

Fiscal 2008 Financial Meeting
(Period ended November 30, 2008)

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

January 15, 2009
Q.P. Corporation (2809)
<http://www.kewpie.co.jp/company/ir/>

Fiscal 2008 Results

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Fiscal 2008 Results

Net income successfully achieves plan target

(¥bn)

| | Fiscal 2008 Plan | Fiscal 2008 Result | Plan Comparison | Increase (Decrease) [Year earlier] |
|-------------------------|---------------------|-----------------------|--------------------|--|
| Net sales | 478.0 | 474.0 | (4.0) | 5.9 |
| Foodstuffs | 382.0 | 377.9 | (4.1) | 2.1 |
| Distribution | 96.0 | 96.0 | 0.0 | 3.9 |
| Operating income | 15.0 | 14.0 | (1.0) | (1.8) |
| Foodstuffs | 17.2 | 16.0 | (1.2) | (1.7) |
| Distribution | 1.9 | 1.9 | 0.0 | (0.3) |
| Corporate | (4.1) | (3.9) | 0.2 | 0.1 |
| Ordinary income | 14.8 | 14.2 | (0.6) | (1.7) |
| Net income | 7.7 | 7.7 | 0.0 | 0.4 |
| ROA | 5.0% | 4.9% | -0.1% | -0.5% |

Fiscal 2008 Summary of Sales

Sales increase by 5.9 billion yen although the foodstuffs business lagged behind the planned target

(¥bn)

| | Fiscal 2007 | Fiscal 2008 Plan | Fiscal 2008 Result | Plan Comparison | Increase (Decrease) [Year earlier] |
|--------------------------------|--------------|------------------|--------------------|-----------------|------------------------------------|
| Sales | 468.0 | 478.0 | 474.0 | (4.0) | 5.9 |
| Condiments and Processed Foods | 177.3 | 180.0 | 177.6 | (2.4) | 0.4 |
| Health Function Products | 17.5 | 18.5 | 18.2 | (0.3) | 0.7 |
| Egg Products | 84.8 | 89.0 | 88.3 | (0.7) | 3.5 |
| Salad and Prepared Foods | 96.2 | 94.5 | 93.8 | (0.7) | (2.5) |
| Distribution Systems | 92.2 | 96.0 | 96.0 | 0.0 | 3.9 |

| Sales by Segment | Plan Comparison | Increase (Decrease) [Year earlier] |
|--------------------------------|---|--|
| Condiments and Processed Foods | Affected by stagnant restaurant dining market and depressed OEM business in the U.S. | Condiments sales expanded through meeting health needs and promoting the “salads as main dishes” strategy |
| Health Function Products | Inadequate progress in medical foods and export of proprietary materials | Hyaluronic acid products steadily expanded sales |
| Egg Products | Affected by stagnancy in the restaurant dining and other markets | Expansion of functional liquid eggs such as Excel Egg and a rise in the market price of eggs contributed to sales increase |
| Salad and Prepared Foods | Affected by stagnancy in the restaurant dining and other markets | Negatively affected by 4.8 billion yen due to review of purchased goods and shifts by CVS vendors |
| Distribution Systems | Increased number of consolidated subsidiaries and expansion in dedicated distribution, start-to-end distribution and other services | |

Fiscal 2008 Summary of Operating Income

Plans not achieved due to failure in offsetting the impact of soaring raw material prices

(¥bn)

| | Fiscal 2007 | Fiscal 2008 Plan | Fiscal 2008 Result | Plan Comparison | Increase (Decrease) [Year earlier] |
|--------------------------------|-------------|------------------|--------------------|-----------------|------------------------------------|
| Operating Income | 15.8 | 15.0 | 14.0 | (1.0) | (1.8) |
| Condiments and Processed Foods | 11.6 | 10.3 | 9.9 | (0.4) | (1.7) |
| Health Function Products | 1.1 | 1.3 | 0.8 | (0.5) | (0.2) |
| Egg Products | 3.2 | 3.4 | 3.6 | 0.2 | 0.4 |
| Salad and Prepared Foods | 1.9 | 2.2 | 1.7 | (0.5) | (0.2) |
| Distribution Systems | 2.2 | 1.9 | 1.9 | 0.0 | (0.3) |
| Elimination/Corporate | (4.0) | (4.1) | (3.9) | 0.2 | 0.1 |

Sales by Segment

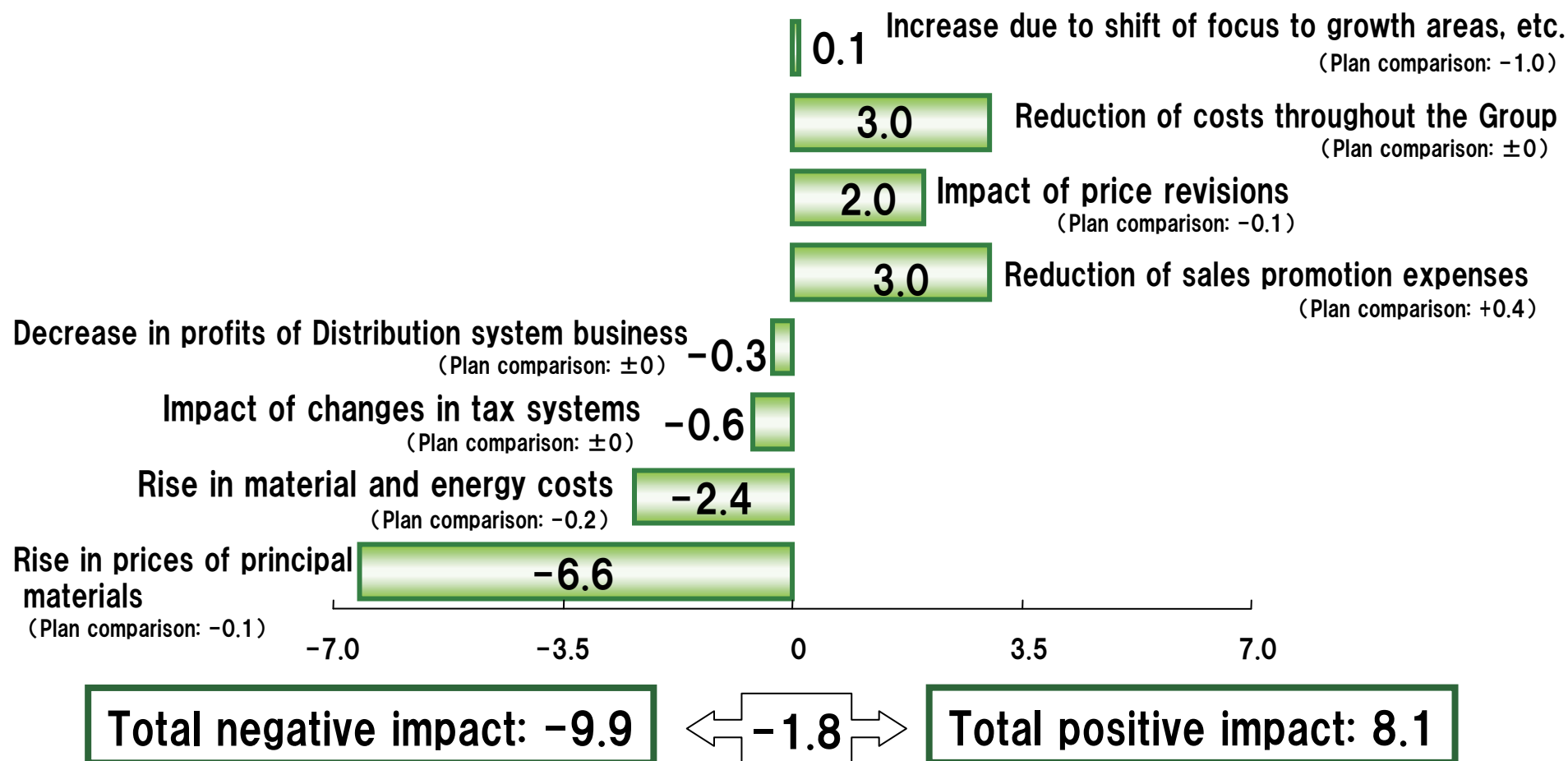
General situation

| | |
|--------------------------------|---|
| Condiments and Processed Foods | Cost reductions in sales promotion and other expenses and price revisions contributed to profits but failed to fully offset soaring raw material prices |
| Health Function Products | Failed to achieve planned sales targets, and depreciation burdens rose for investments to increase production |
| Egg Products | Increased productivity and expanded profits at U.S. subsidiary contributed to profits |
| Salad and Prepared Foods | Negatively impacted by soaring raw material prices and stagnant restaurant dining market |
| Distribution Systems | Negatively impacted by failure to achieve plans in warehousing business, rises in fuel prices and other factors |

Fiscal 2008 Factors Causing Increase and Decrease in Operating Income (Year Earlier)

(¥bn)

| | Fiscal 2007 | Fiscal 2008 Plan | Fiscal 2008 Result | Plan Comparison | Decrease |
|------------------|-------------|------------------|--------------------|-----------------|----------|
| Operating income | 15.8 | 15.0 | 14.0 | (1.0) | (1.8) |



Fiscal 2008 Results of Meeting Major Challenges

Shift to Growth Areas

Respond to
healthcare needs

Achievement rate of 97% with sales of ¥31 billion
(YoY increase of ¥2.3 billion)

- ◇ Health-conscious salads, hyaluronic acid products and Health-conscious types of mayonnaise increased
- ◇ Inadequate sales expansion in casual healthcare lineups and other products

Strengthen business
development in food
service market

Achievement rate of 100% with sales of ¥232.1 billion
(YoY increase of ¥1.5 billion)

- ◇ Cut vegetables and Health-conscious salads steadily expanded
- ◇ Sales expanded for egg products using our original technologies
- ◇ Delay in expansion of share for specialized restaurants market in the Tokyo metropolitan area must be solved

Promote expansion of
overseas business

Achievement rate of 90% with sales of ¥14.2 billion
(YoY decrease of ¥1.0 billion)

- ◇ Exports of proprietary materials and condiments made progress in market development, though did not achieve planned target
- ◇ Chinese subsidiaries steadily expanded sales, though OEM sales of condiments in the U.S. decreased

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

Reduce overall costs as a Group

Achievement rate of 100% with reduction of ¥3.0 billion

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

Increase in costs by ¥9.0 billion

| | |
|--|---------|
| Principal materials (such as edible oil) | ¥6.6 bn |
| Other materials and energy, etc. | ¥2.4 bn |

Decrease in costs by ¥3.0 billion

| | |
|--|---------|
| Procurement (review specifications for materials, etc.) | ¥0.6 bn |
| Production (improve yield and work efficiency) | ¥2.0 bn |
| Other (improvement in distribution efficiency, reduction of administrative expenses, etc.) | ¥0.4 bn |

Reduction of
sales promotion
expenses

Achievement rate of 115% with reduction of ¥3.0 billion

- ◇ Marketing activities with menu proposals contributed to the reduction
- ◇ Use of more appropriate containers and item mixing contributed to the reduction

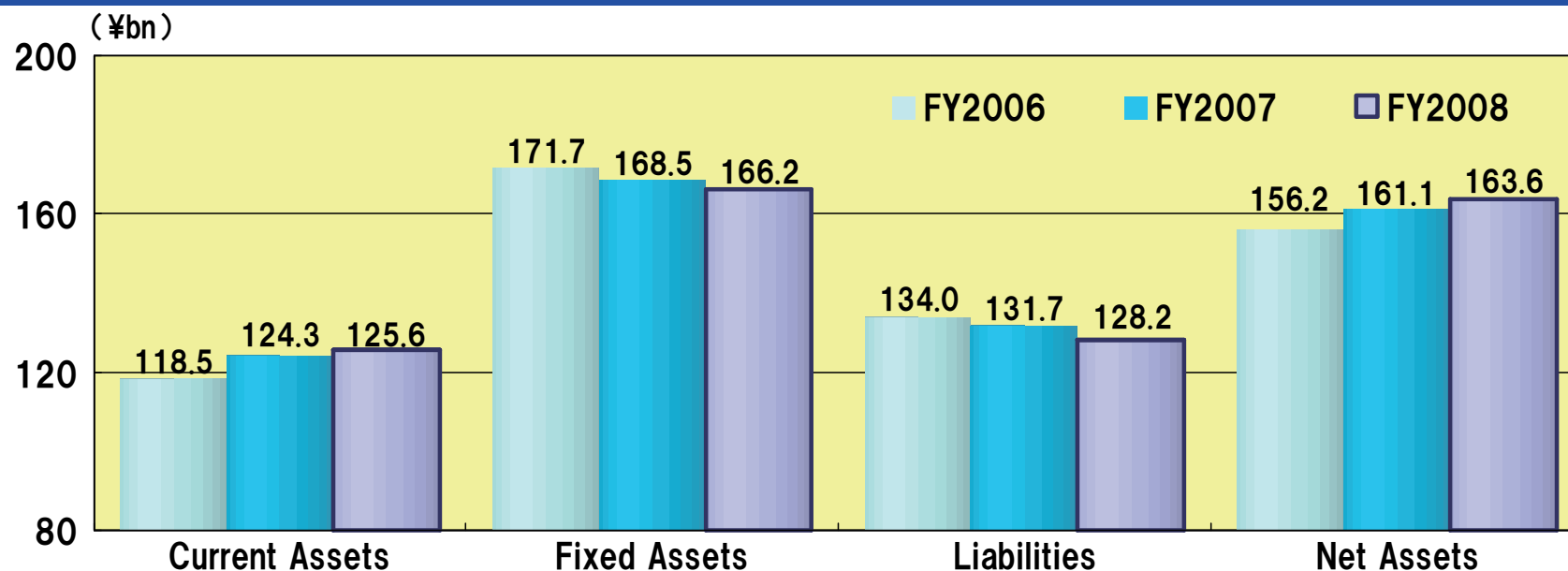
(Note) Sales for individual themes may overlap

Fiscal 2008 Key Points to Non-Operating and Extraordinary Income/Expenses

| (¥bn) | | | |
|------------------------------------|----------------|----------------|------------------------|
| | Fiscal 2007 | Fiscal 2008 | Increase (Decrease) |
| Operating income | 15.8 | 14.0 | (1.8) |
| Non-operating income/expenses | 0.0 | 0.1 | 0.1 |
| Ordinary income | 15.8 | 14.2 | (1.6) |
| Extraordinary income/expenses | (0.6) | (0.3) | 0.3 |
| Income before income taxes | 15.2 | 13.9 | (1.3) |
| Income taxes minority interests | 7.9 | 6.2 | (1.7) |
| Net income | 7.3 | 7.7 | 0.4 |

| | |
|--|--------|
| •Decrease in interest income and dividend receivable | (0.03) |
| •Decrease in equity income | (0.03) |
| •Decrease in loss on scrapped inventories | (0.37) |
| •Increase in gains on sales of affiliate stocks | +0.99 |
| •Decrease in subsidy received | (0.37) |
| •Increase in valuation difference on investment securities | +0.13 |
| •Decrease in income taxes | +1.75 |
| •Increase in minority interests | (0.05) |

Fiscal 2008 Key Points of Balanced Sheet



Comparison with FY2007

Increase in Current Assets

¥1.3 bn

- Decrease in cash and deposits -¥1.3 bn
- Increase in receivables in trade ¥1.4 bn
- Increase in inventories ¥1.5 bn

Decrease in Tangible and Intangible Fixed Assets

-¥1.3 bn

- Increase in purchase ¥13.1 bn
- Decrease in depreciation -¥13.4 bn
- Decrease in sales and disposal -¥1.0 bn

Decrease in Investments and Other Assets

-¥1.0 bn

- Decrease in investments in securities -¥4.3 bn
- Increase in prepaid pension costs ¥3.6 bn

Decrease in Liabilities

-¥3.5 bn

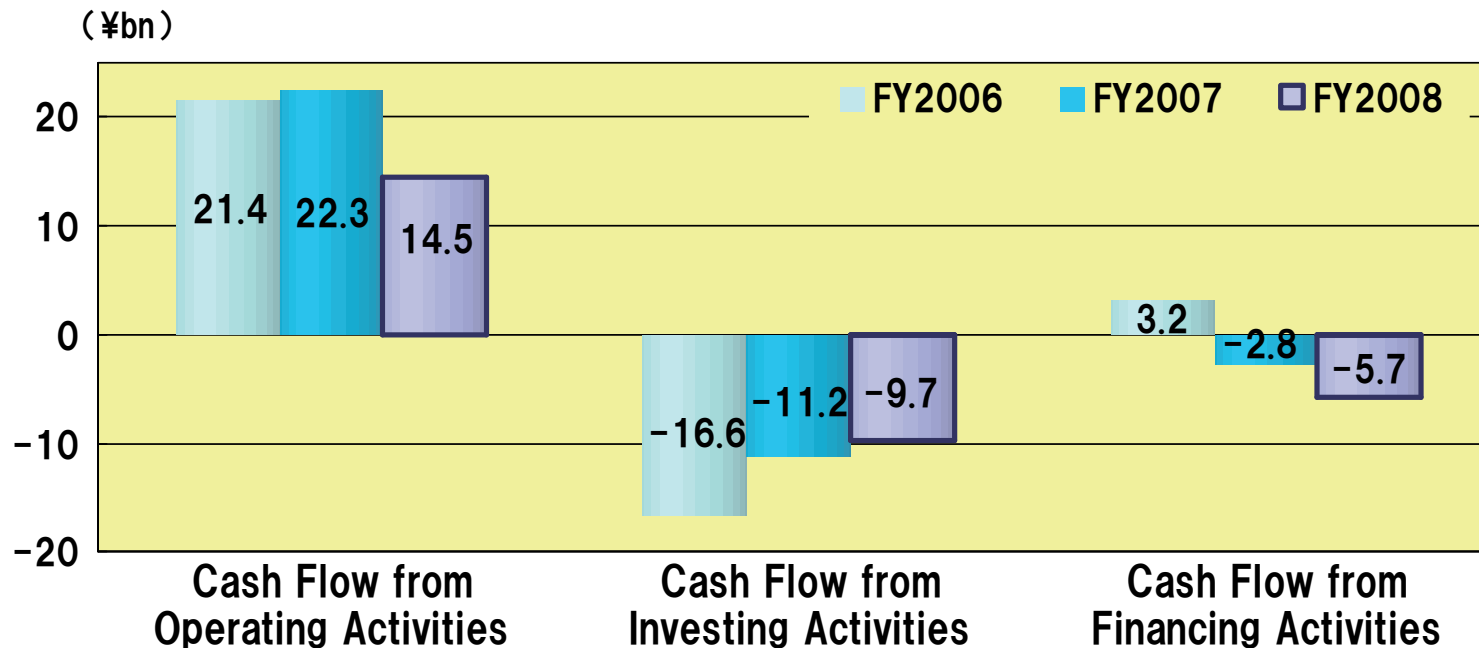
- Increase in payables in trade ¥2.7 bn
- Decrease in loans payable -¥2.6 bn
- Decrease in accrued income taxes -¥2.3 bn

Increase in Net Assets

¥2.5 bn

- Increase in earned surplus ¥5.7 bn
- Increase in treasury stock -¥1.1 bn
- Decrease in valuation difference on available-for-sale-securities -¥2.1 bn

Fiscal 2008 Key Points of Cash Flow



Comparison with FY2008

Cash Flow from Operating Activities

- Decrease in net income -¥1.3
- Increase in inventories -¥0.9
- Increase in income tax paid -¥4.1

Cash Flow from Investing Activities

- Sale of affiliate stocks ¥1.8

Cash Flow from Financing Activities

- Decrease in loans payable -¥2.4
- Repurchase of treasury stock -¥0.8

Plans for Fiscal 2009

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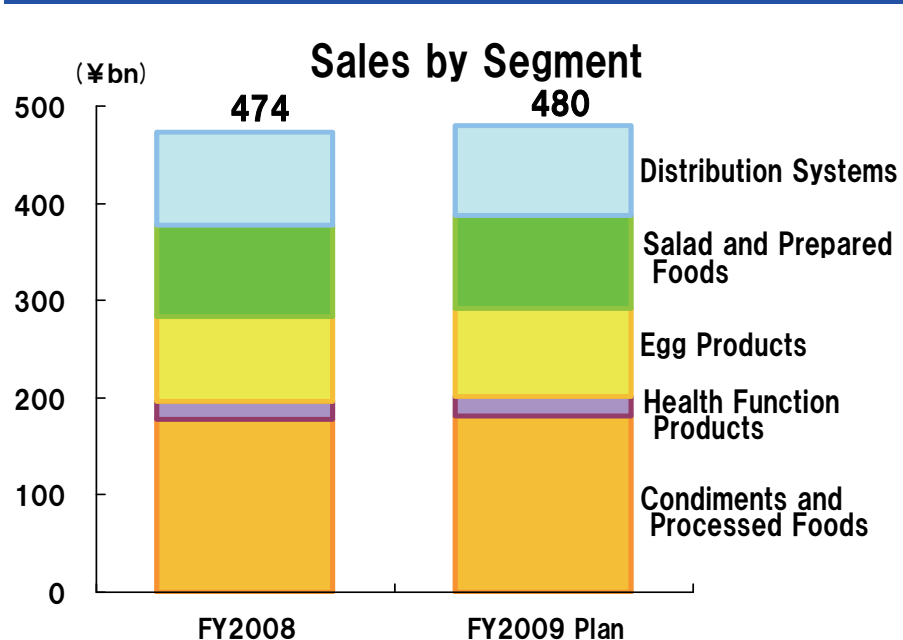
Plans for Fiscal 2009

Increase profits through reinforcing our profit generating platform
and stabilizing raw material expenses

(¥bn)

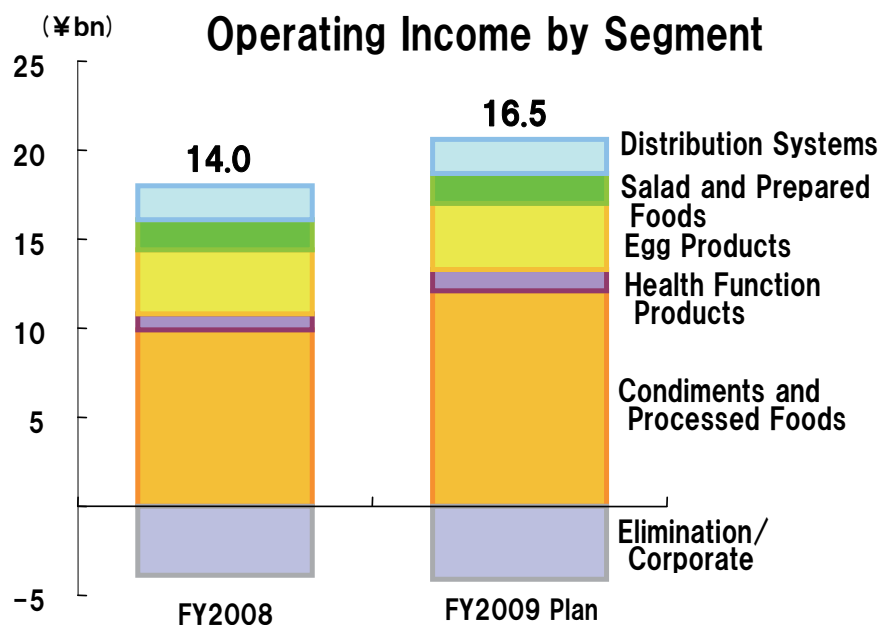
| | Fiscal 2008 | Fiscal 2009 Plan | Year-on-Year | Increase (Decrease) |
|-------------------------|--------------|---------------------|--------------|------------------------|
| Net sales | 474.0 | 480.0 | 1.3% | 6.0 |
| Foodstuffs | 377.9 | 387.0 | 2.4% | 9.1 |
| Distribution | 96.0 | 93.0 | -3.1% | (3.0) |
| Operating income | 14.0 | 16.5 | 17.9% | 2.5 |
| Foodstuffs | 16.0 | 18.7 | 16.9% | 2.7 |
| Distribution | 1.9 | 1.9 | 0.0% | 0.0 |
| Corporate | (3.9) | (4.1) | 5.1% | (0.2) |
| Ordinary income | 14.2 | 16.5 | 16.2% | 2.3 |
| Net income | 7.7 | 8.5 | 10.4% | 0.8 |
| ROA | 4.9% | 5.7% | — | 0.8% |

Fiscal 2009 Plans by Segment



(¥bn)

| | Fiscal 2008 | Fiscal 2009 Plan | Increase (Decrease) |
|----------------------------------|--------------|------------------|---------------------|
| Sales | 474.0 | 480.0 | 6.0 |
| Condiments and Processed Foods | 177.6 | 180.5 | 2.8 |
| Health Function Products | 18.2 | 20.0 | 1.8 |
| Egg Products | 88.3 | 91.5 | 3.1 |
| Salad and Prepared Foods | 93.8 | 95.0 | 1.2 |
| Foodstuffs Business total | 377.9 | 387.0 | 9.1 |
| Distribution Systems | 96.0 | 93.0 | (3.0) |



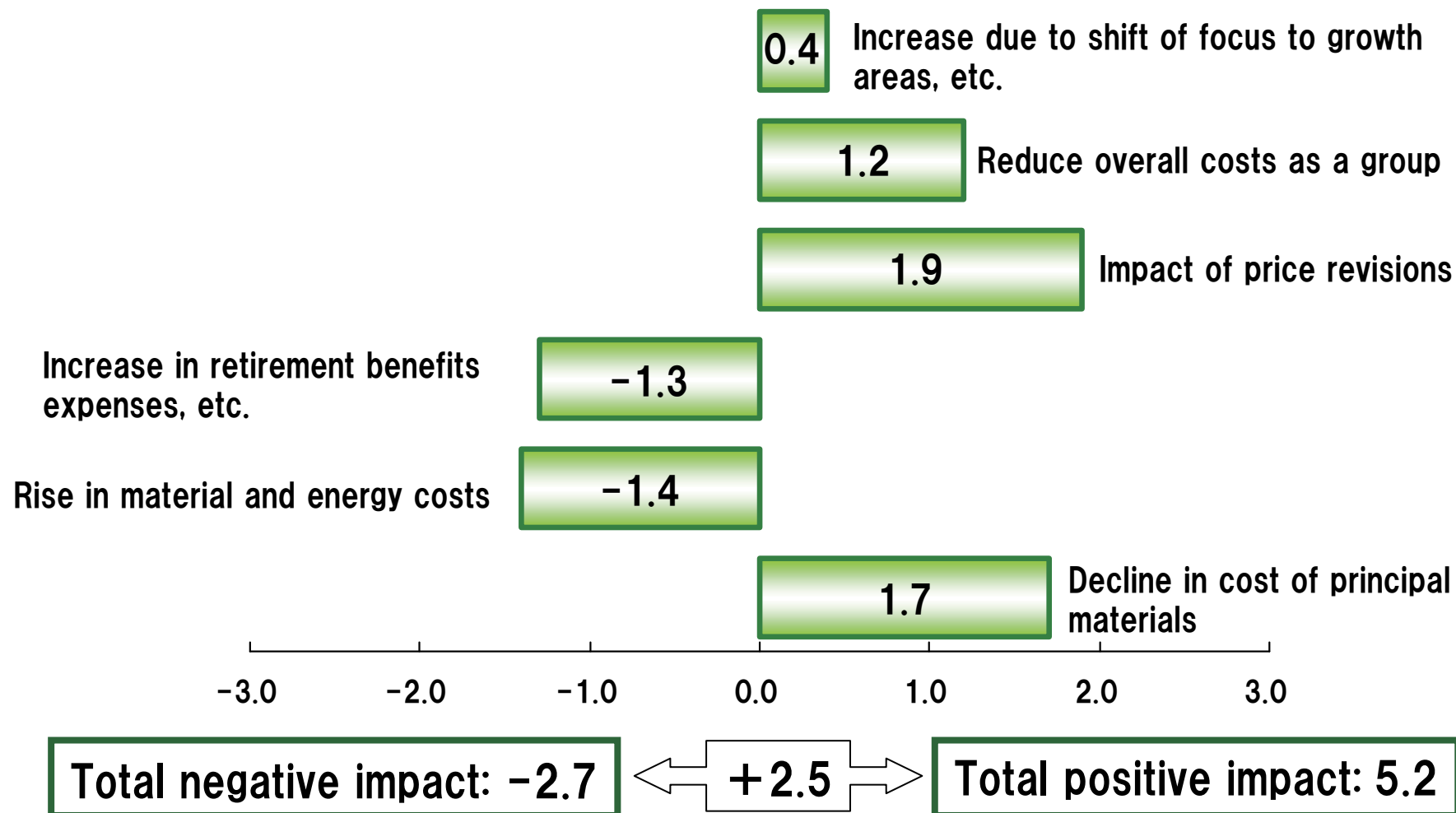
(¥bn)

| | Fiscal 2008 | Fiscal 2009 Plan | Increase (Decrease) |
|----------------------------------|-------------|------------------|---------------------|
| Operating Income | 14.0 | 16.5 | 2.5 |
| Condiments and Processed Foods | 9.9 | 12.1 | 2.2 |
| Health Function Products | 0.8 | 1.2 | 0.4 |
| Egg Products | 3.6 | 3.7 | 0.2 |
| Salad and Prepared Foods | 1.7 | 1.7 | 0.0 |
| Foodstuffs Business total | 16.0 | 18.7 | 2.7 |
| Distribution Systems | 1.9 | 1.9 | 0.0 |
| Elimination/Corporate | (3.9) | (4.1) | (0.2) |

Fiscal 2009 Factors Causing Increase and Decrease in Operating Income (Year Earlier)

(¥bn)

| | Fiscal 2008 | Fiscal 2009 Plan | Increase |
|------------------|-------------|------------------|----------|
| Operating income | 14.0 | 16.5 | 2.5 |



Fiscal 2009 Major Challenges



Major Challenges-1 Shift to Growth Areas

Measures for Fiscal 2009

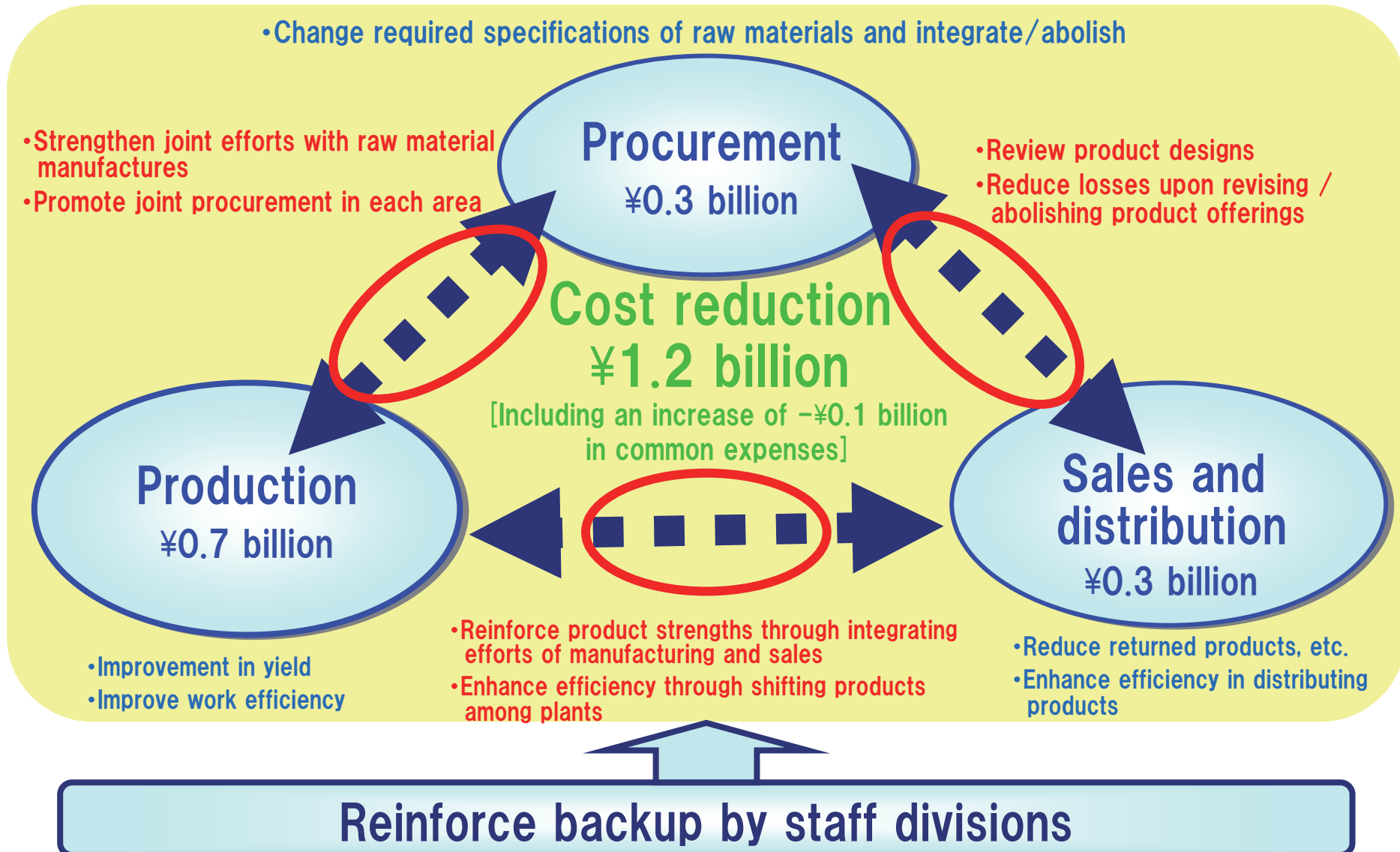
| Respond to healthcare needs | Strengthen business development in food service market | Promote expansion of overseas business |
|---|--|---|
| <p><u>Develop markets by fully utilizing our proprietary technologies</u></p> <ul style="list-style-type: none"> ◇Expand sales of Kewpie Half and other health-conscious types of mayonnaise in the home-use and food service markets ◇Reinforce promotion of hyaluronic acid and other proprietary materials ◇Continue expansion of health-conscious salads <p><Sales> FY2008: ¥31 bn → FY2009: ¥34 bn (Up ¥3.0 billion)</p> | <p><u>Promote providing food solutions harnessing all capabilities of the Group</u></p> <ul style="list-style-type: none"> ◇Mutually use Group companies' respective sales channels ◇Horizontally spread and apply success cases ◇Make proposals with combined capabilities of the entire Q.P. Group ◇Explore and obtain new users <p><Sales> FY2008: ¥232.1 bn → FY2009: ¥238.1 bn (Up ¥6.0 billion)</p> | <p><u>Accelerate development of condiments for salads and proprietary ingredients</u></p> <ul style="list-style-type: none"> ◇Continue to expand sales of salad condiments in East Asia ◇Expand exports of hyaluronic acid and other products <p><Sales> FY2008: ¥14.2 bn → FY2009: ¥15.3 bn (Up ¥1.1 billion)</p> |

(Note) Sales for individual themes may overlap

Major Challenges-2 Reduction of Group's Overall Costs

Evolve to realize cost reductions across business divisions throughout the Group

Note: Items in blue indicate major efforts made so far, and items in red are focuses of efforts for the future



Condiments and Processed Foods Business

Downsize container capacity of dressings
(from 200ml to 170ml)

Before downsizing
(200ml)



After downsizing
(170ml)



Medium-Term Business Strategy for 2007-2009

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

(¥bn)

| | Fiscal 2007 | Fiscal 2008 | Increase (Decrease) | Fiscal 2009 Plan | Increase | YoY |
|---------------------------|-------------|-------------|---------------------|------------------|----------|-------|
| Sales | 177.3 | 177.6 | 0.4 | 180.5 | 2.8 | 1.6% |
| Operating income | 11.6 | 9.9 | (1.7) | 12.1 | 2.2 | 22.2% |
| Operating income on sales | 6.5% | 5.6% | — | 6.7% | — | — |

Measures to Implement Plans for Fiscal 2009

Shift to Growth Areas

(1) Strengthen and expand responses to health needs

- Reinforce sales of Kewpie Half in the food service and other markets with integrated capabilities of the Group

(2) Expand food scenes for use of dressings

- Expand sales by highlighting tastiness and affordability through downsizing

(3) Accelerate extension into the food service market

- Reinforce introduction of strategic products to meet the needs of growing industries

(Increase sales by ¥3.1 billion through (1), (2) and (3))

Reinforce Business Profitability

(1) Further promote reinforcing of product strengths

- Reinforce product strength on the category level, not just on the product level

(2) Evolve into cost reduction activities across business divisions

- Generate profits by reducing latent costs through enhanced cooperation among business divisions

(Increase profits by ¥0.6 billion through (1) and (2))

Health Function Products Business

Promote expansion of Hyabest (J) by enriching evidence



Obtain evidence in the U.S. and Japan

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 2007 | Fiscal 2008 | Increase (Decrease) | Fiscal 2009 Plan | Increase | YoY |
|---------------------------|-------------|-------------|---------------------|------------------|----------|-------|
| Sales | 17.5 | 18.2 | 0.7 | 20.0 | 1.8 | 9.9% |
| Operating income | 1.1 | 0.8 | (0.2) | 1.2 | 0.4 | 50.0% |
| Operating income on sales | 6.3% | 4.4% | — | 6.0% | — | — |

Measures to Implement Plans for Fiscal 2009

Shift to Growth Areas

- (1) Accelerate expansion of proprietary materials in the domestic market**
 - Expand hyaluronic acid centering on use for foodstuffs
 - Strengthen sales extension of glair peptide and other functionality materials
(Increase sales by ¥0.8 billion)
- (2) Reinforce overseas business**
 - Expand hyaluronic acid products into the supplement market in the U.S
 - Accelerate sales of cosmetics and medical materials centering on East Asia
(Increase sales by ¥0.2 billion)
- (3) Focus on expanding medical foods and foods suitable for aged people**
 - Reinforce business in the home care and nursing care market
(Increase sales by ¥0.6 billion)

Reinforce Business Profitability

- (1) Reinforce business of high-functional hyaluronic acid products**
 - Accelerate offering of hyaluronic acid for food suitable for knee joints
 - Expand high-functional hyaluronic acid in to the basic cosmetics market
- (2) Decrease costs related to hyaluronic acid**
 - Enhance production efficiency and reduce manufacturing expenses
(Increase profits by ¥0.3 billion through (1) and (2))
- (3) Expand healthcare products with high added value**
 - Expand high-nutrition foods, only produced by Q.P., to the nursing care market
(Increase profits by ¥0.1 billion)

Egg Products Business

Application example of meringue base at a confectionary shop



Medium-Term Business Strategy for 2007-2009

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

(¥bn)

| | Fiscal 2007 | Fiscal 2008 | Increase | Fiscal 2009 Plan | Increase | YoY |
|---------------------------|-------------|-------------|----------|------------------|----------|------|
| Sales | 84.8 | 88.3 | 3.5 | 91.5 | 3.1 | 3.6% |
| Operating income | 3.2 | 3.6 | 0.4 | 3.7 | 0.2 | 2.8% |
| Operating income on sales | 3.8% | 4.1% | — | 4.0% | — | — |

Measures to Implement Plans for Fiscal 2009

Shift to Growth Areas

(1) Promote infiltration into the food service market

- Expand sales of processed egg products into the areas of prepared foods and rice foods
- Reinforce our proposal capabilities by combining products of the Group

(Increase sales by ¥0.9 billion)

(2) Expand products with added functionality and convenience

- Widen sales areas of Expand Excel Egg and accelerate expansion
- Expand Pure Pack & Pillow products

(Increase sales by ¥0.7 billion)

Reinforce Business Profitability

(1) Accelerate sales of products with high added value

- Expand product offerings that apply “soft and cushiony” technologies

(Increase profits by ¥0.3 billion)

(2) Raise the reinforcement of product strengths to the second stage

- Integrate and review items throughout production and sales processes

(3) Review cost structure to enhance reduction in costs

- Reduce production expenses through enhancing efficiency
- Improve product yield

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

Salad and Prepared Foods Business

Medium-Term Business Strategy for 2007-2009

- Expand profit through strengthened proposal capabilities and rationalization

Proposal of a new category-Miso Soup



(¥bn)

| | Fiscal 2007 | Fiscal 2008 | Decrease | Fiscal 2009 Plan | Increase | YoY |
|---------------------------|-------------|-------------|----------|------------------|----------|------|
| Sales | 96.2 | 93.8 | (2.5) | 95.0 | 1.2 | 1.3% |
| Operating income | 1.9 | 1.7 | (0.2) | 1.7 | 0.0 | 0.0% |
| Operating income on sales | 2.0% | 1.8% | — | 1.8% | — | — |

Measures to Implement Plans for Fiscal 2009

Shift to Growth Areas

(1) Reinforce sales of cut vegetables

- Enhance production capacity in the Tokyo metropolitan area
- Expand product offerings that use seasonal vegetables
- Propose new categories such as miso soup and soup ingredients

(2) Continue expansion of health-conscious salads

- Expand menu using Kewpie Half
- Promote product development targeting seniors and females
(Increase sales by ¥2.0 billion through (1) and (2))

(3) Focus on developing new markets

- Expand product lineups that can be cooked with microwave ovens

Reinforce Business Profitability

(1) Establish business foundations for generating profits in the future

- Accelerate review of non-profitable business areas
- Promote shifts of products at plants

(Decrease sales by ¥2.0 billion; Decrease profits by ¥0.2 billion)

(2) Expand brand products

- Strengthen proposals of Salad Club and Kuishinbo (gourmet)

(3) Promote cost reduction activities in each area

- Promote joint procurement of raw materials
- Focus on improving yield rate of major vegetable products

(Increase profits by ¥0.4 billion through (2) and (3))

Distribution Systems Business



Medium-Term Business Strategy for 2007-2009

- Expand sales and profits through improved functions and quality

| | Fiscal 2007 | Fiscal 2008 | Increase (Decrease) | Fiscal 2009 Plan | Decrease | YoY |
|---------------------------|-------------|-------------|---------------------|------------------|----------|-------|
| Sales | 92.2 | 96.0 | 3.9 | 93.0 | (3.0) | -3.1% |
| Operating income | 2.2 | 1.9 | (0.3) | 1.9 | 0.0 | 0.0% |
| Operating income on sales | 2.4% | 2.0% | — | 2.0% | — | — |

(¥bn)

Note: The plan for fiscal year ending November 2009 reflects expected reductions in distribution volume of transactions with existing customers as well as the impact of reviewing non-profitable operations.

Measures to Implement Plans for Fiscal 2009

Establish business foundation through improvement of distribution quality

(1) Ensure implementation of work standardization

- Enhance efficiency in order reception and inventory management work
- Improve punctuality in departures and arrivals
- Reduce burden of loading workers and drivers

(2) Reinforce the quality assurance system

- Improve customer satisfaction by newly establishing Quality Division

Reinforce Business Profitability

(1) Streamline loading work

- Fully operate the warehousing work support system
- Enhance efficiency of handling small lot items

(2) Reduce pallet expenses

- Drastically review the pallet management system
- Reduce the number of pallets used by employing cart racks

(3) Ensure profit management for respective customers

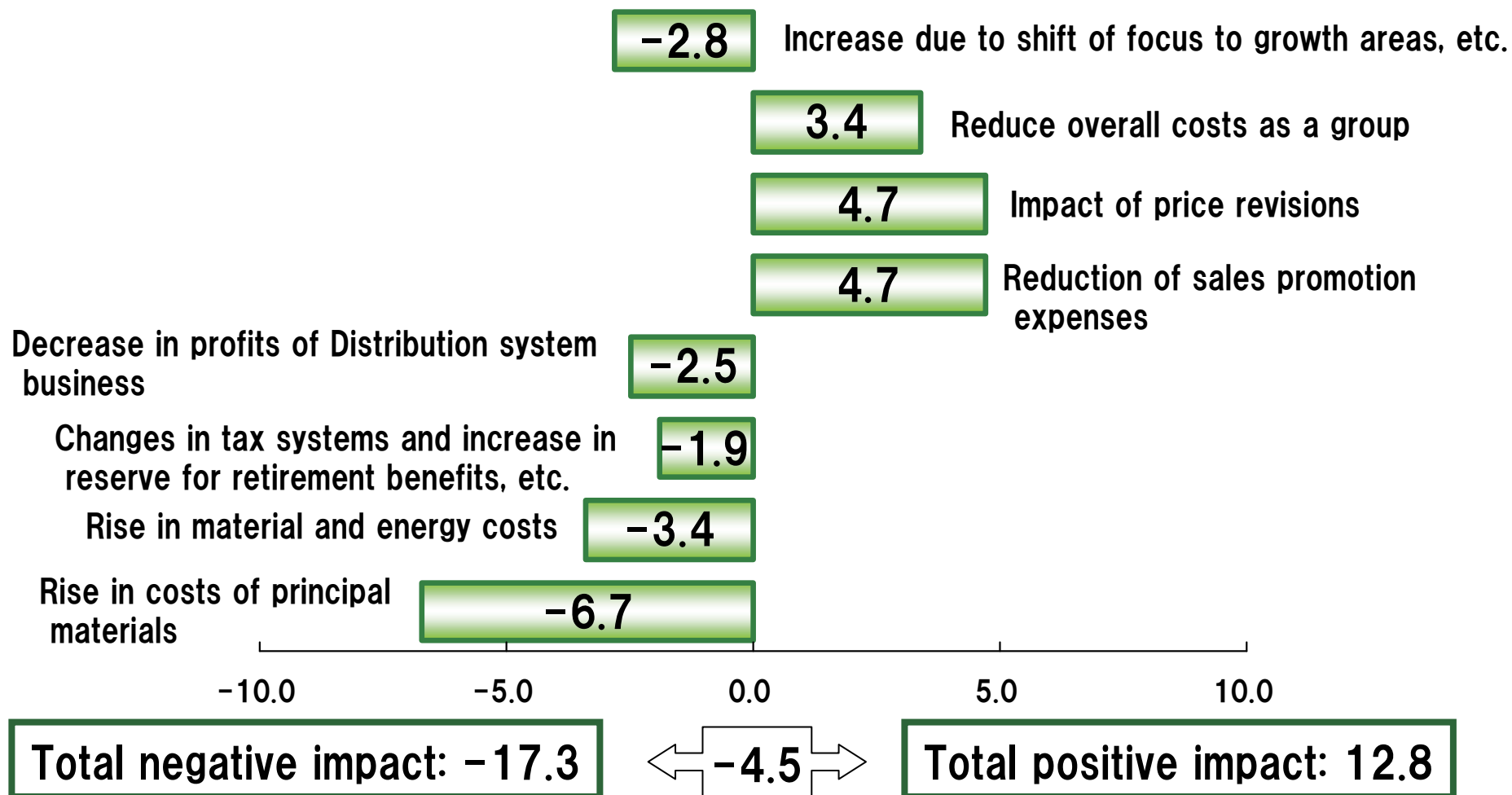
- Review non-profitable business
- Promote joint work for improvement with customers

(Increase profits by ¥0.4 billion through (1), (2) and (3))

Factors of Disparity in Operating Income between the Medium-term Business Plan and the Revised Plan for the Fiscal Year Ending November 2009

(¥bn)

| | Fiscal 2009 Medium-Term Business Plan | Fiscal 2009 Plan | Decrease |
|-------------------------|---------------------------------------|------------------|--------------|
| Operating income | 21.0 | 16.5 | (4.5) |



Reference Materials

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Reference: Performance Trends

(¥bn)

| | FY2001 | FY2002 | FY2003 | FY2004 | FY2005 | FY2006 | FY2007 | FY2008 | FY2009 Plan |
|-----------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| ◀New business sectors▶ | | | | | | | | | |
| Condiments and Processed Foods | | | | | | 172.2 | 177.3 | 177.6 | 180.5 |
| | | | | | | 10.3 | 11.6 | 9.9 | 12.1 |
| Health Function Products | | | | | | 17.4 | 17.5 | 18.2 | 20.0 |
| | | | | | | 0.8 | 1.1 | 0.8 | 1.2 |
| Egg Products | | | | | | 82.5 | 84.8 | 88.3 | 91.5 |
| | | | | | | 2.4 | 3.2 | 3.6 | 3.7 |
| Salad and Prepared Foods | | | | | | 94.5 | 96.2 | 93.8 | 95.0 |
| | | | | | | 1.2 | 1.9 | 1.7 | 1.7 |
| Distribution Systems | | | | | | 89.5 | 92.2 | 96.0 | 93.0 |
| | | | | | | 3.3 | 2.2 | 1.9 | 1.9 |
| Elimination/Corporate | | | | | | -3.8 | -4.0 | -3.9 | -4.1 |
| Total | 396.7 | 434.5 | 437.0 | 423.7 | 455.0 | 456.1 | 468.0 | 474.0 | 480.0 |
| | 17.1 | 18.6 | 18.3 | 15.7 | 12.8 | 14.2 | 15.8 | 14.0 | 16.5 |
| ◀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 | | | |
| Healthcare | 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 | | | |
| Salad and Prepared Foods | 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 income for new business segments and marginal profits for former business segments

Reference: Major Expenses, etc. (consolidated)

(¥bn)

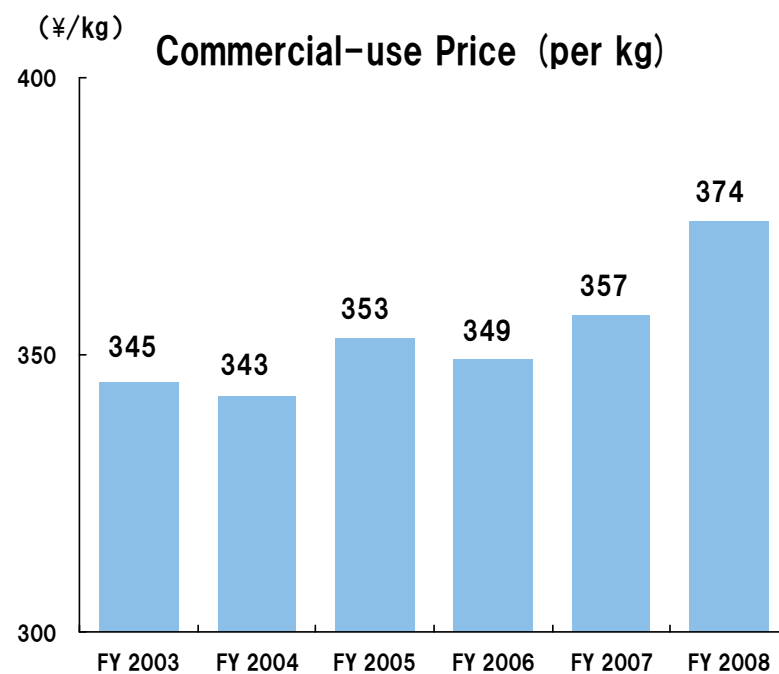
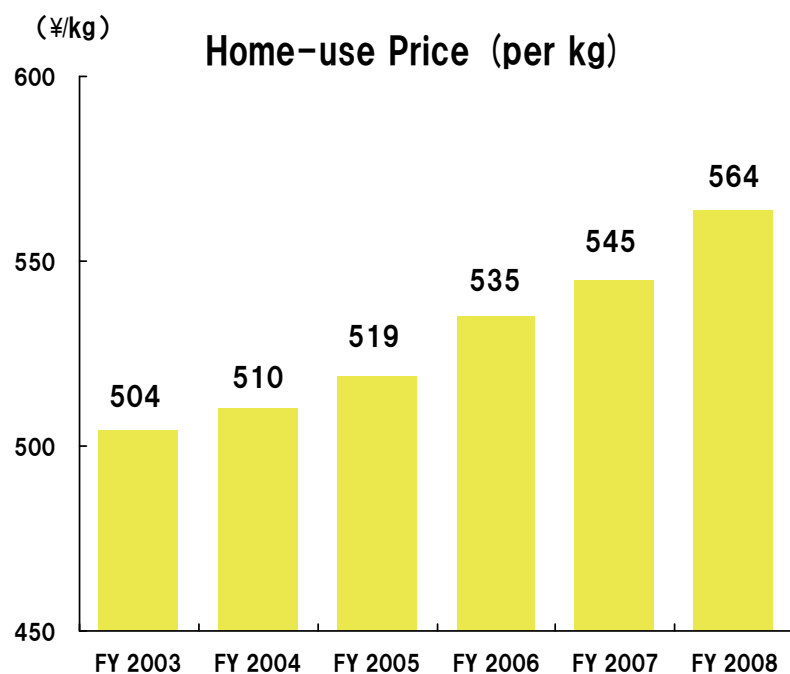
| | FY 2003 | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 Plan |
|-------------------------------|--------------|--|---------|---------|---------|---------|--------------|
| Sales promotion expenses | 21.9 | 22.4 | 22.5 | 23.9 | 22.2 | 19.2 | 19.2 |
| Advertising expenses | 9.1 | 9.0 | 9.5 | 8.9 | 8.8 | 8.3 | 7.9 |
| Distribution expenses | 24.9 | 24.5 | 26.4 | 26.6 | 27.3 | 27.0 | 27.1 |
| Labor expenses | 19.5 | 19.4 | 19.7 | 19.2 | 19.4 | 19.5 | 20.9 |
| R&D expenses | 2.8 | 2.8 | 2.9 | 3.2 | 3.2 | 3.2 | 3.2 |
| Capital investments | 13.5 | 13.8 | 12.2 | 15.3 | 11.3 | 13.1 | 14.3 |
| Depreciation expenses | 13.1 | 12.6 | 12.3 | 12.2 | 12.4 | 13.4 | 13.3 |
| | FY 2009 Plan | Breakdown of increase/decrease (comparison between fiscal 2008 and plans for fiscal 2009) | | | | | |
| Non-operating income/expenses | 0.0 | Other decreases in sales (0.1) | | | | | |
| Extraordinary income/expenses | (1.1) | Decrease in gains on sales of affiliate stocks (1.0) | | | | | |
| | | Decrease in expenses for transferring fundamental systems 0.3 | | | | | |

Reference: Fiscal 2009 Plans on Non-Consolidated Basis

| | (¥bn) | | | | |
|--|-------------|---------------------|-------|------------------------|--|
| | Fiscal 2008 | Fiscal 2009 Plan | Y o Y | Increase (Decrease) | |
| Net Sales | 235.4 | 240.0 | 2.0% | 4.6 | |
| Major items of selling, general and administrative expenses | | | | | |
| Sales promotion expenses | 18.4 | 18.4 | 0.0% | 0.0 | |
| Advertising expenses | 8.0 | 7.6 | -5.0% | (0.4) | |
| Distribution expenses | 11.7 | 11.8 | 0.9% | 0.1 | |
| Labor expenses | 11.2 | 12.1 | 8.0% | 0.9 | |
| R & D expenses | 2.6 | 2.6 | 0.0% | 0.0 | |
| Operating income | 5.4 | 7.0 | 29.6% | 1.6 | |
| Ordinary income | 6.5 | 7.7 | 18.5% | 1.2 | |
| Net income | 3.6 | 4.5 | 25.0% | 0.9 | |

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

| | | FY 2003 | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | Y o Y |
|----------------|-----------------|---------|---------|---------|---------|---------|---------|-------|
| Home-use | Volume (1,000t) | 130 | 125 | 128 | 123 | 124 | 123 | -0.8% |
| | Amount (¥bn) | 65.5 | 63.8 | 66.4 | 65.8 | 67.6 | 69.4 | 2.7% |
| Commercial-use | Volume (1,000t) | 89 | 89 | 89 | 92 | 91 | 89 | -2.2% |
| | Amount (¥bn) | 30.7 | 30.5 | 31.4 | 32.1 | 32.5 | 33.3 | 2.5% |
| Total | Volume (1,000t) | 219 | 214 | 217 | 215 | 215 | 212 | -1.4% |
| | Amount (¥bn) | 96.1 | 94.3 | 97.8 | 97.9 | 100.1 | 102.7 | 2.6% |



Reference: Movement in Egg and Cooking Oil Prices

(¥)

| | FY 2000 | FY 2001 | FY 2002 | FY 2003 | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 |
|--|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Medium-sized eggs, Tokyo market average price (per kg) | 191 | 169 | 173 | 156 | 163 | 210 | 181 | 172 | 192 |
| Average price of institutional use (tank truck base) for processed oils and fats (per kg) | 91 | 89 | 92 | 118 | 139 | 140 | 135 | 152 | 209 |

(Monthly average from December to November for each year)

