulations in the future could restrict the Kikkoman Group's activities, and thus adversely affect its business results and financial position.

Reference: Consolidated Segment Information

On October 1, 2009, Kikkoman Corporation shifted to a holding company structure and as a result certain business segments were changed.

In order to facilitate year-on-year comparisons, figures for the fiscal year ending March 31, 2010 in these materials have been recalculated on the assumption that the Company shifted to a holding company structure starting at the beginning of the fiscal year, and therefore differ from the figures presented in the Financial Section.

Millions of yen

Net Sales		2011	2010	Change-increase (decrease)	%	Change excluding translation difference	%
Domestic	Soy Sauce	**¥ 47,173**	¥ 47,764	¥ (590)	98.8	¥ (590)	98.8
	Food Products	**56,347**	56,825	(478)	99.2	(478)	99.2
	Portion accounted for by soy sauce derivative products	**34,152**	33,794	358	101.1	358	101.1
	Beverages	**34,416**	33,553	862	102.6	862	102.6
	Portion accounted for by soy milk beverages	**18,396**	17,168	1,228	107.2	1,228	107.2
	Sake and Wine	**12,681**	13,754	(1,073)	92.2	(1,073)	92.2
	Eliminations	**(161)**	(161)	(0)	–	(0)	–
	Foods—Manufacturing and sales	**150,456**	151,737	(1,281)	99.2	(1,281)	99.2
	Others	**19,636**	18,741	895	104.8	895	104.8
	Eliminations	**(10,550)**	(10,409)	(141)	–	(141)	–
	Total	**159,541**	160,069	(527)	99.7	(527)	99.7
Overseas	Soy Sauce	**35,161**	36,338	(1,176)	96.8	1,698	104.7
	Del Monte	**4,199**	4,290	(90)	97.9	229	105.4
	Other Foods	**7,337**	8,050	(712)	91.2	(217)	97.3
	Foods—Manufacturing and sales	**46,699**	48,679	(1,979)	95.9	1,710	103.5
	Foods—Wholesale	**85,273**	85,416	(143)	99.8	5,910	106.9
	Eliminations	**(5,963)**	(6,270)	307	–	(170)	–
	Total	**126,009**	127,826	(1,816)	98.6	7,449	105.8
Kikkoman (Holding Company)		**11,572**	11,075	497	104.5	497	104.5
Eliminations		**(13,661)**	(13,249)	(411)	–	(411)	–
Consolidated Total		**¥283,463**	¥285,721	¥(2,257)	99.2	¥ 7,008	102.5

Operating Income		2011	2010	Change-increase (decrease)	%	Change excluding translation difference	%
Domestic	Foods—Manufacturing and sales	**¥ 5,678**	¥ 7,413	¥(1,734)	76.6	¥(1,734)	76.6
	Others	**1,456**	928	528	157.0	528	157.0
	Total	**7,168**	8,450	(1,281)	84.8	(1,281)	84.8
Overseas	Foods—Manufacturing and sales	**8,007**	8,111	(104)	98.7	592	107.3
	Foods—Wholesale	**3,929**	4,399	(469)	89.3	(249)	94.3
	Total	**11,873**	12,521	(648)	94.8	262	102.1
Kikkoman (Holding Company)		**3,517**	2,839	677	123.8	677	123.8
Eliminations		**(3,350)**	(2,695)	(655)	–	(546)	–
Consolidated Total		**¥19,208**	¥21,115	¥(1,907)	91.0	¥ (888)	95.8
Ordinary Income		**¥16,751**	¥19,136	¥(2,384)	87.5	¥(1,489)	92.2
Income before income taxes and minority interests		**13,447**	14,830	(1,382)	90.7	(487)	96.7
Net Income		**7,770**	8,602	(831)	90.3	(231)	97.3

Consolidated Balance Sheets

Kikkoman Corporation and Consolidated Subsidiaries
As of March 31, 2011 and 2010

	Millions of yen		Thousands of U.S. dollars
Assets	**2011**	2010	**2011**
Current assets:			
Cash and deposits (Note 7)	**¥ 30,247**	¥ 26,667	**$ 364,421**
Trade notes and accounts receivable (Note 10)	**39,029**	41,596	**470,228**
Allowance for doubtful receivables	**(421)**	(689)	**(5,072)**
	38,608	40,906	**465,156**
Short-term investment securities (Note 7)	**131**	131	**1,578**
Merchandise and finished goods	**19,063**	19,777	**229,674**
Work in process	**8,699**	9,267	**104,807**
Raw materials and supplies	**3,221**	3,187	**38,807**
Deferred tax assets (Note 12)	**4,988**	4,266	**60,096**
Other	**4,485**	10,387	**54,036**
Total current assets	**109,445**	114,590	**1,318,614**
Property, plant and equipment, at cost (Notes 10 and 21):			
Land	**15,548**	16,059	**187,325**
Buildings and structures	**86,944**	83,898	**1,047,518**
Machinery, equipment and vehicles	**156,958**	152,757	**1,891,060**
Leased assets	**389**	556	**4,686**
Other	**16,152**	16,135	**194,602**
Construction in progress	**3,712**	7,695	**44,722**
	279,706	277,103	**3,369,951**
Accumulated depreciation	**(183,382)**	(179,147)	**(2,209,421)**
Property, plant and equipment, net	**96,323**	97,955	**1,160,518**
Investments and other assets:			
Investment securities (Notes 8 and 19)	**21,306**	24,354	**256,698**
Investments in and advances to unconsolidated subsidiaries and affiliates	**33,698**	34,529	**406,000**
Goodwill	**25,189**	27,414	**303,481**
Other intangible assets	**2,593**	2,255	**31,240**
Deferred tax assets (Note 12)	**2,820**	3,028	**33,975**
Other	**7,490**	7,046	**90,240**
Total investments and other assets	**93,097**	98,628	**1,121,650**
Total assets	**¥ 298,867**	¥ 311,175	**$ 3,600,807**

	Millions of yen		Thousands of U.S. dollars
Liabilities	**2011**	2010	**2011**
Current liabilities:			
Short-term bank loans (Notes 9, 10 and 19)	**¥ 2,854**	¥ 7,703	**$ 34,385**
Current portion of long-term debt (Notes 9 and 19)	**2,200**	2,259	**26,506**
Lease obligations (Notes 9 and 16)	**71**	148	**855**
Trade notes and accounts payable	**14,626**	14,507	**176,216**
Other accounts payable	**12,711**	12,710	**153,144**
Accrued income taxes	**2,030**	2,316	**24,457**
Accrued employees' bonuses	**2,187**	2,190	**26,349**
Accrued directors' bonuses	**80**	77	**963**
Provision for investment loss	**267**	–	**3,216**
Provision for loss on disaster	**493**	–	**5,939**
Other	**3,981**	3,943	**47,963**
Total current liabilities	**41,504**	45,858	**500,048**
Long-term liabilities:			
Long-term debt (Notes 9 and 19)	**79,555**	81,950	**958,493**
Lease obligations (Notes 9 and 16)	**123**	143	**1,481**
Accrued employees' pension and severance costs (Note 11)	**3,922**	4,017	**47,253**
Accrued directors' severance benefits	**1,099**	1,142	**13,240**
Provision for environmental remediation	**348**	319	**4,192**
Provision for loss on plant closing	**209**	–	**2,518**
Deposits received	**6,002**	5,964	**72,313**
Deferred tax liabilities (Note 12)	**2,287**	3,399	**27,554**
Other	**1,214**	1,293	**14,626**
Total long-term liabilities	**94,762**	98,230	**1,141,710**
Contingent Liabilities (Note 17)			
Net assets			
Shareholders' equity:			
Common stock, without par value:			
Authorized: 600,000,000 shares at March 31, 2011 and 2010, respectively			
Issued: 210,383,202 shares at March 31, 2011 and 2010, respectively	**11,599**	11,599	**139,746**
Capital surplus (Note 13)	**21,210**	21,212	**255,542**
Retained earnings (Notes 13 and 23)	**156,248**	151,579	**1,882,506**
Treasury stock, at cost:			
5,259,613 shares at March 31, 2011 and 3,989,448 shares at March 31, 2010	**(5,214)**	(4,066)	**(62,819)**
Total shareholders' equity	**183,844**	180,324	**2,214,987**
Accumulated other comprehensive income:			
Unrealized holding gain/loss on securities, net of taxes	**(1,230)**	536	**(14,819)**
Deferred hedge gain/loss, net of taxes	**(0)**	27	**(0)**
Foreign currency translation adjustments	**(21,194)**	(14,816)	**(255,349)**
Unfunded retirement benefit obligation of overseas subsidiaries	**(688)**	(793)	**(8,289)**
Total accumulated other comprehensive income (loss)	**(23,113)**	(15,046)	**(278,469)**
Stock acquisition rights	**179**	185	**2,156**
Minority interests	**1,690**	1,623	**20,361**
Total net assets	**162,600**	167,086	**1,959,036**
Total liabilities and net assets	**¥298,867**	¥311,175	**$3,600,807**

See accompanying notes to consolidated financial statements.

Consolidated Statements of Income

Kikkoman Corporation and Consolidated Subsidiaries
Years ended March 31, 2011 and 2010

	Millions of yen		Thousands of U.S. dollars
	2011	2010	**2011**
Net sales	**¥283,463**	¥285,690	**$3,415,216**
Cost of sales	**168,147**	166,924	**2,025,867**
Gross profit	**115,315**	118,765	**1,389,337**
Selling, general and administrative expenses (Notes 11 and 14)	**96,107**	97,680	**1,157,915**
Operating income	**19,208**	21,085	**231,421**
Other income (expenses):			
Interest and dividend income	**813**	747	**9,795**
Equity in earnings of unconsolidated subsidiaries and affiliates	**19**	500	**228**
Interest expenses	**(1,446)**	(1,543)	**(17,421)**
Foreign exchange gains, net	**842**	146	**10,144**
Gain on sales of securities	**562**	3	**6,771**
Dividends from liquidation of securities	**–**	4	**–**
Gain on sales of property, plant and equipment	**1,714**	299	**20,650**
Gain on reversal of accrued employees' pension and severance costs	**–**	105	**–**
Loss on disposal of property, plant and equipment	**(784)**	(1,310)	**(9,445)**
Loss on valuation of derivatives	**(734)**	–	**(8,843)**
Loss on revaluation of investments in securities	**(495)**	(417)	**(5,963)**
Loss on liquidation of subsidiaries and affiliates	**(691)**	–	**(8,325)**
Loss on impairment of fixed assets	**(514)**	(2,079)	**(6,192)**
Special additional severance benefits	**(377)**	(45)	**(4,542)**
Loss on adjustment for changes of accounting standard for asset retirement obligations	**(128)**	–	**(1,542)**
Loss on revaluation of golf club memberships	**(11)**	(36)	**(132)**
Loss on provision for environmental remediation	**–**	(319)	**–**
Expenses for Shanghai Expo exhibition	**(434)**	–	**(5,228)**
Expenses related to change of corporate names of subsidiaries and affiliates	**–**	(63)	**–**
Expenses related to the change in the Group's structure to a holding company structure	**–**	(694)	**–**
Loss on disaster (Note 15)	**(2,352)**	–	**(28,337)**
Other, net	**(1,741)**	(1,553)	**(20,975)**
Income before income taxes and minority interests	**13,447**	14,830	**162,012**
Income taxes (Note 12):			
Current	**6,014**	6,229	**72,457**
Deferred	**(421)**	(86)	**(5,072)**
	5,593	6,142	**67,385**
Income before minority interests	**7,854**	8,687	**94,626**
Minority interests	**(83)**	(85)	**(1,000)**
Net income (Note 18)	**¥ 7,770**	¥ 8,602	**$ 93,614**

See accompanying notes to consolidated financial statements.

Consolidated Statements of Comprehensive Income

Kikkoman Corporation and Consolidated Subsidiaries
Years ended March 31, 2011 and 2010

	Millions of yen		Thousands of U.S. dollars
	2011	2010	**2011**
Income before minority interests	**¥ 7,854**	¥ 8,687	**$ 94,626**
Other comprehensive income:			
Unrealized holding gain/loss on securities, net of taxes	**(1,661)**	1,393	**(20,012)**
Deferred hedge gain/loss, net of taxes	**(17)**	7	**(204)**
Foreign currency translation adjustments	**(6,155)**	(1,697)	**(74,156)**
Unfunded retirement benefit obligation of overseas subsidiaries	**104**	29	**1,253**
Share of other comprehensive income of associates accounted for using the equity method	**(341)**	256	**(4,108)**
Total other comprehensive income (loss)	**¥(8,070)**	¥ (11)	**$(97,228)**
Comprehensive income (loss)	**¥ (215)**	¥ 8,676	**$ (2,590)**
Total comprehensive income (loss) attributable to:			
Owners of the Company	**¥ (296)**	¥ 8,752	**$ (3,566)**
Minority interests	**80**	103	**963**

See accompanying notes to consolidated financial statements.

Consolidated Statements of Changes in Net Assets

Kikkoman Corporation and Consolidated Subsidiaries
Years ended March 31, 2011 and 2010

	Millions of yen		Thousands of U.S. dollars
	2011	2010	**2011**
Shareholders' equity			
Common stock			
Balance at beginning and end of the period (210,383,202 shares at March 31, 2011 and 2010, respectively)	**¥ 11,599**	¥ 11,599	**$ 139,746**
Capital surplus (Note 13)			
Balance at beginning of the period	**¥ 21,212**	¥ 21,212	**$ 255,566**
Disposal of treasury stock	**(1)**	0	**(12)**
Balance at end of the period	**¥ 21,210**	¥ 21,212	**$ 255,542**
Retained earnings (Notes 13 and 23)			
Balance at beginning of the period	**¥151,579**	¥146,082	**$1,826,253**
Net income	**7,770**	8,602	**93,614**
Cash dividends	**(3,101)**	(3,105)	**(37,361)**
Balance at end of the period	**¥156,248**	¥151,579	**$1,882,506**
Treasury stock			
Balance at beginning of the period	**¥ (4,066)**	¥ (3,811)	**$ (48,987)**
Purchase of treasury stock	**(1,161)**	(271)	**(13,987)**
Disposal of treasury stock	**12**	16	**144**
Balance at end of the period	**¥ (5,214)**	¥ (4,066)	**$ (62,819)**
Accumulated other comprehensive income			
Unrealized holding gain/loss on securities, net of taxes			
Balance at beginning of the period	**¥ 536**	¥ (996)	**$ 6,457**
Net change during the period	**(1,766)**	1,533	**(21,277)**
Balance at end of the period	**¥ (1,230)**	¥ 536	**$ (14,819)**
Deferred hedge gain/loss, net of taxes			
Balance at beginning of the period	**¥ 27**	¥ 12	**$ 325**
Net change during the period	**(27)**	15	**(325)**
Balance at end of the period	**¥ (0)**	¥ 27	**$ (0)**
Foreign currency translation adjustments			
Balance at beginning of the period	**¥ (14,816)**	¥ (13,209)	**$ (178,506)**
Net change during the period	**(6,377)**	(1,607)	**(76,831)**
Balance at end of the period	**¥ (21,194)**	¥ (14,816)	**$ (255,349)**
Unfunded retirement benefit obligation of overseas subsidiaries			
Balance at beginning of the period	**¥ (793)**	¥ (822)	**$ (9,554)**
Net change during the period	**104**	29	**1,253**
Balance at end of the period	**¥ (688)**	¥ (793)	**$ (8,289)**
Stock acquisition rights			
Balance at beginning of the period	**¥ 185**	¥ 106	**$ 2,228**
Net change during the period	**(5)**	78	**(60)**
Balance at end of the period	**¥ 179**	¥ 185	**$ 2,156**
Minority interests			
Balance at beginning of the period	**¥ 1,623**	¥ 1,644	**$ 19,554**
Net change during the period	**66**	(20)	**795**
Balance at end of the period	**¥ 1,690**	¥ 1,623	**$ 20,361**

See accompanying notes to consolidated financial statements.

Consolidated Statements of Cash Flows

Kikkoman Corporation and Consolidated Subsidiaries
Years ended March 31, 2011 and 2010

	Millions of yen		Thousands of U.S. dollars
	2011	2010	2011
Cash flows from operating activities			
Income before income taxes and minority interests	¥ 13,447	¥ 14,830	$ 162,012
Depreciation and amortization	12,150	12,036	146,385
Loss on impairment of fixed assets	891	2,079	10,734
Increase (decrease) in accrued employees' pension and severance costs	(139)	617	(1,674)
Increase (decrease) in accrued directors' severance benefits	(43)	(197)	(518)
Increase (decrease) in provision for loss on disaster	493	–	5,939
Interest and dividend income	(813)	(749)	(9,795)
Interest expenses	1,446	1,543	17,421
Equity in earnings of unconsolidated subsidiaries and affiliates	(19)	(500)	(228)
Gain on sales of property, plant and equipment	(1,719)	(341)	(20,710)
Gain on sales of securities	(562)	(3)	(6,771)
Loss on disposal of property, plant and equipment	826	1,335	9,951
Loss on revaluation of investments in securities	495	417	5,963
(Increase) decrease in trade notes and accounts receivable	504	(1,504)	6,072
(Increase) decrease in inventories	(264)	(3,535)	(3,180)
Increase in trade notes and accounts payable	1,072	912	12,915
Other	2,104	2,454	25,349
Subtotal	29,870	29,394	359,879
Interest and dividends received	1,151	1,068	13,867
Interest paid	(1,447)	(1,563)	(17,433)
Income taxes paid	(5,040)	(10,896)	(60,722)
Net cash provided by operating activities	24,534	18,003	295,590
Cash flows from investing activities			
Acquisition of property, plant and equipment	(12,387)	(14,261)	(149,240)
Proceeds from sales of property, plant and equipment	1,808	439	21,783
Acquisition of intangible assets	(852)	(850)	(10,265)
Acquisition of investments in securities	(1,557)	(1,578)	(18,759)
Proceeds from sales of investments in securities	4,980	2,985	60,000
Addition to loans receivable	(149)	(868)	(1,795)
Collection of loans receivable	438	2,723	5,277
Other	(82)	(548)	(987)
Net cash used in investing activities	(7,802)	(11,959)	(94,000)
Cash flows from financing activities			
Increase (decrease) in short-term bank loans	(4,799)	(2,615)	(57,819)
Repayment of long-term debt	(2,259)	(2,383)	(27,216)
Acquisition of treasury stock	(1,161)	(271)	(13,987)
Cash dividends paid	(3,110)	(3,114)	(37,469)
Other	(162)	(138)	(1,951)
Net cash used in financing activities	(11,493)	(8,522)	(138,469)
Effect of exchange rate changes on cash and cash equivalents	(1,426)	(297)	(17,180)
Increase (decrease) in cash and cash equivalents	3,812	(2,775)	45,927
Cash and cash equivalents at beginning of the year	25,008	27,783	301,301
Increase in cash and cash equivalents resulting from merger with unconsolidated subsidiary	35	–	421
Cash and cash equivalents at end of the year (Note 7)	¥ 28,855	¥ 25,008	$ 347,650

See accompanying notes to consolidated financial statements.

Notes to Consolidated Financial Statements

Kikkoman Corporation and Consolidated Subsidiaries
Years ended March 31, 2011 and 2010

1. Basis of Preparation

KIKKOMAN CORPORATION (the "Company") and its domestic subsidiaries maintain their accounting records and prepare their financial statements in accordance with accounting principles generally accepted in Japan, and its foreign subsidiaries maintain their books of account in conformity with those of their countries of domicile. The accompanying consolidated financial statements have been compiled from the consolidated financial statements prepared by the Company as required by the Financial Instruments and Exchange Act of Japan and have been prepared in accordance with accounting principles generally accepted in Japan, which are different in certain respects as to the application and disclosure requirements of International Financial Reporting Standards.

As permitted by the Financial Instruments and Exchange Act of Japan, amounts of less than one million yen have been omitted. Consequently, the totals shown in the accompanying consolidated financial statements (both in yen and U.S. dollars) do not necessarily agree with the sum of the individual amounts.

In order to enhance comparability of the consolidated financial statements, certain items in the prior years' financial statements have been reclassified to conform to the presentation for the year ended March 31, 2011.

2. Summary of Significant Accounting Policies

(a) Basis of consolidation and accounting for investments in unconsolidated subsidiaries and affiliates

The accompanying consolidated financial statements include the accounts of the Company and all significant companies controlled directly or indirectly by the Company. In addition, companies over which the Company exercises significant influence in terms of their operating and financial policies have been included in the consolidated financial statements on an equity basis.

All significant inter-company balances and transactions have been eliminated in consolidation.

Investments in unconsolidated subsidiaries and affiliates not accounted for by the equity method are stated at cost.

Differences between the acquisition costs and the underlying net equities in investments in consolidated subsidiaries are recorded as goodwill in the consolidated balance sheets and amortized using the straight-line method over their estimated useful lives or a period of five years. Any immaterial amounts are charged or credited to income in the year of acquisition.

(b) Foreign currency translation

All monetary assets and liabilities denominated in foreign currencies are translated into Japanese yen at the year-end rates. Resulting exchange gains or losses are charged or credited to income for the year.

Revenue and expense accounts of foreign consolidated subsidiaries are translated at the average exchange rates in effect during the year. Except for shareholders' equity, the balance sheet accounts of foreign consolidated subsidiaries are translated into yen at the rates of exchange in effect at the balance sheet date. The components of shareholders' equity are translated at their historical exchange rates. Differences arising on translation are presented as foreign currency translation adjustments or minority interests as a separate component of net assets.

(c) Cash equivalents

For the purposes of the consolidated statements of cash flows, the Company considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

(d) Securities

Securities, except for investments in unconsolidated subsidiaries and affiliates, are classified as trading securities, held-to-maturity securities or other securities. Trading securities are carried at fair value. Held-to-maturity securities are carried at amortized cost. Marketable securities classified as other securities are carried at fair value with any unrealized gains and losses reported as a separate component of Accumulated other comprehensive income, net of taxes. Non-marketable securities classified as other securities are carried at cost. Cost of securities sold is mainly determined by the moving average method.

(e) Inventories

Inventories are mainly stated at cost determined by the periodic average method.

In cases where the profitability has declined, the book value is reduced accordingly.

(f) Depreciation and amortization

Property, plant and equipment (excluding leased assets)

Buildings and structures — In general, the straight-line method is adopted.

Assets other than buildings and structures — In general, the declining-balance method is adopted by the Company and its domestic consolidated subsidiaries. However, the straight-line method is adopted for certain rental assets of the Company and by foreign consolidated subsidiaries.

The ranges of useful lives are as follows:

Buildings and structures	from 7 to 50 years
Machinery, equipment and vehicles	from 3 to 20 years

Intangible assets (excluding leased assets) are amortized by the straight-line method over their estimated useful lives.

The straight-line method is adopted for depreciation of leased assets, with the lease period set as the useful life and the residual value as zero.

(g) Accrued employees' and directors' bonuses

Accrued employees' and directors' bonuses are provided based on the estimated amounts to be paid.

(h) Provision for investment loss

Provision for investment loss has been estimated in light of the financial standing of the investee companies.

(i) Provision for loss on disaster

Provision for loss on disaster is recognized based on the estimated losses resulting from the Great East Japan Earthquake, which mainly consist of repair costs for damaged equipment and loss on disposal of damaged inventories.

(j) Accrued employees' pension and severance costs

To provide for employees' pension and severance costs, net periodic pension and severance costs are computed by the Company and its domestic consolidated subsidiaries based on the projected benefit obligation and the fair value of pension plan assets.

Prior service cost is amortized by the straight-line method over a period of 10 years (excluding certain consolidated subsidiaries) which is shorter than the average remaining years of service of the active participants in the plans.

The adjustment made during the fiscal year arising from revisions to the actuarial assumptions (the "actuarial gain or loss") is amortized by the straight-line method beginning the following fiscal year over a period of 10 years, which is shorter than the average remaining years of service of the active participants in the plans.

Certain consolidated subsidiaries have defined contribution plans in addition to defined benefit plans.

(k) Accrued directors' severance benefits

Certain directors, corporate auditors and corporate officers of the Company and certain domestic consolidated subsidiaries are entitled to lump-sum payments under their respective unfunded retirement allowance plans. Provision for retirement allowances for these officers has been made at the estimated amounts which would be paid if all directors and corporate officers resigned as of the balance sheet dates.

(l) Provision for environmental remediation
In preparation for payments relating to disposal of polychlorinated biphenyl (PCB) and other wastes under the "Law Concerning Special Measures Against PCB Waste," a provision for environmental remediation has been made for the estimated costs to be incurred.

(m) Provision for loss on plant closing
Provision for loss on plant closing has been estimated for costs to be incurred for the closure of a plant at an affiliated company.

(n) Income taxes
Deferred tax assets and liabilities are determined based on the differences between the financial reporting and the tax bases of the assets and liabilities and are measured using the enacted tax rates and laws which are expected to be in effect when the differences are expected to reverse.

(o) Research and development costs
Research and development costs are charged to income as incurred.

(p) Derivatives
The Company and its consolidated subsidiaries utilize derivative financial instruments for the purpose of hedging their exposure to adverse fluctuations in foreign currency exchange rates but not for speculative purposes. Derivatives are stated at fair value with any changes in unrealized gain or loss charged or credited to income, except for those which meet the criteria for deferral hedge accounting under which unrealized gain or loss is deferred as a separate component of accumulated other comprehensive income, net of taxes. Payables hedged by qualified forward foreign exchange contracts are translated at the corresponding contract rates.

(q) Appropriation of retained earnings
Under the Corporation Law of Japan, the appropriation of retained earnings with respect to a given financial period is made by resolution of the shareholders at a general meeting held subsequent to the close of such financial period. The financial statements for that period do not, therefore, reflect such appropriations.

3. Changes in Accounting Standards

(a) Asset retirement obligations
Effective from the fiscal year ended March 31, 2011, the Company has adopted the "Accounting Standard for Asset Retirement Obligations" (Accounting Standards Board of Japan (ASBJ) Statement No. 18, March 31, 2008) and the "Guidance on Accounting Standard for Asset Retirement Obligations" (ASBJ Guidance No. 21, March 31, 2008).

As a result of the adoption of these standards, income before income taxes and minority interests decreased by ¥128 million ($1,542 thousand) for the year ended March 31, 2011.

(b) Equity method of accounting for investments
Effective from the fiscal year ended March 31, 2011, the Company has adopted the "Accounting Standards for Equity Method of Accounting for Investments" (ASBJ Statement No. 16, March 10, 2008) and "Practical Solution on Unification of Accounting Policies Applied to Associates Accounted for Using the Equity Method" (Practical Issues Task Force No. 24, March 10, 2008).

The adoption of these accounting standards did not have any impact on income before income taxes and minority interests for the year ended March 31, 2011.

4. Changes in Presentation

Effective from the fiscal year ended March 31, 2011, the Company has adopted the "Cabinet Office Ordinance Partially Reviewing Regulation on Terminology, Forms and Preparation of Financial Statements" (Cabinet Office Ordinance No. 5, March 24, 2009), based on the "Accounting Standard for Consolidated Financial Statements" (ASBJ Statement No. 22, December 26, 2008). As a result, the account item "Net income before minority interests" is presented in the consolidated statements of income.

5. Additional Information

(a) Comprehensive income

From the fiscal year ended March 31, 2011, the Company has adopted the "Accounting Standard for Presentation of Comprehensive Income" (ASBJ Statement No. 25, June 30, 2010). However, the amounts recorded as accumulated other comprehensive income and total accumulated other comprehensive income for the fiscal year ended March 31, 2010 are the amounts recorded as valuation and translation adjustments and total valuation and translation adjustments, respectively, for the previous fiscal year.

(b) Segment information

Effective from the fiscal year ended March 31, 2011, the Company has adopted the "Accounting Standard for Disclosures about Segments of an Enterprise and Related Information" (ASBJ Statement No. 17, March 27, 2009) and the "Guidance on Accounting Standard for Disclosures about Segments of an Enterprise and Related Information" (ASBJ Guidance No. 20, March 21, 2008).

6. U.S. Dollar Amounts

The translation of yen amounts into U.S. dollar amounts is included solely for convenience, as a matter of arithmetic computation, at the rate of ¥83 = U.S.$1.00, the approximate rate of exchange in effect on March 31, 2011. The translation should not be construed as a representation that yen amounts have been, could have been, or could in the future be, converted into U.S. dollars at the above or any other rate.

7. Cash and Cash Equivalents

The components of cash and cash equivalents in the consolidated statements of cash flows as of March 31, 2011 and 2010 were as follows:

	Millions of yen		Thousands of U.S. dollars
As of March 31,	**2011**	2010	**2011**
Cash and deposits	**¥30,247**	¥26,667	**$364,421**
Short-term investment securities	**131**	131	**1,578**
Time deposits with maturities of more than three months	**(1,522)**	(1,790)	**(18,337)**
Cash and cash equivalents	**¥28,855**	¥25,008	**$347,650**

8. Fair Value of Securities

As of March 31, 2011 and 2010, the Company and its consolidated subsidiaries did not possess any securities classified as trading securities and held-to-maturity securities. Securities classified as other securities are included in "short-term investment securities" and "investments securities" in the accompanying consolidated balance sheets.

The components of unrealized gain or loss on marketable securities classified as other securities as of March 31, 2011 and 2010 are summarized as follows:

	Millions of yen			Thousands of U.S. dollars		
As of March 31, 2011	Acquisition costs	Carrying value	Unrealized gain (loss)	Acquisition costs	Carrying value	Unrealized gain (loss)
Unrealized gain:						
Stocks	**¥ 3,535**	**¥ 7,663**	**¥ 4,128**	**$ 42,590**	**$ 92,325**	**$ 49,734**
Unrealized loss:						
Stocks	**15,333**	**11,116**	**(4,216)**	**184,734**	**133,927**	**(50,795)**
Other	**131**	**131**	**–**	**1,578**	**1,578**	**–**
	15,464	**11,247**	**(4,216)**	**186,313**	**135,506**	**(50,795)**
Total	**¥18,999**	**¥18,911**	**¥ (88)**	**$228,903**	**$227,843**	**$ (1,060)**

	Millions of yen		
As of March 31, 2010	Acquisition costs	Carrying value	Unrealized gain (loss)
Unrealized gain:			
Stocks	¥ 5,201	¥11,440	¥ 6,239
Unrealized loss:			
Stocks	14,143	10,600	(3,543)
Total	¥19,344	¥22,040	¥ 2,696

Proceeds from sales of securities classified as other securities amounted to ¥602 million ($7,253 thousand) and ¥197 million with an aggregate gain on sales of ¥562 million ($6,771 thousand) and ¥3 million for the years ended March 31, 2011 and 2010, respectively.

9. Long-Term Debt and Credit Facilities

Long-term debt and lease obligations as of March 31, 2011 and 2010 consisted of the following:

	Millions of yen		Thousands of U.S. dollars
As of March 31,	**2011**	2010	**2011**
0.98% unsecured bonds, payable in yen, due 2012	**¥20,000**	¥20,000	**$240,963**
1.89% unsecured bonds, payable in yen, due 2016	**20,000**	20,000	**240,963**
1.88% unsecured bonds, payable in yen, due 2017	**20,000**	20,000	**240,963**
Loans from banks	**21,755**	24,209	**262,108**
Lease obligations	**194**	292	**2,337**
	81,950	84,501	**987,349**
Less: Current portion	**2,271**	2,408	**27,361**
	¥79,679	¥82,093	**$959,987**

The annual maturities of long-term debt and lease obligations subsequent to March 31, 2011 are summarized as follows:

Years ending March 31,	Millions of yen	Thousands of U.S. dollars
2012	¥ 2,271	$ 27,361
2013	22,205	267,530
2014	2,033	24,493
2015	2,620	31,566
2016 and thereafter	52,820	636,385
	¥81,950	$987,349

The Company and its consolidated subsidiaries have lines of credit from banks that provided for up to ¥39,062 million ($470,626 thousand) and ¥39,436 million in borrowings as of March 31, 2011 and 2010, respectively. There were ¥2,383 million ($28,710 thousand) and ¥7,193 million of short-term bank loans outstanding under these credit facilities as of March 31, 2011 and 2010, respectively.

10. Pledged Assets

The assets pledged as collateral for short-term bank loans as of March 31, 2011 and 2010 were as follows:

	Millions of yen		Thousands of U.S. dollars
As of March 31,	**2011**	2010	**2011**
Accounts receivable	**¥455**	¥ 508	**$5,481**
Property, plant and equipment at net book value	**–**	1,013	**–**
	¥455	¥1,522	**$5,481**

11. Accrued Employees' Pension and Severance Costs

The Company and its domestic consolidated subsidiaries have defined benefit corporate pension plans and lump-sum severance indemnity plans, covering substantially all employees who are entitled to lump-sum or annuity payments, the amounts of which are determined by reference to their basic rates of pay, length of service, and the conditions under which termination occurs. The Company has established a pension trust fund. Certain consolidated subsidiaries have defined contribution plans in addition to defined benefit plans.

The projected benefit obligation and funded status of the defined benefit plans as of March 31, 2011 and 2010 were as follows:

	Millions of yen		Thousands of U.S. dollars
As of March 31,	**2011**	2010	**2011**
Projected benefit obligation	**¥(41,234)**	¥(41,883)	**$(496,795)**
Plan assets at fair value	**32,970**	35,185	**397,228**
Unfunded benefit obligation	**(8,264)**	(6,698)	**(99,566)**
Unrecognized actuarial gain or loss	**10,670**	9,182	**128,554**
Unrecognized prior service cost (Reduction of obligation)	**(1,070)**	(1,433)	**(12,891)**
Prepaid pension and severance costs	**5,258**	5,067	**63,349**
Accrued employees' pension and severance costs	**¥ (3,922)**	¥ (4,017)	**$ (47,253)**

The components of net periodic pension and severance costs for the years ended March 31, 2011 and 2010 are summarized as follows:

	Millions of yen		Thousands of U.S. dollars
Years ended March 31,	**2011**	2010	**2011**
Service cost	**¥1,470**	¥1,452	**$ 17,710**
Interest cost on projected benefit obligation	**924**	947	**11,132**
Expected return on plan assets	**(885)**	(777)	**(10,662)**
Gain on plan amendment (Prior service cost)	**(363)**	(361)	**(4,373)**
Amortization of actuarial differences	**1,758**	2,075	**21,180**
Other	**257**	349	**3,096**
Subtotal	**3,161**	3,685	**38,084**
Gain on reversal of accrued employees' pension and severance costs	**–**	(105)	**–**
Total	**¥3,161**	¥3,580	**$ 38,084**

The principal assumptions used in accounting for the above plans were as follows:

Years ended March 31,	**2011**	2010
Discount rate	**Mainly 2.0 %**	Mainly 2.0 %
Expected rate of return on plan assets	**Mainly 2.0–3.5 %**	Mainly 2.0–3.5 %
Method of attributing retirement benefits to periods of service	**Periodic allocation method for projected benefit obligations**	Periodic allocation method for projected benefit obligations
Amortization period of unrecognized prior service cost	**10 years**	10 years
Amortization period of unrecognized actuarial differences	**10 years**	10 years

12. Income Taxes

Income taxes applicable to the Company and its domestic consolidated subsidiaries comprise corporation tax, inhabitants' taxes and enterprise tax which, in the aggregate, resulted in a statutory tax rate of approximately 40.5% for the years ended March 31, 2011 and 2010.

Income taxes of foreign consolidated subsidiaries are generally based on the tax rates applicable in their countries of incorporation.

The significant components of deferred tax assets and liabilities as of March 31, 2011 and 2010 were as follows:

	Millions of yen		Thousands of U.S. dollars
As of March 31,	**2011**	2010	**2011**
Deferred tax assets:			
Inventories	**¥ 418**	¥ 450	**$ 5,036**
Loss on impairment of fixed assets	**2,506**	2,024	**30,192**
Other accounts payable	**1,408**	1,381	**16,963**
Allowance for doubtful receivables	**1,837**	1,576	**22,132**
Accrued employees' bonus	**884**	880	**10,650**
Accrued pension and severance costs	**5,398**	5,589	**65,036**
Unrealized profit	**361**	380	**4,349**
Other	**4,313**	4,115	**51,963**
Valuation allowance	**(2,241)**	(1,818)	**(27,000)**
Total deferred tax assets	**14,887**	14,580	**179,361**
Deferred tax liabilities:			
Depreciation	**(2,389)**	(2,189)	**(28,783)**
Deferred capital gain	**(2,321)**	(2,091)	**(27,963)**
Gain on establishment of pension trust fund	**(3,897)**	(3,962)	**(46,951)**
Unrealized holding gains on securities	**–**	(926)	**–**
Adjustment for change in measurement of inventories	**(726)**	(872)	**(8,746)**
Other	**(68)**	(681)	**(819)**
Total deferred tax liabilities	**(9,404)**	(10,723)	**(113,301)**
Deferred tax assets, net	**¥ 5,482**	¥ 3,856	**$ 66,048**

Reconciliations of the difference between the statutory tax rate and the effective tax rate for the years ended March 31, 2011 and 2010 are not disclosed because the difference between the two tax rates was less than 5% of the statutory tax rate.

13. Capital Surplus and Retained Earnings

The Corporation Law of Japan provides that an amount equal to 10% of the amount to be distributed as distributions of capital surplus (other than the capital reserve) and retained earnings (other than the legal reserve) be transferred to the capital reserve and the legal reserve, respectively, until the sum of the capital reserve and the legal reserve equals 25% of the common stock account. Such distributions can be made at any time by resolution of the shareholders or by the Board of Directors if certain conditions are met, but neither the capital reserve nor the legal reserve is available for distributions.

14. Research and Development Expenses

Research and development expenses included in cost of sales and, selling, general and administrative expenses for the years ended March 31, 2011 and 2010 were ¥3,530 million ($42,530 thousand) and ¥3,771 million, respectively.

15. Loss on Disaster

Loss on disaster is recognized for losses resulting from the Great East Japan Earthquake.

The loss on disaster is summarized as follows:

Year ending March 31, 2011	Millions of yen	Thousands of U.S. dollars
Write-down and loss on disposal of damaged inventories	**¥ 978**	**$11,783**
Expenses related to repair and removal of fixed assets	**442**	**5,325**
Loss on impairment of fixed assets	**376**	**4,530**
Other	**554**	**6,674**
Total	**¥2,352**	**$28,337**

The loss on disaster includes loss on provision for loss on disaster which amounts to ¥493 million ($5,939 thousand) and provision for loss on plant closing which amounts to ¥209 million ($2,518 thousand).

16. Leases

(a) Finance leases

As lessee:

The following pro forma amounts represent the acquisition costs, accumulated depreciation and net book value of leased assets as of March 31, 2011 and 2010, which would have been reflected in the consolidated balance sheets if finance lease accounting had been adopted for the finance leases of the Company and domestic consolidated subsidiaries for which the starting date of the lease was before March 31, 2008, and which are currently accounted for as operating leases:

	Millions of yen			Thousands of U.S. dollars		
As of March 31, 2011	Acquisition costs	Accumulated depreciation	Net book value	Acquisition costs	Accumulated depreciation	Net book value
Machinery, equipment and vehicles	**¥293**	**¥219**	**¥73**	**$3,530**	**$2,638**	**$879**
Other	**55**	**46**	**9**	**662**	**554**	**108**
Total	**¥349**	**¥266**	**¥82**	**$4,204**	**$3,204**	**$987**

	Millions of yen		
As of March 31, 2010	Acquisition costs	Accumulated depreciation	Net book value
Machinery, equipment and vehicles	¥693	¥358	¥335
Other	72	51	20
Total	¥766	¥410	¥355

Lease payments relating to finance leases accounted for as operating leases amounted to ¥53 million ($638 thousand) and ¥91 million, which were equal to the depreciation expense of the leased assets computed by the straight-line method over the respective lease terms, for the years ended March 31, 2011 and 2010, respectively.

Future minimum lease payments (including the interest portion thereon) subsequent to March 31, 2011 and 2010 for finance leases accounted for as operating leases are summarized as follows:

	Millions of yen		Thousands of U.S. dollars
As of March 31,	**2011**	2010	**2011**
Within 1 year	**¥40**	¥131	**$481**
Over 1 year	**42**	223	**506**
	¥82	¥355	**$987**

(b) Operating leases

As lessee:

Future minimum lease payments subsequent to March 31, 2011 and 2010 for non-cancelable operating leases are summarized as follows:

	Millions of yen		Thousands of U.S. dollars
As of March 31,	**2011**	2010	**2011**
Within 1 year	**¥1,684**	¥1,675	**$20,289**
Over 1 year	**5,073**	4,818	**61,120**
	¥6,758	¥6,493	**$81,421**

17. Contingent Liabilities

The Company and its consolidated subsidiaries had the following contingent liabilities as of March 31, 2011 and 2010:

	Millions of yen		Thousands of U.S. dollars
As of March 31,	**2011**	2010	**2011**
As guarantor of indebtedness of:			
Unconsolidated subsidiaries	**¥1,250**	¥ 639	**$15,060**
Others	**112**	566	**1,349**
Employees	**2**	2	**24**
	¥1,365	¥1,209	**$16,445**

18. Amounts Per Share

The computation of basic net income per share is based on the weighted average number of shares of common stock outstanding during each period. Dilutive net income per share has been omitted because no potentially dilutive instruments were outstanding during the years ended March 31, 2011 and 2010.

Net assets per share are based on the number of shares outstanding at the respective balance sheet dates.

Cash dividends per share represent the cash dividends declared as applicable to the respective fiscal years.

	Yen		U.S. dollars
Years ended March 31,	**2011**	2010	**2011**
Net income:			
Basic	**¥ 37.74**	¥ 41.65	**$0.45**
Net assets	**783.58**	800.79	**9.44**
Cash dividends applicable to the year	**15.00**	15.00	**0.18**

19. Financial Instruments

(a) Policy for financial instruments

In light of plans for capital investment, the Company and its subsidiaries mainly raise the funds required through bank loans and bond issuance. The Company and its subsidiaries manage temporary fund surpluses through financial assets that have a high level of liquidity. Further, the Company and its subsidiaries raise short-term working capital through bank loans. Derivative transactions are used in order to mitigate risk as described below, such that speculative transactions are not undertaken based on the Company's policy.

Trade receivables (trade notes and accounts receivable) are exposed to credit risk in relation to customers. Each operating department and the accounting department performs periodic monitoring of the financial condition of major customers, manages due dates and balances, and obtains a prompt understanding and attempts to mitigate the risk of uncollectable receivables in the event of deterioration in a customer's financial condition.

Securities, which primarily comprise trading securities, held-to-maturity bonds, and shares of companies with which the Company has business relationships, are exposed to variable risks associated with market prices. The Company performs periodic monitoring of the financial condition of the issuers for marketable investment securities. A continuing review of the holding of securities, other than held-to-maturity securities, is performed by taking into consideration the market as well as the relationship with the trading counterparties.

Accounts payable have payment due dates mostly within two months. Loans payable and bonds primarily are raised for capital investment and have payment due dates within seven years and eight months at the longest.

Derivative transactions consist of foreign exchange forward contracts entered into in order to hedge currency-associated variable risks that arise from foreign currency-denominated operating receivables and payables, and interest rate swap transactions to hedge variable risk of interest related to loans payable. Enforcement and management of derivative transactions is performed by obtaining the appropriate personnel approval under the administrative procedures for trading authority and budget limits. Derivative transactions are not subject to significant credit risk since the trading counterparties are limited to financial institutions with high credit ratings.

(b) Fair value of financial instruments

The carrying value on the consolidated balance sheet, fair value and differences between carrying value and fair value for financial instruments as of March 31, 2011 and 2010 are set out below. The following table does not include financial instruments for which fair values are difficult to determine.

	Millions of yen			Thousands of U.S. dollars		
As of March 31, 2011	Carrying amount	Fair value	Difference	Carrying amount	Fair value	Difference
(1) Cash and deposits	¥ 30,247	¥ 30,247	¥ –	$ 364,421	$ 364,421	$ –
(2) Trade notes and accounts receivable	39,029	39,029	–	470,228	470,228	–
(3) Investment securities	18,911	18,911	–	227,843	227,843	–
Assets total	¥ 88,187	¥ 88,187	¥ –	$1,062,493	$1,062,493	$ –
(1) Trade notes and accounts payable	¥ 14,626	¥ 14,626	¥ –	$ 176,216	$ 176,216	$ –
(2) Other accounts payable	12,711	12,711	–	153,144	153,144	–
(3) Short-term bank loans (*2)	2,854	2,854	–	34,385	34,385	–
(4) Bonds	60,000	62,575	2,575	722,891	753,915	31,024
(5) Long-term bank loans (*2)	21,755	22,182	426	262,108	267,253	5,132
Liabilities total	¥111,948	¥114,950	¥3,002	$1,348,771	$1,384,939	$36,168
Derivatives (*1)	¥ (252)	¥ (252)	¥ –	$ (3,036)	$ (3,036)	$ –

As of March 31, 2010	Millions of yen Carrying amount	Fair value	Difference
(1) Cash and deposits	¥ 26,667	¥ 26,667	¥ –
(2) Trade notes and accounts receivable	41,596	41,596	–
(3) Investment securities	48,053	41,155	(6,897)
Assets total	¥116,317	¥109,419	¥(6,897)
(1) Trade notes and accounts payable	¥ 14,507	¥ 14,507	¥ –
(2) Other accounts payable	12,710	12,710	–
(3) Short-term bank loans (*2)	7,703	7,703	–
(4) Bonds	60,000	62,368	2,368
(5) Long-term bank loans (*2)	24,209	24,330	121
Liabilities total	¥119,130	¥121,620	¥ 2,489
Derivatives (*1)	¥ (12)	¥ (12)	¥ –

(*1) The carrying amount and fair value of derivative transactions are stated on a net basis. Figures in parentheses represent net liabilities.
(*2) Long-term bank loans includes the current portion of long-term debt.

(Note)

Methods for calculating fair values of financial instruments

• **Assets**

(1) Cash and deposits, (2) Trade notes and accounts receivable

Since these assets are short-term in nature, their carrying value approximates fair value.

(3) Investment securities

Since securities such as free financial funds are short-term in nature, their carrying value approximates fair value.

The fair value of investment securities is based on the quoted market prices for listed shares.

Unlisted stocks and others in the amount of ¥2,522 million ($30,385 thousand) are excluded from investment securities in the above table, since they have no market values and their fair values are difficult to determine.

Information on investment securities categorized by holding purpose is set out in "Note 8. Fair Value of Securities."

• **Liabilities**

(1) Trade notes and accounts payable, (2) Other accounts payable, (3) Short-term bank loans

Since these liabilities are short-term in nature, their carrying value approximates fair value.

(4) Bonds

Fair value of corporate bonds is determined based on present values calculated by discounting the total principal and interest using interest rates corresponding to the credit risk and remaining period of the bond.

(5) Long-term debt

Fair value of long-term debt is calculated by discounting the total principal and interest using the incremental borrowing rate.

Fair value of long-term debt with variable interest rates for which the special treatment for interest rate swaps is adopted is calculated by discounting the total principal and interest using the interest rate of similar borrowings.

• **Derivatives**

Information on derivatives is set out in "Note 20. Derivatives."

20. Derivatives

Summarized below are the notional amounts and the estimated fair value of the open derivative positions as of March 31, 2011 and 2010:

(a) Hedge accounting not applied

Currency related transactions

As of March 31, 2011 — Millions of yen

Classification	Type of transaction	Notional amount	Over 1 year	Fair value	Unrealized gain (loss)
Non-market transactions	Forward foreign exchange contracts:				
	Sell:				
	USD	**¥ 1,722**	**¥ –**	**¥ (27)**	**¥ (27)**
	HKD	**17**	**–**	**(0)**	**(0)**
	Buy:				
	USD	**11,241**	**7,804**	**(501)**	**(501)**
	EUR	**37**	**–**	**0**	**0**
	GBP	**1**	**–**	**(0)**	**(0)**
	SGD	**2**	**–**	**(0)**	**(0)**
	YEN	**546**	**–**	**320**	**320**
	Currency/interest rate swaps:				
	Fixed Receipt (USD)/Fixed Payment (EUR)	**165**	**108**	**(23)**	**(23)**
	Fixed Receipt (EUR)/Fixed Payment (THB)	**212**	**139**	**(21)**	**(21)**
Total		**¥13,947**	**¥8,051**	**¥(254)**	**¥(254)**

As of March 31, 2011 — Thousands of U.S. dollars

Classification	Type of transaction	Notional amount	Over 1 year	Fair value	Unrealized gain (loss)
Non-market transactions	Forward foreign exchange contracts:				
	Sell:				
	USD	**$ 20,746**	**$ –**	**$ (325)**	**$ (325)**
	HKD	**204**	**–**	**(0)**	**(0)**
	Buy:				
	USD	**135,433**	**94,024**	**(6,036)**	**(6,036)**
	EUR	**445**	**–**	**0**	**0**
	GBP	**12**	**–**	**(0)**	**(0)**
	SGD	**24**	**–**	**(0)**	**(0)**
	YEN	**6,578**	**–**	**3,855**	**3,855**
	Currency/interest rate swaps:				
	Fixed Receipt (USD)/Fixed Payment (EUR)	**1,987**	**1,301**	**(277)**	**(277)**
	Fixed Receipt (EUR)/Fixed Payment (THB)	**2,554**	**1,674**	**(253)**	**(253)**
Total		**$168,036**	**$97,000**	**$(3,060)**	**$(3,060)**

As of March 31, 2010 — Millions of yen

Classification	Type of transaction	Notional amount	Over 1 year	Fair value	Unrealized gain (loss)
Non-market transactions	Forward foreign exchange contracts:				
	Buy:				
	USD	¥7,289	¥7,289	¥ 11	¥ 11
	Currency/interest rate swaps:				
	Fixed Receipt (USD)/Fixed Payment (EUR)	251	186	(26)	(26)
	Fixed Receipt (EUR)/Fixed Payment (THB)	301	223	(27)	(27)
Total		¥7,841	¥7,698	¥(42)	¥(42)

(Notes)

1. Fair value is calculated based on the prices provided by financial institutions.
2. The amount in the table above includes profit or loss due to eliminating inter-company balances in consolidation.

(b) Hedge accounting applied

Currency related transactions

As of March 31, 2011			Millions of yen		
Hedge accounting method	Type of transaction	Hedged item	Contract amounts	Over 1 year	Fair value
Currency forward contracts	Forward foreign exchange contracts:				
	Sell:				
	USD	Accounts receivable	**¥ 56**	**¥–**	(Note 2)
	Buy:				
	USD	Accounts payable	**104**	**–**	(Note 2)
	EUR		**6**	**–**	(Note 2)
	JPY		**65**	**–**	(Note 2)
Deferral hedge accounting	Sell:				
	USD	Accounts receivable	**24**	**–**	**¥(0)**
	HKD		**3**	**–**	**(0)**
	Buy:				
	USD	Accounts payable	**2,039**	**–**	**2**

As of March 31, 2011			Thousands of U.S. dollars		
Hedge accounting method	Type of transaction	Hedged item	Contract amounts	Over 1 year	Fair value
Currency forward contracts	Forward foreign exchange contracts:				
	Sell:				
	USD	Accounts receivable	**$ 674**	**$–**	(Note 2)
	Buy:				
	USD	Accounts payable	**1,253**	**–**	(Note 2)
	EUR		**72**	**–**	(Note 2)
	JPY		**783**	**–**	(Note 2)
Deferral hedge accounting	Sell:				
	USD	Accounts receivable	**289**	**–**	**$ (0)**
	HKD		**36**	**–**	**(0)**
	Buy:				
	USD	Accounts payable	**24,566**	**–**	**24**

As of March 31, 2010			Millions of yen		
Hedge accounting method	Type of transaction	Hedged item	Contract amounts	Over 1 year	Fair value
Currency forward contracts	Forward foreign exchange contracts:				
	Sell:				
	USD	Accounts receivable	¥2,044	¥–	(Note 2)
	EUR		14	–	(Note 2)
	HKD		14	–	(Note 2)
	Buy:				
	USD	Accounts payable	510	–	(Note 2)
	EUR		76	–	(Note 2)
	GBP		1	–	(Note 2)
	JPY		279	–	(Note 2)
Deferral hedge accounting	Sell:				
	USD	Accounts receivable	10	–	¥ (0)
	Buy:				
	USD	Accounts payable	1,045	–	33
	JPY		82	–	(3)

(Notes)
1. Fair value is calculated based on the prices provided by financial institutions.
2. For certain accounts receivable and accounts payable denominated in foreign currencies for which foreign exchange forward contracts are used to hedge the foreign currency fluctuations, the fair value of derivative financial instruments is included in the fair value of the hedged accounts receivable and accounts payable.

Interest related transactions

As of March 31, 2011			Millions of yen		
Hedge accounting method	Type of transaction	Hedged item	Contract amounts	Over 1 year	Fair value
Special treatment for interest swaps	Interest rate swap:				
	Floating Receipt	Long-term debt	**¥21,000**	**¥19,000**	(Note 1)
	Fixed Payment				

As of March 31, 2011			Thousands of U.S. dollars		
Hedge accounting method	Type of transaction	Hedged item	Contract amounts	Over 1 year	Fair value
Special treatment for interest swaps	Interest rate swap:				
	Floating Receipt	Long-term debt	**$253,012**	**$228,915**	(Note 1)
	Fixed Payment				

As of March 31, 2010			Millions of yen		
Hedge accounting method	Type of transaction	Hedged item	Contract amounts	Over 1 year	Fair value
Special treatment for interest swaps	Interest rate swap:				
	Floating Receipt	Long-term debt	¥23,000	¥2,000	(Note 1)
	Fixed Payment				

(Note)
1. For certain long-term debt for which the special treatment for interest swaps is used to hedge the variable risk of interest, the fair value of derivative financial instruments is included in the fair value of the long-term debt.

21. Rental Properties

The Company and certain consolidated subsidiaries own a number of commercial facilities including land for rent in Chiba prefecture and other locations. Net rental income from such rental properties for the years ended March 31, 2011 and 2010 was ¥946 million ($11,397 thousand) and ¥948 million, respectively. The Company has recorded ¥612 million ($7,373 thousand) and ¥299 million of gain on sales of rental properties as other income for the years ended March 31, 2011 and 2010, respectively. The Company has recorded ¥50 million ($602 thousand) and ¥75 million of impairment losses of rental properties as other expenses for the years ended March 31, 2011 and 2010, respectively.

The carrying amount and the fair value of such rental properties as of March 31, 2011 and 2010 were as follows:

Millions of yen				Thousands of U.S. dollars			
Carrying amount				Carrying amount			
Beginning of fiscal year	Net change during fiscal year	End of fiscal year	Fair value as of March 31, 2011	Beginning of fiscal year	Net change during fiscal year	End of fiscal year	Fair value as of March 31, 2011
¥7,249	**¥(247)**	**¥7,002**	**¥21,362**	**$87,337**	**$(2,975)**	**$84,361**	**$257,373**

Millions of yen			
Carrying amount			
Beginning of fiscal year	Net change during fiscal year	End of fiscal year	Fair value as of March 31, 2010
¥7,344	¥(95)	¥7,249	¥22,828

(Note)
The fair value of significant properties is calculated based on the appraisal standard used by real estate appraisers, and the fair value of immaterial properties is calculated based on the value for property tax assessment.

22. Segment Information

(a) Segment information

i. Overview of reporting segments

Reporting segments are a component or aggregated component for which segment specific financial information is available. The Company's board of directors uses this financial information yearly to make decisions on the allocation of management resources and to evaluate business performance.

The Company, as a holding company, mainly plans group strategy, and manages and controls its subsidiaries. The Company divides its domestic business into manufacturing and sales of foods, and other business. The Company divides its overseas business into manufacturing and sales of foods, and the sales of oriental food products. As a result, the Company identified four reporting segments, which are "Domestic Foods–Manufacturing and Sales," "Domestic Others," "Overseas Foods–Manufacturing and Sales" and "Overseas Foods–Wholesale."

"Domestic Foods–Manufacturing and Sales" includes manufacturing and sales of foods in the domestic market, which include soy sauce, beverages and alcoholic beverages.

"Domestic Others" includes manufacturing and sales of pharmaceuticals and chemical products, real estate rental, logistics and back-office operations in the domestic market.

"Overseas Foods–Manufacturing and Sales" includes manufacturing and sales of soy sauce, Del Monte products and health foods in overseas markets, and sales of domestically manufactured products to overseas markets.

"Overseas Foods–Wholesale" includes the purchase of overseas oriental products for sale in domestic and overseas markets and sales of oriental products in domestic and overseas markets.

ii. Methods of calculating amounts for net sales, income or loss, assets, liabilities and other items by reporting segment

Segment income in the tables is operating income, and the amount of intra group sales and transfers were calculated based on market prices.

iii. Information on sales, income or loss, assets and other items by reporting segment

Millions of yen

As of and for the year ended March 31, 2011	Domestic Foods– Manufacturing and Sales	Domestic Others	Overseas Foods– Manufacturing and Sales	Overseas Foods– Wholesale	Total	Adjustments	Consolidated
Sales and operating income:							
Net sales to third parties	¥149,387	¥ 8,131	¥40,967	¥84,976	¥283,463	¥ –	¥283,463
Intra group sales and transfers	1,069	11,504	5,731	296	18,602	(18,602)	–
Total net sales	150,456	19,636	46,699	85,273	302,065	(18,602)	283,463
Segment income	5,678	1,456	8,007	3,929	19,073	134	19,208
Segment assets	128,612	18,291	63,255	34,150	244,310	54,556	298,867
Other items:							
Depreciation and amortization	7,667	1,168	2,210	572	11,618	473	12,092
Amortization of goodwill	1,401	83	223	–	1,707	–	1,707
Changes in the amount of tangible and intangible fixed assets	9,730	1,348	1,326	719	13,125	1,363	14,489

Thousands of U.S. dollars

As of and for the year ended March 31, 2011	Domestic Foods– Manufacturing and Sales	Domestic Others	Overseas Foods– Manufacturing and Sales	Overseas Foods– Wholesale	Total	Adjustments	Consolidated
Sales and operating income:							
Net sales to third parties	$1,799,843	$ 97,963	$493,578	$1,023,807	$3,415,216	$ –	$3,415,216
Intra group sales and transfers	12,879	138,602	69,048	3,566	224,120	(224,120)	–
Total net sales	1,812,722	236,578	562,638	1,027,385	3,639,337	(224,120)	3,415,216
Segment income	68,409	17,542	96,469	47,337	229,795	1,614	231,421
Segment assets	1,549,542	220,373	762,108	411,445	2,943,493	657,301	3,600,807
Other items:							
Depreciation and amortization	92,373	14,072	26,626	6,891	139,975	5,698	145,686
Amortization of goodwill	16,879	1,000	2,686	–	20,566	–	20,566
Changes in the amount of tangible and intangible fixed assets	117,228	16,240	15,975	8,662	158,132	16,421	174,566

(Notes)

Adjustments are as follows:

(1) Adjustments of ¥134 million ($1,614 thousand) in segment income mainly represent expenses relating to the corporate division of the Company, which totaled ¥103 million ($1,240 thousand).

(2) Adjustments of ¥54,556 million ($657,301 thousand) in segment assets represent the elimination of intersegment assets and assets relating to the corporate division of the Company which totaled ¥93,139 million ($1,122,156 thousand). Assets relating to the corporate division of the Company consist mainly of cash and deposits and investment securities.

(3) Adjustments of ¥473 million ($5,698 thousand) in depreciation and amortization consist of depreciation of assets related to the corporate division of the Company.

(4) Adjustments of ¥1,363 million ($16,421 thousand) in changes in the amount of tangible and intangible fixed assets consist of assets of the corporate division of the Company, which is mainly investment to Kikkoman General Hospital.

							Millions of yen
As of and for the year ended March 31, 2010	Domestic Foods– Manufacturing and Sales	Domestic Others	Overseas Foods– Manufacturing and Sales	Overseas Foods– Wholesale	Total	Adjustments	Consolidated
Sales and operating income:							
Net sales to third parties	¥150,601	¥ 7,315	¥42,657	¥85,116	¥285,690	¥ –	¥285,690
Intra group sales and transfers	693	9,358	6,043	300	16,396	(16,396)	–
Total net sales	151,295	16,674	48,700	85,416	302,087	(16,396)	285,690
Segment income	7,232	867	8,495	4,306	20,901	183	21,085
Segment assets	128,891	18,429	48,345	35,521	231,188	79,986	311,175
Other items:							
Depreciation and amortization	7,628	973	2,378	635	11,616	419	12,036
Amortization of goodwill	1,438	85	295	–	1,820	–	1,820
Changes in the amount of tangible and intangible fixed assets	12,071	682	2,332	475	15,561	62	15,623

(Notes)

Adjustments are as follows:

(1) Adjustments of ¥183 million in segment income represent the elimination of intersegment transactions and expenses relating to the corporate division of the Company, which totaled ¥86 million and ¥79 million, respectively.

(2) Adjustments of ¥79,986 million in segment assets represent the elimination of intersegment assets and assets relating to the corporate division of the Company which totaled ¥121,269 million. Assets relating to the corporate division of the Company consist mainly of investment securities.

(3) Adjustments of ¥419 million in depreciation and amortization consist of depreciation of assets related to the corporate division of the Company.

(4) Adjustments of ¥62 million in changes in the amount of tangible and intangible fixed assets consist of assets of the corporate division of the Company.

(b) Related information

Information by geographical area

Sales

				Millions of yen
For the year ended March 31, 2011	Japan	North America	Other	Total
Amount	**¥160,961**	**¥92,209**	**¥30,292**	**¥283,463**

Sales

				Thousands of U.S. dollars
For the year ended March 31, 2011	Japan	North America	Other	Total
Amount	**$1,939,289**	**$1,110,951**	**$364,963**	**$3,415,216**

Note: Sales are based on the location of customers, and are classified by country or region.

Tangible fixed assets

				Millions of yen
As of March 31, 2011	Japan	North America	Other	Total
Net book value	**¥74,396**	**¥16,853**	**¥5,074**	**¥96,323**

Tangible fixed assets

				Thousands of U.S. dollars
As of March 31, 2011	Japan	North America	Other	Total
Net book value	**$896,337**	**$203,048**	**$61,132**	**$1,160,518**

Information regarding impairment loss on tangible fixed assets by reporting segment

As of and for the year ended March 31, 2011	Domestic Foods–Manufacturing and Sales	Domestic Others	Overseas Foods–Manufacturing and Sales	Overseas Foods–Wholesale	Total	Adjustments	Consolidated
	Millions of yen						
Impairment loss	**¥376**	**¥–**	**¥514**	**¥–**	**¥891**	**¥–**	**¥891**

As of and for the year ended March 31, 2011	Domestic Foods–Manufacturing and Sales	Domestic Others	Overseas Foods–Manufacturing and Sales	Overseas Foods–Wholesale	Total	Adjustments	Consolidated
	Thousands of U.S. dollars						
Impairment loss	**$4,530**	**$–**	**$6,192**	**$–**	**$10,734**	**$–**	**$10,734**

Impairment loss of ¥376 million ($4,530 thousand) in Domestic Foods–Manufacturing and Sales is included in Loss on disaster.

Information regarding the balance of goodwill by reporting segment

As of March 31, 2011	Domestic Foods–Manufacturing and Sales	Domestic Others	Overseas Foods–Manufacturing and Sales	Overseas Foods–Wholesale	Total	Adjustments	Consolidated
	Millions of yen						
Ending balance	**¥20,995**	**¥1,247**	**¥2,945**	**¥–**	**¥25,189**	**¥–**	**¥25,189**

As of March 31, 2011	Domestic Foods–Manufacturing and Sales	Domestic Others	Overseas Foods–Manufacturing and Sales	Overseas Foods–Wholesale	Total	Adjustments	Consolidated
	Thousands of U.S. dollars						
Ending balance	**$252,951**	**$15,024**	**$35,481**	**$–**	**$303,481**	**$–**	**$303,481**

Information regarding amortization of goodwill is omitted, since the same information was disclosed in iii. Information on sales, income or loss, assets and other items by reporting segment.

23. Subsequent Events

Cash dividend

The following appropriations of retained earnings of the Company, which have not been reflected in the consolidated financial statements for the year ended March 31, 2011, were approved at the shareholders' meeting held on June 23, 2011.

	Millions of yen	Thousands of U.S. dollars
Cash dividends (¥15.00 = $0.18 per share)	**¥3,082**	**$37,132**

Report of Independent Auditors

The Board of Directors
KIKKOMAN CORPORATION

We have audited the accompanying consolidated balance sheets of KIKKOMAN CORPORATION and consolidated subsidiaries as of March 31, 2011 and 2010, and the related consolidated statements of income, comprehensive income, changes in net assets, and cash flows for the years then ended, all expressed in yen. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of KIKKOMAN CORPORATION and consolidated subsidiaries at March 31, 2011 and 2010, and the consolidated results of their operations and their cash flows for the years then ended in conformity with accounting principles generally accepted in Japan.

The U.S. dollar amounts in the accompanying consolidated financial statements with respect to the year ended March 31, 2011 are presented solely for convenience. Our audit also included the translation of yen amounts into U.S. dollar amounts and, in our opinion, such translation has been made on the basis described in Note 6.

Ernst & Young ShinNihon LLC

June 23, 2011

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OVERSEAS

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* Consolidated subsidiaries
**Equity method affiliates
Note: Numbers preceded by "+" are country codes.

Home page address: http://www.kikkoman.com/

(As of August 2011)

Corporate History

The city of Noda is ideally situated close to soybean-growing regions as well as the Edo River, which provided a convenient transportation route to and from Edo (present-day Tokyo). Noda has been well-known for its soy sauce production since the Edo period (1603–1867). In December 1917, eight family-run companies merged to form Noda Shoyu Co., Ltd., the predecessor of Kikkoman Corporation, with capital of ¥7 million.

1925 April	Noda Shoyu Co., Ltd. absorbs Noda Shoyu Jozo Co., Ltd., Manjo Mirin Co., Ltd. and Nippon Shoyu Co., Ltd. through a merger.
1931 September	The Takasago soy sauce production plant (formerly the Kansai Plant) begins shipments.
1957 June	Kikkoman International Inc. (now Kikkoman Sales USA, Inc.) is established in San Francisco, California, in the United States.
1961 July	Kikko Food Industries Co., Ltd. (now Nippon Del Monte Corporation) is established.
1962 February	Tone Beverage Co., Ltd. (now Tone Coca-Cola Bottling Co., Ltd.) is established.
1962 October	Katsunuma Yoshu Co., Ltd. (now Manns Wine Co., Ltd.) is established.
1964 October	Noda Shoyu Co., Ltd. is renamed Kikkoman Shoyu Co., Ltd.
1969 June	Kikkoman invests in Japan Food Corporation (now JFC International Inc.) in the United States.
1970 March	Kikkoman invests in Pacific Trading Co., Ltd.
1972 March	Kikkoman Foods, Inc. is established in Walworth, Wisconsin, in the United States.
1973 June	The Wisconsin Plant of Kikkoman Foods, Inc. holds its grand opening.
1979 March	Kikkoman Trading Europe GmbH is established in Neuss, in Germany.
1980 October	The Company takes on its present name, Kikkoman Corporation.
1983 June	Kikkoman (S) Pte Ltd, a production facility, is established in Singapore.
1984 November	The production facility of Kikkoman (S) Pte Ltd holds its grand opening.
1987 January	Kikkoman's Chitose Plant (now Hokkaido Kikkoman Company) in Hokkaido begins shipments.
1990 January	Kikkoman buys perpetual marketing rights for the Del Monte brand in the Asia-Pacific region, excluding the Philippines.
1990 February	A joint-venture company, President Kikkoman Inc., is established to produce soy sauce in Tainan, in Taiwan.
1990 December	The production facility of President Kikkoman Inc. begins shipments.
1996 April	Kikkoman establishes Kikkoman Foods Europe B.V. in the Netherlands.
1997 October	Kikkoman Foods Europe B.V. holds its grand opening.
1998 October	The second U.S. manufacturing plant of Kikkoman Foods, Inc., in Folsom, California, holds its grand opening.
2000 May	A joint-venture company, Kunshan President Kikkoman Biotechnology Co., Ltd., is established in Kunshan, China.
2002 May	The China Plant of Kunshan President Kikkoman Biotechnology Co., Ltd. holds its grand opening.
2004 March	Kikkoman invests in Higeta Shoyu Co., Ltd. and Kibun Food Chemifa Co., Ltd. (now Kikkoman Soyfoods Company)
2005 January	Siam Del Monte Company Limited is established in Thailand.
2005 March	Country Life, LLC is established in New York in the United States.
2006 February	Siam Del Monte Company Limited holds its grand opening.
2006 November	Del Monte Foods (Xiamen) Co., Ltd. is established in Amoy, in China.
2008 June	Kikkoman enters a capital and business alliance with Riken Vitamin Co., Ltd.
2008 July	Kikkoman establishes joint venture President Kikkoman Zhenji Foods Co., Ltd in Shijiazhuang in China.
2008 October	Del Monte Foods (Xiamen) Co., Ltd. holds its grand opening.
2009 March	Tone Coca-Cola Bottling Co., Ltd. removed from scope of consolidation as a result of a partial transfer of shares.
2009 June	President Kikkoman Zhenji Foods Co., Ltd holds its grand opening.
2009 October	Kikkoman shifts to a holding company structure.

(As of August 2011)

Board of Directors and Officers

Board of Directors and Corporate Auditors

Honorary Chief Executive Officer and Chairman of the Board of Directors
Yuzaburo Mogi*

President
Mitsuo Someya*

Directors
Tadao Kondo*
Noriaki Horikiri*
Kenichi Saito
Koji Negishi
Katsumi Amano
Koichi Yamazaki
Tsunao Hashimoto**
Toshihiko Fukui**
Mamoru Ozaki**

* Representative Director
** Independent Outside Director

Corporate Auditors
Takaharu Nakamura
Yutaka Kitani
Takeo Inokuchi***
Motohiko Kogo***

*** Independent Corporate Auditor

Corporate Officers

President and Chief Executive Officer
Mitsuo Someya

Senior Executive Corporate Officers
Tadao Kondo
Noriaki Horikiri
Kenichi Saito

Executive Corporate Officers
Koji Negishi
Katsumi Amano
Koichi Yamazaki
Hiroshi Futamura
Masanori Fukumitsu
Masanao Shimada
Shoichi Ui
Shozaburo Nakano

Corporate Officers
Yoshiro Kubota
Satoru Abe
Bunji Matsuzaki
Kazuo Shimizu
Satoshi Sasaki
Shintaro Karasawa
Takashi Hamada
Noboru Mimura
Asahi Matsuyama
Kimio Ando
Naoyuki Kiyomatsu
Yasuyoshi Kase
Kiminae Fujimura
Takashi Ozawa
Setsuya Hannya
Takao Kamiyama
Yoshiyuki Ishigaki

(As of June 23, 2011)

Corporate Data

Name
Kikkoman Corporation

Head Office
250 Noda, Noda-shi, Chiba 278-8601, Japan

Date of Establishment
December 7, 1917

Paid-in Capital
¥11,599 million yen

Number of Shares
Authorized: 600,000,000
Issued and outstanding: 210,383,202

Number of Employees (Consolidated)
5,268 (As of March 31, 2011)

Stock Exchange Listings
Tokyo, Osaka

Shareholder Registry Administrator
Mitsubishi UFJ Trust and Banking Corporation
1-4-5 Marunouchi, Chiyoda-ku, Tokyo 100-8212, Japan

Stock Price Range on the Tokyo Stock Exchange

Fiscal 2011:	High:	¥1,137	Low:	¥707
Fiscal 2010:	High:	¥1,196	Low:	¥779
Fiscal 2009:	High:	¥1,526	Low:	¥697

Group Business Activities
Domestic
- Kikkoman soy sauce, Higeta soy sauce, etc.
- Kikkoman *tsuyu* and *tare*, Del Monte seasonings, etc.
- Soy milk beverages, Del Monte beverages, etc.
- Manjo *mirin*, Manns Wine, imported alcoholic beverages, etc.
- Clinical diagnostic reagents, hygiene inspection agents, processing enzymes, chemical products, etc.
- Real estate rental, logistics, back-office functions for the Kikkoman Group, etc.

Overseas
- Kikkoman soy sauce, etc.
- Del Monte canned products, seasonings, etc.
- Health foods, etc.
- Oriental foods, etc.

(As of August 2011)

KIKKOMAN CORPORATION

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