

## **Q. P. CORPORATION**

### **Supplementary Data for The Brief Note of The Account** **for The Fiscal Year Ended November 30, 2006**

(Notes)

Figures less than units indicated are rounded off, except for section 10, 14.

The estimate information in this data is reported based on available information and uncertain factors which may have an effect on the future operating results.

As a result, the estimate of operating results may differ significantly from the actual operating results due to uncertain various factors.

## 1. Sales - Results (Consolidation)

(Billions of yen)

	FY2004	FY2005	FY2006	Increase (Decrease)	Percentage
Mayonnaise and dressings	111.6	115.2	117.4	2.2	101.9
Mayonnaise	56.6	57.0	55.6	(1.4)	97.5
Dressings	55.0	58.2	61.8	3.6	106.2
Fruit applications and cooked foods	50.7	50.3	50.2	(0.1)	99.8
Egg products	76.2	90.2	85.8	(4.4)	95.1
Egg material products	47.5	60.7	55.9	(4.8)	92.1
Processed egg products	18.0	18.7	19.0	0.3	101.6
Fine chemical	5.8	6.1	6.1	0.0	100.0
Other	4.9	4.7	4.8	0.1	102.1
Healthcare products	14.3	15.0	13.3	(1.7)	88.7
Baby foods	5.0	5.1	4.8	(0.3)	94.1
Health foods	6.2	5.9	6.0	0.1	101.7
Nursing care foods	0.5	0.6	0.7	0.1	116.7
Other	2.6	3.4	1.8	(1.6)	52.9
Vegetables and salads	88.0	97.2	99.9	2.7	102.8
Prepared food and salads	29.1	28.6	28.9	0.3	101.0
Cut vegetables	5.1	6.3	7.6	1.3	120.6
CVS vendors	25.7	34.6	35.6	1.0	102.9
Other	28.1	27.6	27.8	0.2	100.7
Distribution systems	83.0	87.2	89.5	2.3	102.6
Total	423.7	455.0	456.1	1.1	100.2

## 2. Sales - Estimates (Consolidation)

(Billions of yen)

New section	FY2006	FY2007 (estimate)	Increase (Decrease)	Percentage
Condiments and Processed food	172.2	174.0	1.8	101.0
Health Function Products	17.4	19.2	1.8	110.3
Egg products	82.5	83.8	1.3	101.6
Salads and prepared food	94.5	95.6	1.1	101.2
Distribution systems	89.5	92.4	2.9	103.2
Total	456.1	465.0	8.9	102.0

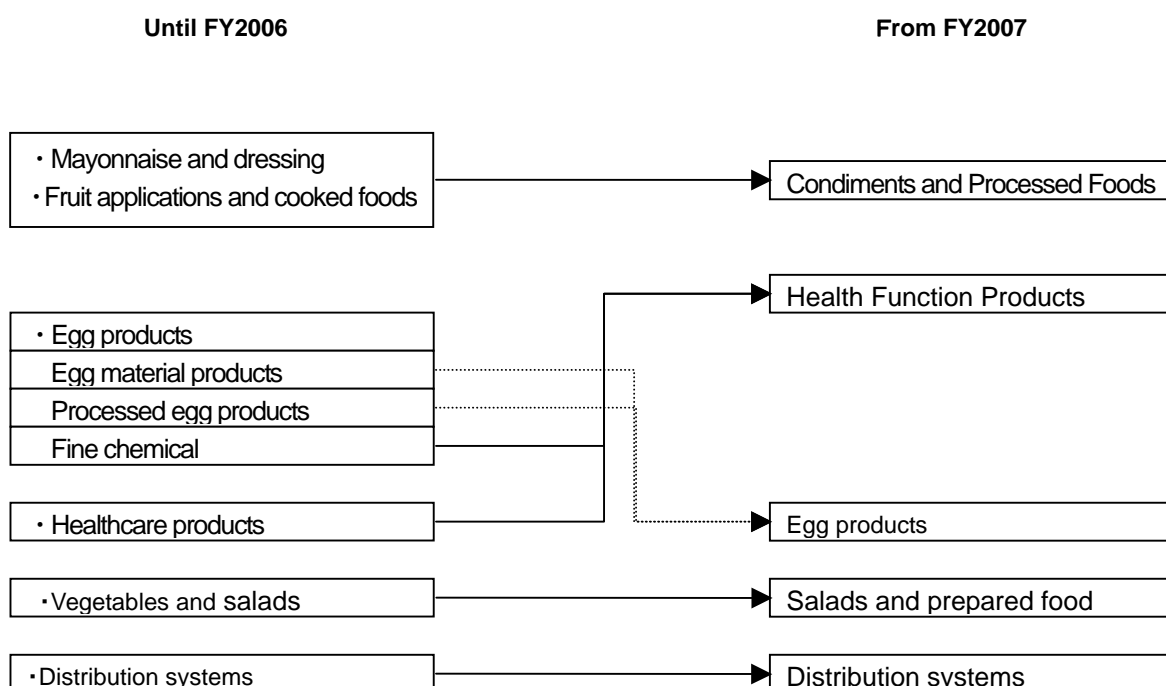
(Note)

1. We will reform the business segments from the fiscal year ending November 30, 2007 .

In addition, the result of the fiscal year ended November 30, 2006, is reclassified in conformity with the new business segments.

2. Some subsidiaries are changed their section in which they belong.

## Main changes of sections



### 3. Marginal Income \*1 - Results (Consolidation)

	(Billions of yen)			
	FY2004	FY2005	FY2006	Percent
Core business *2	25.9	26.3	24.9	94.7
Egg products	10.6	9.4	11.4	121.3
Healthcare products	2.2	2.1	1.9	90.5
Vegetables and salads	4.2	4.5	5.4	120.0
Distribution systems	7.0	6.3	5.9	93.7
Total	49.9	48.6	49.5	101.9

(Notes)

\*1. Marginal income is income after subtracting sales promotion expense, warehousing and carrying charge and other direct sales costs from gross profit on sales.

\*2. Core business consists of Mayonnaise and dressings and Fruit applications and cooked foods.

1. Decrease in the income of core business is attributed to ¥14 billion of promotion cost for market revitalization and development of new product.  
Sales increase in not only Health-promoting Mayonnaise, Roasted Sesame Dressing and Tasty Dressing Series, but also Cobb's Salad dressing and Caesar's Salad dressing of which company proposed the menu for institutional use.
2. 'Egg products' has increased by ¥20 billion of the income due to stabilization of egg market price from half of the fiscal year ended November 30, 2005.
3. 'Vegetables and salads' has increased by ¥0.9 billion of the income because of rationalization in each prepared food company and ¥13 billion increase of the income of cut vegetables.
4. We responded to inflating in fuel prices by cost reduction in rationalization, but 'Distribution systems' has decreased by ¥0.4 billion of the income.

#### 4. Operating income- Estimates (Consolidation)

(Billions of yen)

New section	FY2006	FY2007 (estimate)	Increase (Decrease)	Percentage
Condiments and Processed Foods	10.3	10.7	0.4	103.9
Health Function Products	0.8	1.3	0.5	162.5
Egg products	2.4	2.6	0.2	108.3
Salads and prepared food	1.2	1.4	0.2	116.7
Distribution systems	3.3	3.9	0.6	118.2
Elimination and/or addition	(3.8)	(4.1)	(0.3)	107.9
Total	14.2	15.8	1.6	111.3

(Notes)

1. We will reform the business segments from fiscal year ending November 30, 2007.

In addition, the result of the fiscal year ended November 30, 2006, is reclassified in conformity with the new business segments.

2. Some subsidiaries are changed their section in which they belong.

#### 5. Administrative Expenses - Results And Estimates (Consolidation)

(Billions of yen)

	FY2004	FY2005	FY2006(A)	FY2007 Estimate(B)	Increase (Decrease) (B-A)
Sale promotion expense	22.4	22.5	23.9	22.5	(1.4)
Advertising expense	9.0	9.5	8.9	8.8	(0.1)
Warehousing and carrying charge	24.5	26.4	26.6	26.9	0.3
Labor expense	19.4	19.7	19.2	19.7	0.5
R&D expense	2.8	2.9	3.2	3.3	0.1

#### 6. Non-operating income and expenses, extraordinary gains and losses – Results And Estimate and Principal items of increase or decrease in comparison with the previous year (Consolidation)

(Billions of yen)

	FY2005	FY2006	Description of principal change	(Estimate) FY 2007
Non-operating income and expenses-Net	0	0.1	Increase in interest income and dividend receivable	+0.1 (0.6)
Extraordinary gains and losses-Net	(0.8)	(1.0)	Increase in loss on sales and disposal of fixed assets Increase in gain on sales of fixed assets	(0.4) +0.1 (0.7)

## 7. Changes in consolidated balance sheets

(Billions of yen)

	Nov.30, 2005	Nov.30, 2006	Increase (Decrease)	Description of principal change	
<b>(Assets)</b>					
Current assets	100.5	118.5	+18.0	Increase in cash and deposits Increase in receivables in trade	+9.0 +7.6
<b>Fixed assets</b>					
Tangible and intangible fixed assets	120.8	122.9	+2.1	Increase in purchase Decrease in depreciation	+15.3 (12.2)
Investment and other assets	44.0	48.4	+4.4	Increase in investments in securities Increase in prepaid pension costs	+1.7 +3.4
<b>(Liabilities)</b>					
	115.4	134.0	+18.6	Increase in payables in trade Increase in interest-bearing debt Increase in accrued income taxes	+8.4 +4.7 +2.1
<b>(Net assets)</b>					
	150.3	156.2	+5.9	Increase in minority interests Increase in earned surplus Increase in valuation difference on available-for-sale securities	+1.0 +4.0 +0.2

(Note)

The amount of net assets ¥ 1,503 million as of November 30, 2005 is a total of minority interests and shareholders' equity due to adoption of the Accounting Standard for Presentation of Net Assets in Balance Sheet.

## 8. Capital Investments And Depreciation Expense - Results And Estimates

(Consolidation)

(Billions of yen)

	FY2004	FY2005	FY2006 (A)	FY2007 Estimate(B)	Increase (Decrease) (B-A)
Capital Investments	13.8	12.2	15.3	12.4	(2.9)
Depreciation Expense	12.6	12.3	12.2	12.6	0.4

## 9. Business results of principal subsidiaries in 2006

(Millions of yen)

	Sales	Operating income	Net income	Total assets	Net assets	Percentage of voting rights *1
Q.P. Egg Co., Ltd *2	58,340	1,960	1,117	17,134	5,630	88.0
Deria Foods Co., Ltd *3	32,442	51	25	7,021	832	100.0
KRS Corporation *4	93,728	1,528	815	42,330	21,652	44.8

(Notes)

\*1. Percentage of voting rights is calculated on direct and indirect holding.

\*2. Q.P. Egg Co., Ltd which is engaged in manufacture and sale of egg materials plays a core part in the egg products business.

\*3. Deria Foods Co., Ltd which is engaged in sale of prepared food and salads plays a core part in the vegetables and salads business.

\*4. K.R.S Corporation plays a core part in the distribution systems business.

## 10.Principal management index

### (Consolidation)

Term ended	November 30, 2002	November 30, 2003	November 30, 2004	November 30, 2005	November 30, 2006
Net sales (millions of yen)	434,480	437,032	423,727	455,007	456,067
Year-to-year percentage change (%)	9.5	0.6	(3.0)	7.4	0.2
Operating income (millions of yen)	18,586	18,255	15,662	12,830	14,159
Year-to-year percentage change (%)	9.0	(1.8)	(14.2)	(18.1)	10.4
Operating income to net sales (%)	4.3	4.2	3.7	2.8	3.1
Ordinary income (millions of yen)	18,262	17,532	15,507	12,829	14,262
Ordinary income to net sales (%)	4.2	4.0	3.7	2.8	3.1
Net income (millions of yen)	9,306	8,675	7,006	5,465	6,071
Net income ratio (%)	2.1	2.0	1.7	1.2	1.3
Net assets (millions of yen)	114,015	120,504	126,768	132,412	156,217
Total assets (millions of yen)	270,181	269,559	262,122	265,724	290,186
Equity ratio (%)	42.2	44.7	48.4	49.8	47.3
Net assets per share (yen)	744.11	786.15	827.17	865.32	896.69
Net income per share - primary (yen)	60.36	56.08	45.18	35.25	39.66
Net income per share - diluted (yen)	55.11	51.53	41.63	32.64	39.66
Return on equity (%)	8.4	7.4	5.7	4.2	4.5
Ordinary income to total assets (%)	6.9	6.5	5.8	4.9	5.1
Net cash provided by operating activities (millions of yen)	22,829	18,550	17,377	15,686	21,443
Net cash used in investing activities (millions of yen)	(25,388)	(13,419)	(12,806)	(11,625)	(16,589)
Net cash used in financing activities (millions of yen)	(6,897)	(2,116)	(8,109)	(7,415)	3,187
Free cash flow (millions of yen)	(2,559)	5,131	4,571	4,061	4,854
Free cash flow per share (yen)	(16.60)	33.50	29.85	26.55	31.71
Cash and cash equivalents at end of the year (millions of yen)	16,950	19,868	16,451	13,127	21,212
Interest-bearing debt (millions of yen)	50,242	49,910	42,787	38,042	43,248
Number of regular full-time employees	8,550	8,109	8,529	8,548	8,805
[Average number of temporary employees]	[8,136]	[7,913]	[8,483]	[8,351]	[8,474]

(Notes)

1. Consumption taxes are not included in net sales.
2. The Company adopted the Accounting Standard for Presentation of Net Assets in the Balance Sheet (Accounting Standard Board of Japan Statement No.5 issued by Accounting Standard Board of Japan on December 9, 2005) and the Guidance on Accounting Standard for Presentation of Net Assets in the Balance Sheet (Accounting Standard Board of Japan Guidance No.8 issued by Accounting Standard Board of Japan on December 9, 2005) from the fiscal year ended November 2006 .

## 11. Sales Results (Q. P. Corporation)

	(Billions of yen)			
	FY2004	FY2005(A)	FY2006(B)	Increase (Decrease) (B-A)
Mayonnaise and dressings	98.5	102.1	102.4	0.3
Fruit applications and cooked foods	47.5	46.0	45.1	(0.9)
Egg products	43.7	45.5	45.9	0.4
Healthcare products	14.3	15.0	13.3	(1.7)
Vegetables and salads	22.5	20.6	20.6	0.0
Rental of facilities	3.6	3.5	3.4	(0.1)
Total	230.1	232.7	230.6	(2.1)

## 12. Mayonnaise and Dressings Sales Condition by Market Type (Q. P. Corporation)

		FY2004	FY2005	FY2006
Home-use	Volume (1000t)	125	128	123
	Amount (¥ bn)	63.8	66.4	65.8
Commercial-use	Volume (1000t)	89	89	92
	Amount (¥ bn)	30.5	31.4	32.1

## 13. Administrative Expenses - Results And Estimates (Q. P. Corporation)

	(Billions of yen)				
	FY2004	FY2005	FY2006(A)	FY2007 Estimate(B)	Increase (Decrease) (B-A)
Sale promotion expense	21.6	21.5	22.9	21.5	(1.4)
Advertising expense	8.6	9.1	8.5	8.4	(0.1)
Warehousing and carrying charge	11.9	12.1	12.1	11.8	(0.3)
Labor expense	11.2	11.6	11.3	11.6	0.3
R&D expense	2.2	2.3	2.5	2.7	0.2

## 14.Principal management index (Q.P. Corporation)

Term ended	November 30, 2002	November 30, 2003	November 30, 2004	November 30, 2005	November 30, 2006
Net sales (millions of yen)	271,208	268,958	230,110	232,668	230,598
Year-to-year percentage change (%)	4.1	(0.8)	(14.4)	1.1	(0.9)
Operating income (millions of yen)	10,457	10,617	7,273	6,074	5,645
Year-to-year percentage change (%)	(3.5)	1.5	(31.5)	(16.5)	(7.1)
Operating income to net sales (%)	3.9	4.0	3.1	2.6	2.4
Ordinary income (millions of yen)	10,582	11,248	7,663	6,453	6,165
Ordinary income to net sales (%)	3.9	4.2	3.3	2.8	2.7
Net income (millions of yen)	6,030	6,805	4,529	3,769	2,883
Net income ratio (%)	2.2	2.5	1.9	1.6	1.3
Capital stock (millions of yen)	24,104	24,104	24,104	24,104	24,104
Total number of outstanding shares (shares)	155,464,515	155,464,515	155,464,515	155,464,515	155,464,515
Net assets (millions of yen)	105,794	111,395	115,012	118,987	120,325
Total assets (millions of yen)	186,656	190,335	188,772	189,865	200,019
Equity ratio (%)	56.7	58.5	60.9	62.7	60.2
Net assets per share (yen)	690.46	726.74	750.44	777.57	785.35
Year dividend per share, and interim dividend per share in parentheses (yen)	12.00 [6.0]	12.00 [6.0]	13.00 [6.0]	13.00 [6.5]	14.00 [6.5]
Net income per share - primary (yen)	39.11	44.08	29.27	24.44	18.83
Net income per share - diluted (yen)	35.97	40.64	27.21	22.83	18.83
Return on equity (%)	5.8	6.3	4.0	3.2	2.4
Ordinary income to total assets (%)	5.7	6.0	4.0	3.4	3.2
Price earnings ratio (times)	25.1	19.7	30.8	41.7	55.0
Dividend payout (%)	30.6	27.2	44.4	53.2	74.3
Dividend rate of total assets (%)	1.7	1.7	1.7	1.7	1.8
Number of regular full-time employees [Average number of temporary employees]	2,259 [802]	2,118 [921]	2,374 [1,110]	2,444 [1,035]	2,475 [1,018]
Stock price (yen)	980	869	902	1,018	1,035

(Notes)

1. Consumption taxes are not included in net sales.
2. The decrease in sales for the yearly ended November 2004 was principally attributable to the transfer of sales department of egg materials to a consolidated subsidiary Q.P. Egg Corporation. In addition, the increase in number of employees was principally attributable to the transfer from the consolidated company to the Company.
3. The per-share dividend for the term ended November 2004 includes ¥1 special commemorative dividend in celebration of the 85th anniversary of the Company's establishment.
4. The Company adopted the Accounting Standard for Presentation of Net Assets in the Balance Sheet (Accounting Standard Board of Japan Statement No.5 issued by Accounting Standard Board of Japan on December 9, 2005) and the Guidance on Accounting Standard for Presentation of Net Assets in the Balance Sheet (Accounting Standard Board of Japan Guidance No.8 issued by Accounting Standard Board of Japan on December 9, 2005) from the fiscal year ended November 2006.