

Fiscal 2007 Financial Meeting

(Period ended November 30, 2007)

Reinforce Business Profitability and Shift Focus to Growth Areas
Second Stage Report

January 16, 2008

Q.P. Corporation (2809)

<http://www.kewpie.co.jp/company/ir/>

= Contents =

- 1) Fiscal 2007 Results P. 2 - 9**

- 2) Plans for Fiscal 2008 P.10 - 22**

- 3) Reference Materials P.23 - 28**

Note) Figures less than units indicated have been rounded off

Fiscal 2007 Results

愛は食卓にある。 **キューピー** 
Food, for ages 0-100

Fiscal 2007 Results

Plans Achieved with Shortage in Distribution System Business Covered by Foodstuffs Business

(¥bn)

	Fiscal 2007 Plan	Fiscal 2007 Result	Plan Comparison	Increase (Decrease) [year earlier]
Net sales	467.0	468.0	1.0	11.9
Foodstuffs	375.5	375.8	0.3	9.2
Distribution	91.5	92.2	0.7	2.7
Operating income	15.8	15.8	0.0	1.6
Foodstuffs	17.2	17.7	0.5	3.0
Distribution	2.7	2.2	(0.5)	(1.1)
Corporate	(4.1)	(4.0)	0.1	(0.2)
Ordinary income	15.2	15.8	0.6	1.5
Net income	6.7	7.3	0.6	1.2
ROA	5.2%	5.4%	—	—

Fiscal 2007 Summary of Sales

Condiments and Processed Foods Business Leads to Achievement of the Plan: Year-on-Year Increase of ¥11.9 Billion

(¥bn)

	Fiscal 2006	Fiscal 2007 Plan	Fiscal 2007 Result	Plan Comparison	Increase (year earlier)
Sales	456.1	467.0	468.0	1.0	11.9
Condiments and Processed Foods	172.2	175.1	177.3	2.2	5.1
Health Function Products	17.4	18.4	17.5	(0.9)	0.1
Egg Products	82.5	85.0	84.8	(0.2)	2.3
Salad and Prepared Foods	94.5	97.0	96.2	(0.8)	1.7
Distribution Systems	89.5	91.5	92.2	0.7	2.7

■Sales by Segment	Plan Comparison	Increase (year earlier)
Condiments and Processed Foods	Sales increased mainly due to entire expansion of condiments for salads through the promotion of “salads as main dishes” strategy	
Health Function Products	Negatively impacted by delays in mail-order services dedicated to healthcare foods, exports to overseas markets, etc.	Sales decreased for baby foods and others but increased for hyaluronic acid products
Egg Products	Negatively impacted by lower unit sales price due to low egg market prices	Liquid eggs having functions (Excel Eggs) and products applying the “soft and cushiony” technologies expanded
Salad and Prepared Foods	Negatively impacted by sluggish growth in products for CVS vendors and for commercial use	Health-conscious salads and cut vegetables increased significantly
Distribution Systems	Expanded centering on dedicated distribution and Kyuso-Suru-Bin delivery system.	

Fiscal 2007 Summary of Operating Income

Plans Achieved with Shortage in Distribution System Business Covered by Foodstuffs Business

(¥bn)

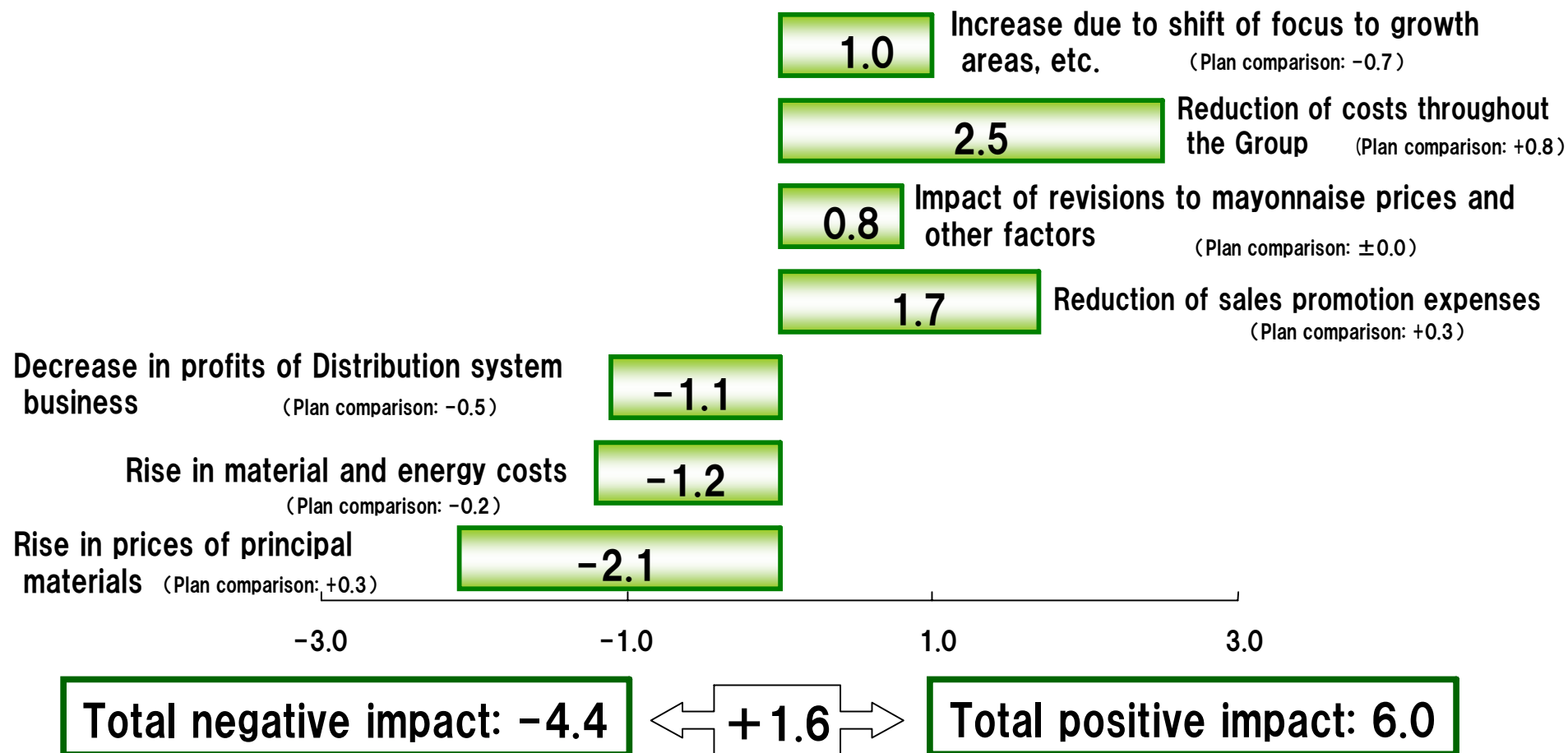
	Fiscal 2006	Fiscal 2007 Plan	Fiscal 2007 Result	Plan Comparison	Increase (Decrease) [year earlier]
Operating Income	14.2	15.8	15.8	0.0	1.6
Condiments and Processed Foods	10.3	11.2	11.6	0.4	1.3
Health Function Products	0.8	1.3	1.1	(0.2)	0.3
Egg Products	2.4	2.9	3.2	0.3	0.8
Salad and Prepared Foods	1.2	1.8	1.9	0.1	0.7
Distribution Systems	3.3	2.7	2.2	(0.5)	(1.1)
Elimination/Corporate	(3.8)	(4.1)	(4.0)	0.1	(0.2)

■ Sales by Segment	Plan Comparison	Increase (Decrease) [year earlier]
Condiments and Processed Foods	Expansion of condiments for salads, as well as reduction in sales promotion expenses and revisions to mayonnaise prices, contributed to growth	
Health Function Products	Sales failing to reach budget negatively impacted on profits	Expanded sales of hyaluronic acid products and improved balance in baby foods contributed to growth
Egg Products	Expansion in liquid eggs having functions and other added-value products and improvements in productivity contributed to growth	
Salad and Prepared Foods	Expansion in such added-value products as health-conscious salads as well as improvements in yield and other cost reduction efforts contributed to growth	
Distribution Systems	Negatively impacted by stagnant warehousing business, rise in fuel prices and other factors	

Fiscal 2007 Factors Causing Increase and Decrease in Operating Income (Y o Y)

(¥bn)

	Fiscal 2006	Fiscal 2007 Plan	Fiscal 2007 Result	Plan Comparison	Increase (year earlier)
Operating income	14.2	15.8	15.8	0.0	1.6

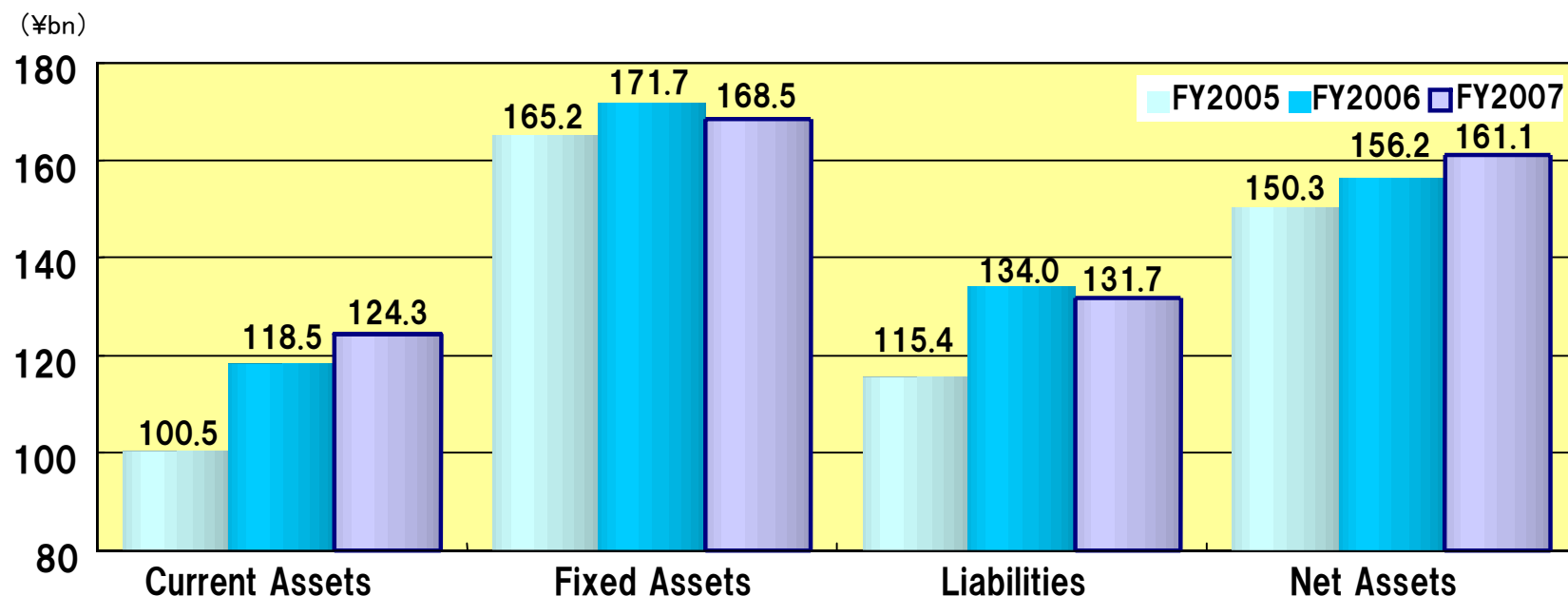


Fiscal 2007 Key Points to Non-Operating and Extraordinary Income/Expenses

(¥bn)

	Fiscal 2006	Fiscal 2007	Increase (Decrease)		
Operating income	14.2	15.8	1.6		
Non-operating income/expenses	0.1	0.0	(0.1)	<ul style="list-style-type: none"> •Increase in interest income and dividend receivable +0.22 •Decrease in equity income (0.10) •Increase in interest expense (0.16) 	
Ordinary income	14.3	15.8	1.5	<ul style="list-style-type: none"> •Increase in subsidy received +0.37 •Decrease in loss on sales and disposal of fixed assets +0.20 •Decrease in gain on sales of fixed assets (0.11) 	
Extraordinary income/expenses	(1.0)	(0.6)	0.4		
Income before income taxes	13.3	15.2	1.9		
Income taxes minority interests	7.2	7.9	0.7	<ul style="list-style-type: none"> •Increase in income taxes (0.93) •Decrease in minority interests +0.28 	
Net income	6.1	7.3	1.2		

Fiscal 2007 Key Points of Balance Sheet



Comparison with FY 2006

Increase in Current Assets

¥5.8 bn

- Increase in cash and deposits ¥4.4 bn
- Increase in securities ¥5.0 bn
- Decrease in receivables in trade -¥3.6 bn

Decrease in Tangible and Intangible Fixed Assets

-¥1.2 bn

- Increase in purchase ¥12.4 bn
- Decrease in depreciation -¥12.7 bn
- Decrease in sales and disposal -¥0.9 bn

Decrease in Investments and Other Assets

-¥1.8 bn

- Decrease in investments in securities -¥2.7 bn
- Decrease in long-term time deposit -¥2.7 bn
- Increase in prepaid pension costs ¥3.6 bn

Decrease in Liabilities

-¥2.3 bn

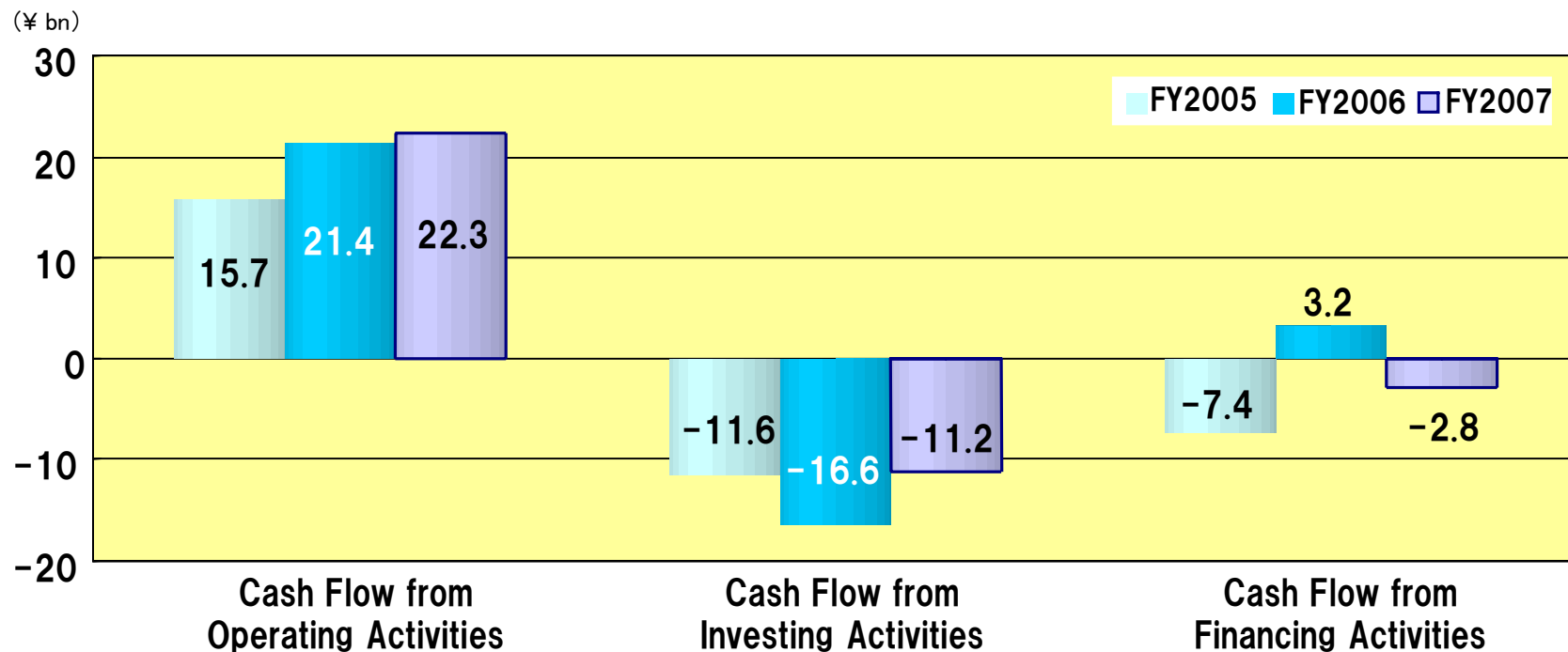
- Decrease in payables in trade -¥4.2 bn

Increase in Net Assets

¥4.9 bn

- Increase in earned surplus ¥5.5 bn
- Decrease in valuation difference on available-for-sale securities -¥1.3 bn
- Increase in minority interests ¥0.9 bn

Fiscal 2007 Key Points of Cash Flow



Cash Flow from Operating Activities		Cash Flow from Investing Activities		Cash Flow from Financing Activities	
• Increase in net income	¥1.9 bn	• Decrease in purchases of tangible fixed assets	¥3.8 bn	• Decrease in loans payable	-¥4.6 bn
• Decrease in notes and accounts receivable	¥7.0 bn	• Decrease in purchases of investment in securities	¥1.1 bn	• Decrease in issue of bonds	-¥0.5 bn
• Decrease in notes and accounts payable	-¥8.2 bn	• Increase in sales of investment in securities	¥0.8 bn	• Repurchase of treasury stock	-¥0.4 bn

Plans for Fiscal 2008

愛は食卓にある。 **キューピー** 
Food, for ages 0-100

Fiscal 2007 Results of Meeting Major Challenges

Shift to Growth Areas

Respond to healthcare needs

Achievement rate of 96% with sales of ¥28.7 billion
(Year-on-year increase of ¥3.7 billion)

- ◇Health-conscious types of mayonnaise steadily expanded
- ◇Health-conscious salads and hyaluronic acid products increased
- ◇Delay in casual healthcare and other products

Strengthen business development in food service market

Achievement rate of 99% with sales of ¥230.6 billion
(Year-on-year increase of ¥3.6 billion)

- ◇Expansion of the “salads as a main dishes” strategy (to ready-to-eat foods and restaurant dining) contributed to the results
- ◇Cut vegetables and Health-conscious salads increased significantly
- ◇Egg products using proprietary technologies expanded in specialized restaurants in the Tokyo metropolitan area and other markets

Promote expansion of overseas business

Achievement rate of 97% with sales of ¥15.2 billion
(Year-on-year increase of ¥2.9 billion)

- ◇Exports of proprietary materials and condiments made progress in market development, though did not achieve planned target
- ◇Overseas subsidiaries showed steady growth

Reduction of Group's Overall Costs, and Sales Promotion Expenses

Reduce overall costs as a Group

Achievement rate of 147% with reduction of ¥2.5 billion

- ◇Realized significant cost reductions mainly through improvement in yield and streamlining of operations

Increase in costs by ¥3.3 billion

Principal materials (such as edible oil)	¥2.1 bn
Other materials and energy, etc.	¥1.2 bn

Decrease in costs by ¥2.5 billion

(after offsetting the increase of ¥0.2 billion in companywide expenses)

Procurement (such as lump-sum purchase of materials as the Group)	¥0.6 bn
Production (Improvement in production yield, etc.)	¥1.7 bn
Logistics and others (Leveling of sales volume, etc.)	¥0.4 bn

Reduction of sales promotion expenses

Achievement rate of 121% with reduction of ¥1.7 billion

- ◇Marketing activities that propose original recipes were successful
- ◇Reduced to an appropriate level in accordance with price revisions

(Note) Sales for individual themes may overlap.

Plans for Fiscal 2007

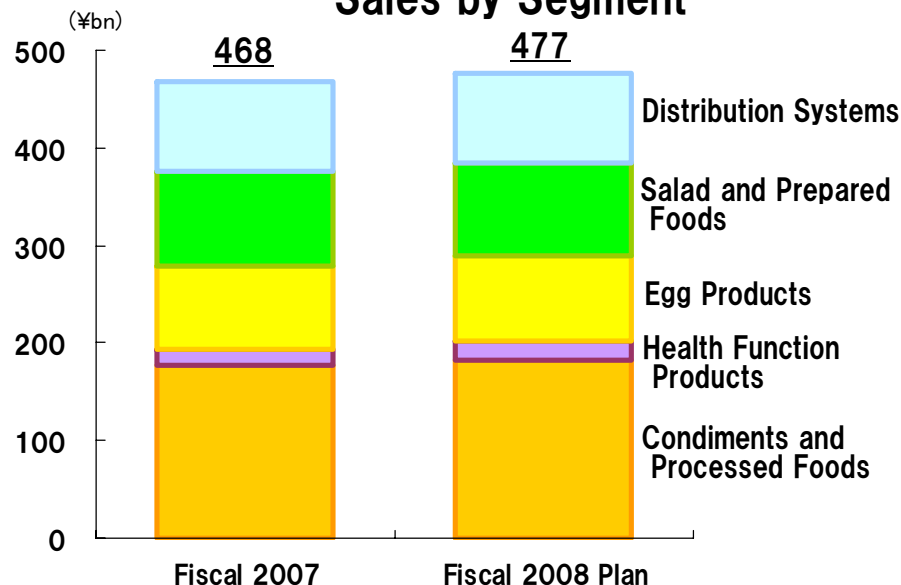
Increase Profits through Strengthening Business Profitability Despite Negative Impact of Soaring Raw Materials Prices

(¥bn)

	Fiscal 2007	Fiscal 2008 Plan	Year-on-Year	Increase (Decrease)
Net sales	468.0	477.0	1.9%	9.0
Foodstuffs	375.8	384.0	2.2%	8.2
Distribution	92.2	93.0	0.9%	0.8
Operating income	15.8	16.0	1.3%	0.2
Foodstuffs	17.7	17.7	0.0%	0.0
Distribution	2.2	2.3	4.5%	0.1
Corporate	(4.0)	(4.0)	0.0%	0.0
Ordinary income	15.8	15.6	-1.3%	(0.2)
Net income	7.3	7.4	1.4%	0.1
ROA	5.4%	5.2%	—	—

Fiscal 2007 Plans by Segment

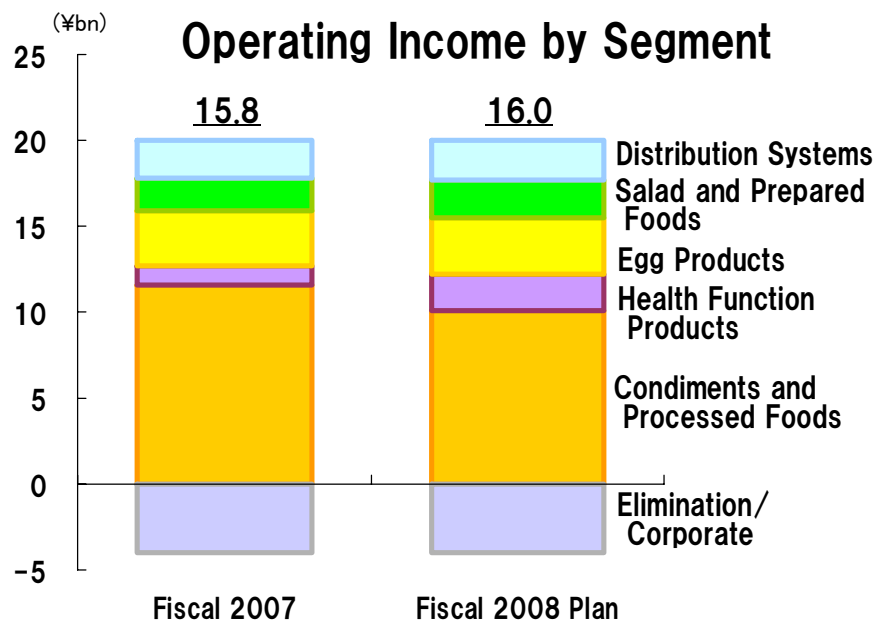
Sales by Segment



(¥bn)

	Fiscal 2007	Fiscal 2008 Plan	Increase (Decrease)
Sales	468.0	477.0	9.0
Condiments and Processed Foods	177.3	182.0	4.7
Health Function Products	17.5	20.0	2.5
Egg Products	84.8	88.0	3.2
Salad and Prepared Foods	96.2	94.0	(2.2)
Foodstuffs Business total	375.8	384.0	8.2
Distribution Systems	92.2	93.0	0.8

Operating Income by Segment



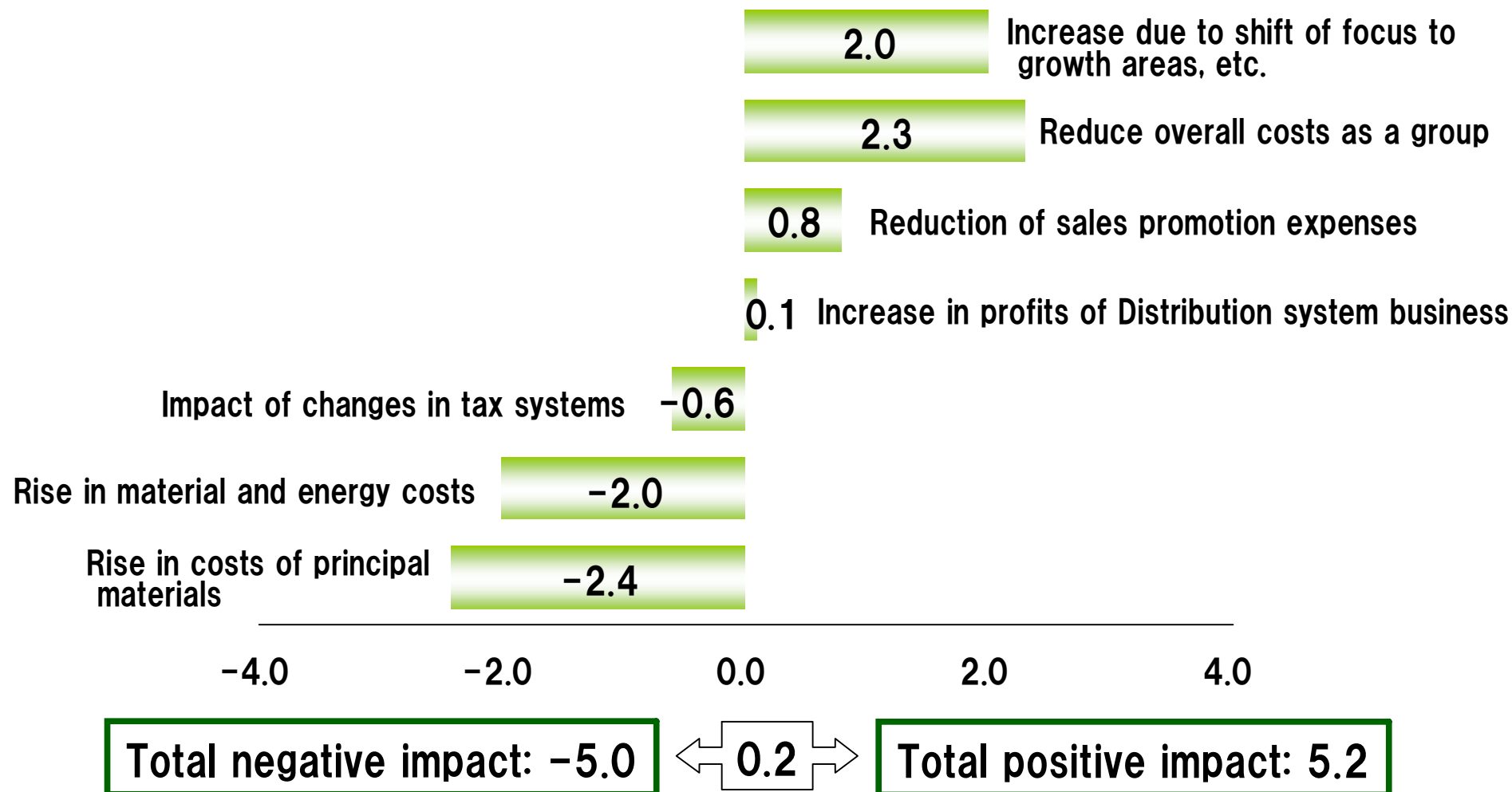
(¥bn)

	Fiscal 2007	Fiscal 2008 Plan	Increase (Decrease)
Operating Income	15.8	16.0	0.2
Condiments and Processed Food	11.6	10.1	(1.5)
Health Function Products	1.1	2.1	1.0
Egg Products	3.2	3.3	0.1
Salad and Prepared Foods	1.9	2.2	0.3
Foodstuffs Business total	17.7	17.7	0.0
Distribution Systems	2.2	2.3	0.1
Elimination/Corporate	(4.0)	(4.0)	0.0

Fiscal 2008 Factors Causing Increase and Decrease in Operating Income (Y o Y)

(¥bn)

	Fiscal 2007	Fiscal 2008 Plan	Increase
Operating income	15.8	16.0	0.2



Fiscal 2008 Major Challenges



Major Challenges-1 Shift to Growth Areas

Measures for Fiscal 2008

Respond to healthcare needs

Develop markets by fully utilizing our proprietary technologies

- ◇ Continue expansion of health-conscious types of mayonnaise and fostering of casual healthcare products
- ◇ Strengthen such products as health-conscious salads using “Kewpie Half”
- ◇ Focus on expanding products incorporating hyaluronic acid and mail-order services dedicated to healthcare foods

<Sales>
 ¥28.7 billion in fiscal 2007
 →¥34.5 billion in fiscal 2008
 (an increase of ¥5.8 billion)

Strengthen business development in food service market

Expand sales through proposing plans utilizing Group collaboration

- ◇ Promote the “salads as main dishes” strategy by utilizing the Group functions extended to home dining, ready-to-eat foods and restaurant dining
- ◇ More attractive menus expanded sales of cut vegetables and health-conscious salads
- ◇ Continue approach to specialized restaurants in the Tokyo metropolitan area

<Sales>
 ¥230.6 billion in fiscal 2007
 →¥235 billion in fiscal 2008
 (an increase of ¥4.4 billion)

Promote expansion of overseas business

Accelerate development of original ingredients and condiments for salads

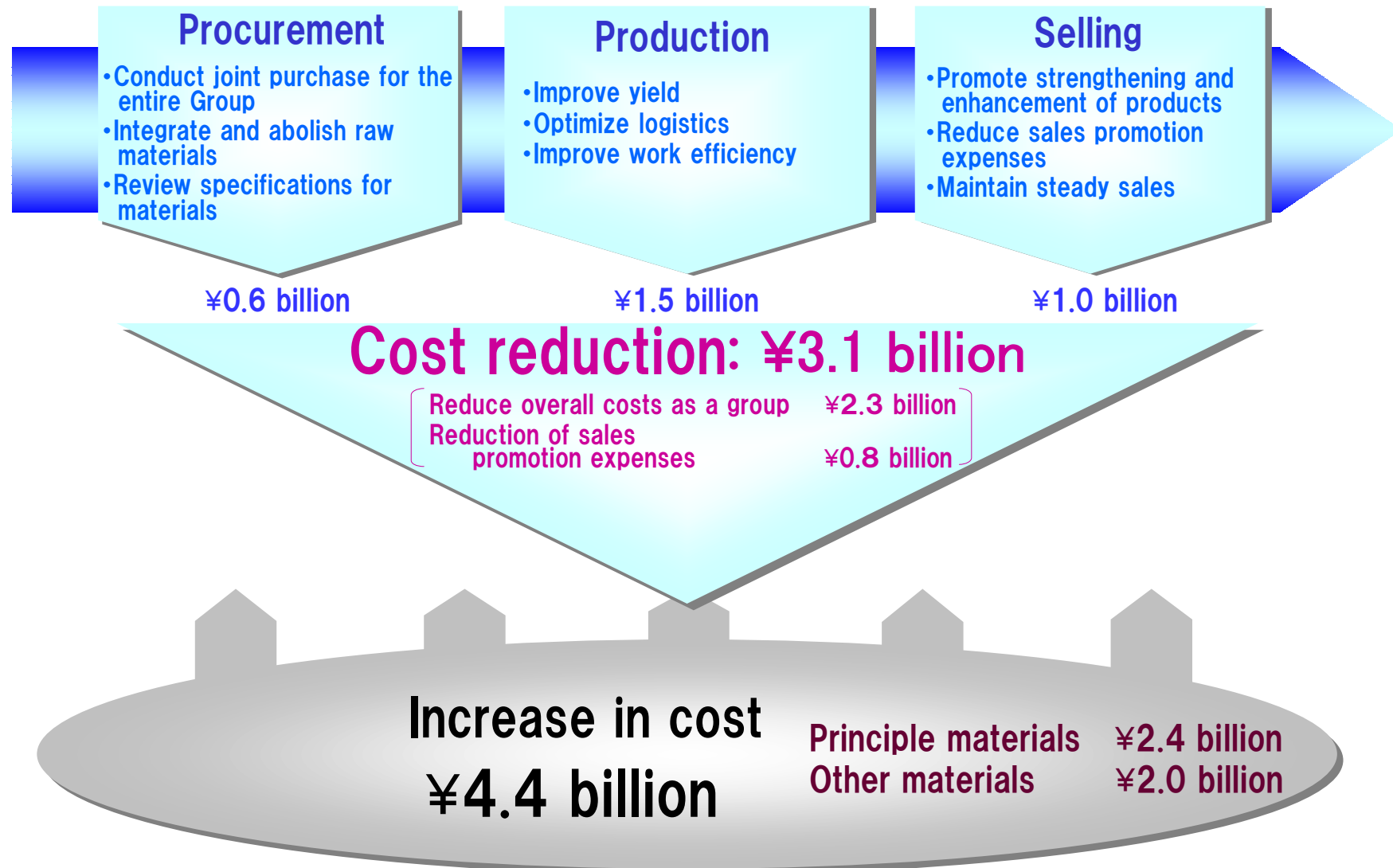
- ◇ Expand sales drive of hyaluronic acid products in Western countries
- ◇ Reinforce sales drive of condiments for salads in the East Asian markets

<Sales>
 ¥15.2 billion in fiscal 2007
 →¥17.5 billion in fiscal 2008
 (an increase of ¥2.3 billion)

(Note) Sales for individual themes may overlap.

Major Challenges-2 Reduction of Group's Overall Costs, and Sales Promotion Expenses

Accelerate Efforts toward Strengthened Profitability based on Activities Conducted in Fiscal 2007



Condiments and Processed Foods Business



50th anniversary since launching dressings

D50

Designs changed and bottles with Braille adopted for regular dressings

Medium-Term Business Strategy for 2007-2009

- Respond to healthcare need and accelerate shift to food service market

	Fiscal 2006	Fiscal 2007	Increase	Fiscal 2008 Plan	Increase (Decrease)	Y o Y
Sales	172.2	177.3	5.1	182.0	4.7	2.7%
Operating income	10.3	11.6	1.3	10.1	(1.5)	-12.9%
Operating income on sales	6.0%	6.5%	—	5.5%	—	—

(¥bn)

Operating income for fiscal 2008 includes an increase on ¥3.5 billion yen in raw materials prices

Measures to Implement Plans for Fiscal 2008

Shift to Growth Areas

(1) Accelerate responses to healthcare needs

- Proactively expand sales of Kewpie Half through channels for home use and reinforce penetration to the food service market
- Expand sales of casual healthcare products that use crude wheat black vinegar (Increase sales by ¥2.5 bn)

(2) Further promote the “salads as main dishes” strategy

- Strengthen proposal capabilities of the Group as a whole and expand dressings and related materials to channels for home dining, ready-to-eat foods and restaurant dining (Increase sales by ¥2.1 bn)

(3) Reinforce approach to growing business segments

- Expand transactions with specialized restaurants in the Tokyo metropolitan area and acquire new customers (Increase sales by ¥0.7 bn)

Reinforce Business Profitability

(1) Strengthen efforts in low-oil-type condiments for salads

Reinforce responses to soaring prices for edible oil

- Proactively expand sales of health-conscious mayonnaise (responding to healthcare needs)
- Proactively expand sales of dressings (promote the “salads as main dishes” strategy) (Increase profits by ¥0.3 bn)

(2) Accelerate strengthening and enhancement of products

- Expand sales of added-value products by taking advantage of their merits
- Accelerate review of compositions and materials and transfer of productions to the consumption market (Increase profits by ¥0.3 bn)

(3) Reduce sales promotion expenses

- Further promote shifts in sales breakdown by product
- Further reinforce sales activities that make proposals (Increase profits by ¥0.6 bn)

Health Function Products Business

Launched **Hyabest (J)**, hyaluronic acid used for knee joints

- Prevent abrasion of knee cartilage
- Drink to reduce pain
- Effective for degenerative joint diseases

Medium-Term Business Strategy for 2007-2009

- Provide health function products based on our proprietary technologies and scientific reasoning to customers in Japan and overseas

(¥bn)

	Fiscal 2006	Fiscal 2007	Increase	Fiscal 2008 Plan	Increase	Y o Y
Sales	17.4	17.5	0.1	20.0	2.5	14.3%
Operating income	0.8	1.1	0.3	2.1	1.0	90.9%
Operating income on sales	4.6%	6.3%	—	10.5%	—	—

Measures to Implement Plans for Fiscal 2008

Shift to Growth Areas

(1) Strengthen business foundations in Japan by utilizing original ingredients

- Further expand use of hyaluronic acid for foodstuff, cosmetics and pharmaceuticals
 - Strengthen offerings of egg white peptides and other egg-derived functionality materials
- (Increase sales by ¥0.9 bn)

(2) Accelerate expansion into overseas markets

- Accelerate offering of hyaluronic acid for cosmetics and foodstuff in the Western markets
 - Expand offerings of hyaluronic acid products and yolk lecithin for medical use in Asia
- (Increase sales by ¥08 bn)

(3) Strengthen responses to elderly people in mail-order services dedicated to healthcare foods

- Focus on foods compliant with status of disease and nutritional foods for the elderly
- (Increase sales by ¥0.5 bn)

Reinforce Business Profitability

(1) Create added-value with high-function hyaluronic acid

- Launch new hyaluronic acid for food that is good for knee joints
- Expand use of high-function hyaluronic acid in hair care and skin care products

(2) Reduce cost by improving productivity of original ingredients

- Improve productivity by completing systems for increased production of hyaluronic acid
- Reduce costs by utilizing merits of improving operation rates for increased production

(Increase profits by ¥0.5 bn through (1) and (2))

(3) Reinforce business profitability of healthcare products

- Reduce sales costs centering on baby foods
- Promote strengthening and enhancement of products in the health food arena

(Increase profits by ¥0.4 bn)

Egg Products Business

Scrambled eggs using the “soft and cushiony” technologies



Medium-Term Business Strategy for 2—7—2009

•Expand sales channel and enrich product capabilities based on reinforce egg business

(¥bn)

	Fiscal 2006	Fiscal 2007	Increase	Fiscal 2008 Plan	Increase	Y o Y
Sales	82.5	84.8	2.3	88.0	3.2	3.8%
Operating income	2.4	3.2	0.8	3.3	0.1	3.1%
Operating income on sales	2.9%	3.8%	—	3.8%	—	—

Measures to Implement Plans for Fiscal 2008

Shift to Growth Areas

(1) Expand sales by reinforcing items with new functions or additional convenience

- Enrich offerings of P.P. and Pillow product items
- Strengthen sales of liquid eggs having functions (Excel Egg)

(Increase sales ¥0.8 bn)

(2) Strengthen approach to processed foods industry and market

- Launch products for donburi (food topping rice bowls) and fried rice for rice and cooked rice market

(3) Develop markets of specialized restaurants in the Tokyo metropolitan area by proposing new recipes and offering new products

(Increase sales by ¥0.3 bn through (2) and (3))

Reinforce Business Profitability

(1) Expand added-value products

- Expand products incorporating the “soft and cushiony” technologies
- Promote sales of Excel Egg throughout Japan

(Increase profits by ¥0.2bn)

(2) Promote strengthening and enhancement of products

(3) Continue reducing costs by improving productivity

- Reduce overall expenses
- Improve product yield
- Improve raw materials and package formats, etc.

(Increase profits by ¥0.3 bn through (2) and (3))

Salad and Prepared Foods Business

Medium-Term Business Strategy for 2007-2009

- Expand profit through strengthened proposal capabilities and rationalization

Health-conscious salad full of ingredients



(¥bn)

	Fiscal 2006	Fiscal 2007	Increase	Fiscal 2008 Plan	Increase (Decrease)	Y o Y
Sales	94.5	96.2	1.7	94.0	(2.2)	-2.3%
Operating income	1.2	1.9	0.7	2.2	0.3	15.8%
Operating income on sales	1.3%	2.0%	—	2.3%	—	—

Measures to Implement Plans for Fiscal 2008

Shift to Growth Areas

- (1) Accelerate nationwide sales drive of cut vegetables**
 - Strengthen supply capacity in Hokkaido, Tokai and Kyusyu areas
 - Enhance proposals in which seasonal vegetables are fully utilized
- (2) Expand Health-conscious salads and Japanese flavored prepared foods**
 - Reinforce capabilities to develop products targeting the senior and female markets
 - Expand offerings of products utilizing hyaluronic acid and original ingredients
(Increase sales by ¥2.0 bn through (1) and (2))
- (3) Strengthen offerings to meet diversifying food scenes**
 - Launch products suitable for cooking with microwave ovens
 - Reinforce development of products for mail-order and home delivery services
(Increase sales by ¥0.2 bn)

Reinforce Business Profitability

- (1) Expand offerings of added-value products**
 - Strengthen sales promotion for brand products (Salad Club and “Kuishinbo” gourmet)
 - Promote development of area-specific products (area-specific recipes)
 - Utilize the Group’s original ingredients
(Increase in profits by ¥0.4 bn)
- (2) Establish efficient production systems**
 - Promote accepting orders two days before (reduce anticipation-based production)
 - Promote joint purchasing of raw materials
 - Promote optimization of daily perishable produce distribution
(Increase in profits by ¥0.6 bn)

Distribution Systems Business



Medium-Term Business Strategy for 2007-2009

- Expand sales and profits through improved functions and quality

(¥bn)

	Fiscal 2006	Fiscal 2007	Increase (Decrease)	Fiscal 2008 Plan	Increase	Y o Y
Sales	89.5	92.2	2.7	93.0	0.8	0.9%
Operating income	3.3	2.2	(1.1)	2.3	0.1	4.5%
Operating income on sales	3.7%	2.4%	—	2.5%	—	—

Measures to Implement Plans for Fiscal 2008

Shift to Growth Areas

(1) Expand transactions with manufacturers and distributors/wholesalers

- Win new orders for storage and delivery services for manufacturers
- Expand existing business of consigned distribution center services

(2) Strengthen capabilities to handle import cargo

- Launch new services handling bonded cargo and customs clearance

(Increase sales by ¥0.8 bn through (1) and (2))

Reinforce Business Profitability

(1) Pursue more efficiency through standardization of work

- Expand operations of various systems (for supporting warehouse work and delivery, etc.)
 - Reinforce inventory management and enhance delivery accuracy by reviewing work flows
 - Reduce expenses for outsourcing loading and unloading of cargo
- (Increase profits by ¥0.2 bn)

(2) Reduce costs related to transport

- Enhance efficiency of vehicle use by realizing appropriate number of vehicles in operation
 - Reduce pallet expenses
- (Increase profits by ¥0.5 bn)

Reference Materials

愛は食卓にある。 **キューピー** 
Food, for ages 0-100

Reference: Performance Trends

(¥bn)

	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008 Plan
《New business sectors》								
Condiments and Processed Foods						172.2	177.3	182.0
						10.3	11.6	10.1
Health Function Products						17.4	17.5	20.0
						0.8	1.1	2.1
Egg Products						82.5	84.8	88.0
						2.4	3.2	3.3
Salad and Prepared Foods						94.5	96.2	94.0
						1.2	1.9	2.2
Distribution Systems						89.5	92.2	93.0
						3.3	2.2	2.3
Elimination/Corporate						(3.8)	(4.0)	(4.0)
Total	396.7	434.5	437.0	423.7	455.0	456.1	468.0	477.0
	17.1	18.6	18.3	15.7	12.8	14.2	15.8	16.0
《Former business segments》								
Core Business	159.3	163.4	163.0	162.3	165.5	167.6		
	28.3	28.4	27.7	25.9	26.3	24.9		
Healthcre	12.1	13.3	14.5	14.3	15.0	13.3		
	2.0	2.0	2.2	2.2	2.1	1.9		
Egg Products	78.9	82.7	82.2	76.2	90.2	85.8		
	10.4	10.3	10.5	10.6	9.4	11.4		
Vegetables and Salads	84.0	96.2	97.3	88.0	97.2	99.9		
	3.2	5.0	5.3	4.2	4.5	5.4		
Distribution Systems	62.4	78.9	80.0	83.0	87.2	89.5		
	5.3	6.8	6.7	7.0	6.3	5.9		
Total	396.7	434.5	437.0	423.7	455.0	456.1		
	49.2	52.5	52.4	49.9	48.6	49.5		

Note) Figures in the upper column are sales, and those in the lower columns are operating profits for new business segments and marginal profits for former business segments.

Reference: Major Expenses, etc.

(¥bn)

	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008 Plan
Sales promotion expenses	22.8	21.9	22.4	22.5	23.9	22.2	21.4
Advertising expenses	8.8	9.1	9.0	9.5	8.9	8.8	8.7
Distribution expenses	24.6	24.9	24.5	26.4	26.6	27.3	28.0
Labor expenses	20.7	19.5	19.4	19.7	19.2	19.4	19.7
R&D expenses	2.4	2.8	2.8	2.9	3.2	3.2	3.3
Capital investments	22.9	13.5	13.8	12.2	15.3	11.3	16.7
Depreciation expenses	12.4	13.1	12.6	12.3	12.2	12.4	13.7

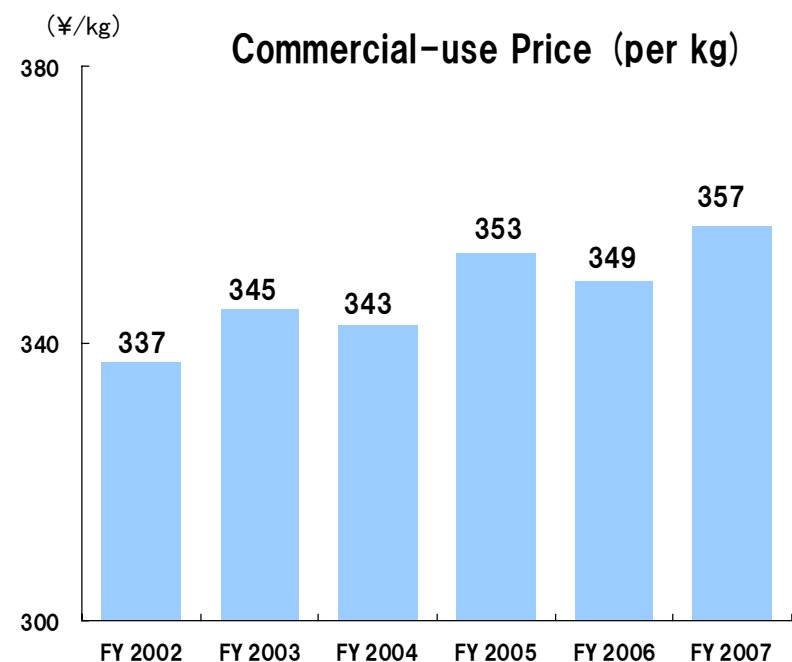
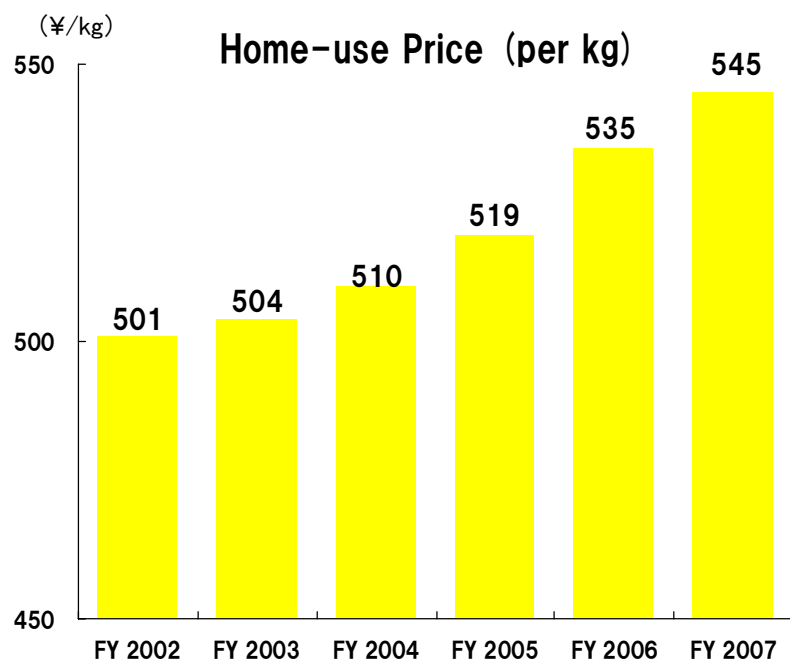
Reference: Fiscal 2008 Plans on Non-Consolidated Basis

(¥bn)

	Fiscal 2007	Fiscal 2008 plan	Y o Y	Increase (Decrease)
Net Sales	232.4	241.5	3.9%	9.1
Major items of selling, general and administrative expenses				
Sales promotion expenses	21.4	20.6	-3.7%	(0.8)
Advertising expenses	8.4	8.4	0.0%	0.0
Distribution expenses	11.9	12.4	4.2%	0.5
Labor expenses	11.2	11.4	1.8%	0.2
R & D expenses	2.5	2.7	8.0%	0.2
Operating income	6.5	6.1	-6.2%	(0.4)
Ordinary income	7.0	7.0	0.0%	0.0
Net income	3.4	3.7	8.8%	0.3

Reference: Condiments for Salads and Sales Results by Sector (Non-Consolidated)

		FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	Y o Y
Home-use	Volume (1,000t)	134	130	125	128	123	124	0.8%
	Amount (¥bn)	67.1	65.5	63.8	66.4	65.8	67.6	2.7%
Commercial-use	Volume (1,000t)	91	89	89	89	92	91	-1.1%
	Amount (¥bn)	30.7	30.7	30.5	31.4	32.1	32.5	1.2%
Total	Volume (1,000t)	225	219	214	217	215	215	0.0%
	Amount (¥bn)	97.8	96.1	94.3	97.8	97.9	100.1	2.2%

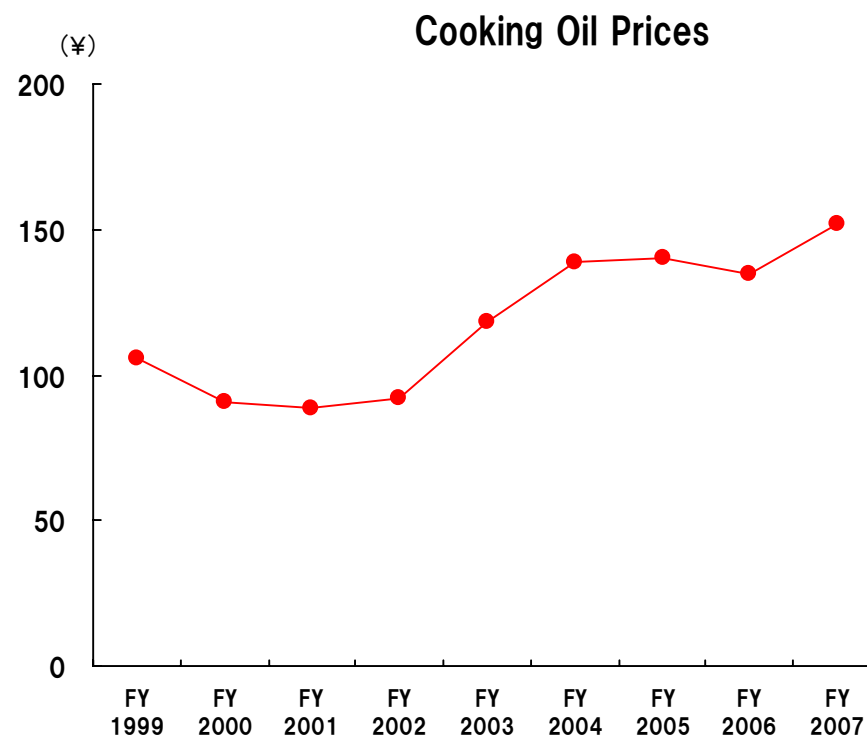
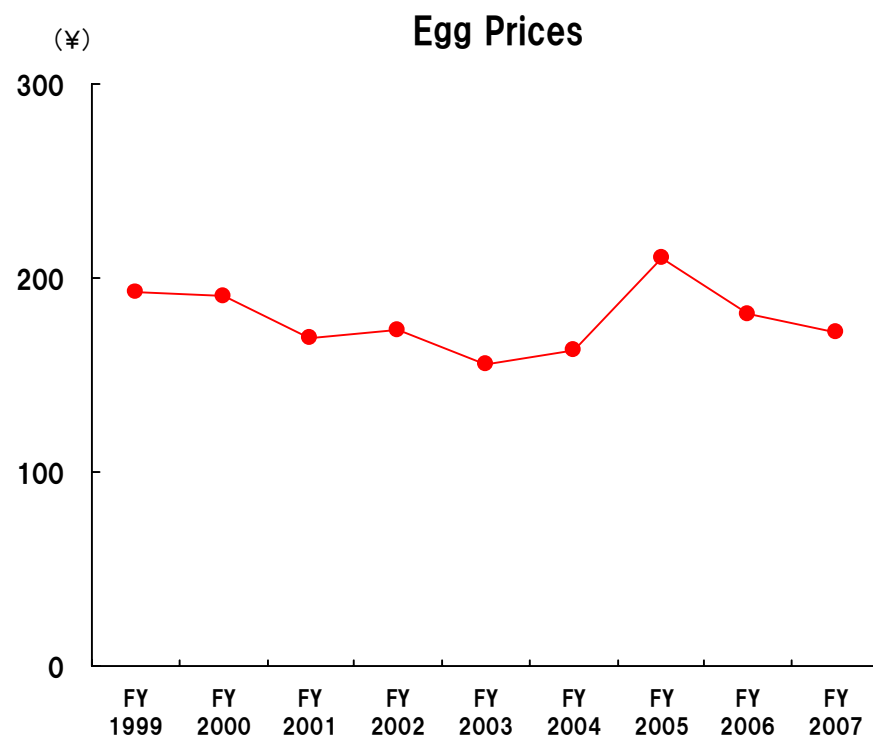


Reference: Movement in Egg and Cooking Oil Prices

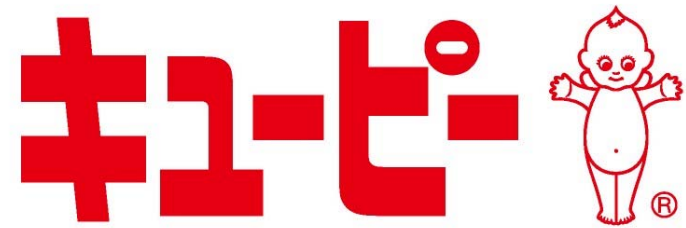
(¥)

	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
Medium-sized eggs, Tokyo market average price (per kg)	193	191	169	173	156	163	210	181	172
Average price of institutional use (tank truck base) for processed oils and fats (per kg)	106	91	89	92	118	139	140	135	152

(Monthly average from December to November for each year)



愛は食卓にある。



Food, for ages 0-100

Note

The above content comprises statements that constitute forward-looking statements. These include descriptions regarding the intent, belief or current expectations of the Company or its officers with respect to the consolidated results of operations and the financial condition of the Company.

Such forward-looking statements are not guarantees of future performance but involve risks and uncertainties, and actual results may differ from those in the forward-looking statements due to various factors.