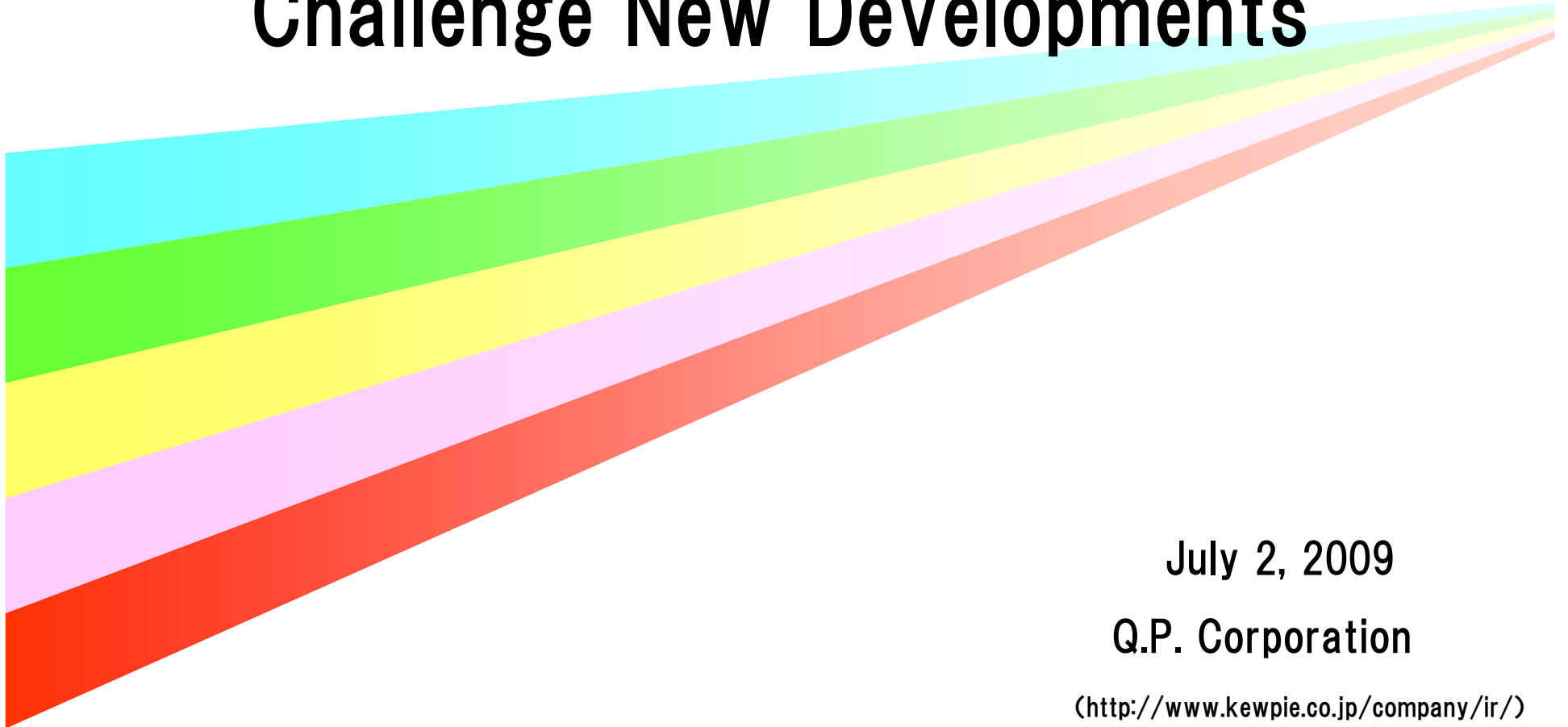


**Q.P. Group's Medium-term Business Plan
(Fiscal 2010-2012)**

**Strengthening of Operating Base and
Challenge New Developments**



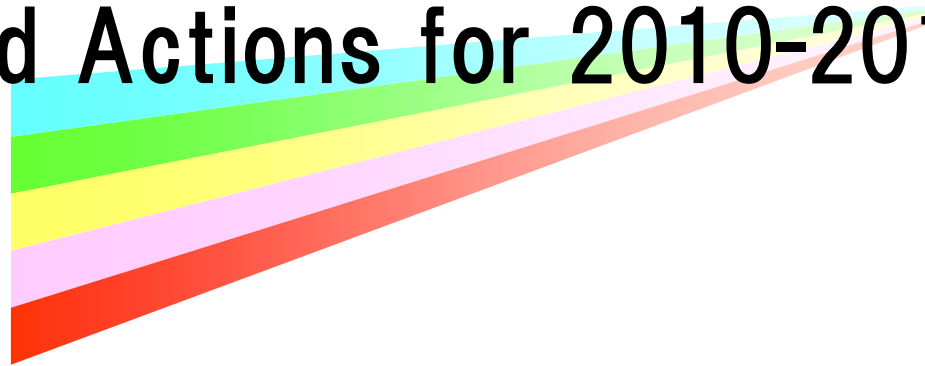
July 2, 2009

Q.P. Corporation

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

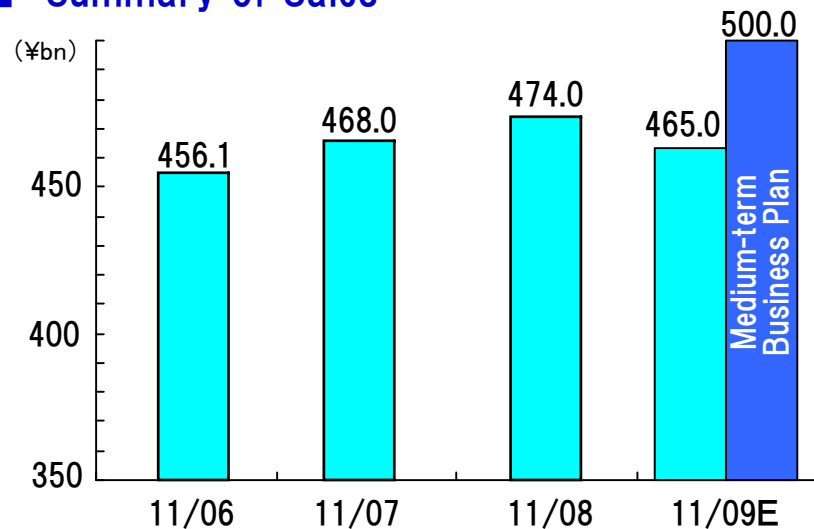
- 1. Overview of 2007-2009 and Actions for 2010-2012**
- 2. Medium-term Business Plan for 2010-2012**
 - Fundamental Policy and Earnings Target
 - Strategy Overview
 - Strategy by Segment
- 3. Reference Materials**

Overview of 2007-2009 and Actions for 2010-2012

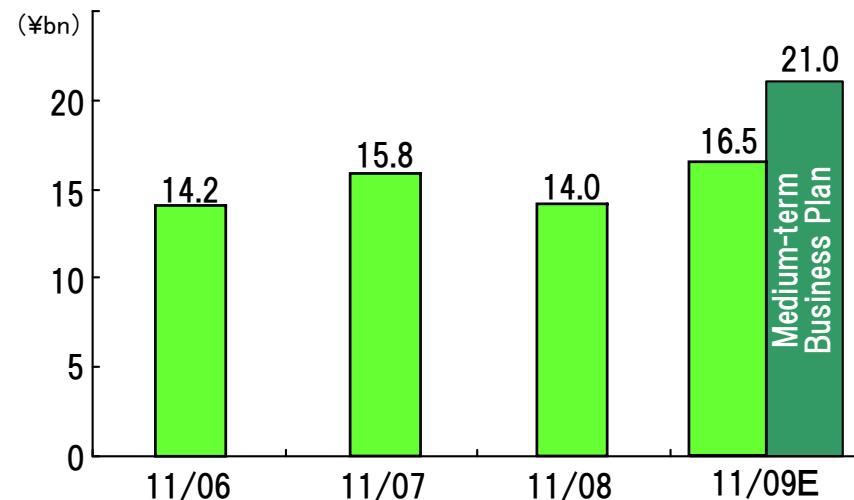


Overview of 2007-2009 Medium-term Business Plan

Summary of Sales



Summary of Operating Income



Major Achievements and Issues of the 2007-2009 Medium-term Business Plan

Achievements

1. Progresses made in cost reduction activities conducted throughout the Group
 - Accumulated reduction for 2007-2009 (estimate): 7.5 billion yen
2. Proposal capabilities enhanced and sales approach improved through promoting salads as main dishes
 - Accumulated reduction in sales promotion expenses over 3 years (estimate): 5.5 billion yen
 - Condiments for salads, our mainstay products, steadily performed amid the difficult environment

* Resulting in further enhancement of Group management

Issues

- * Increase immunity to cost fluctuations in certain raw materials
- * Challenge to growth by accelerating new developments

Business Environment for 2010-2012

Overall Market

Domestic market

Costs of raw materials to remain at a generally high level

Aggregate demand to remain stagnant due to declining birthrate, aging of society and decreasing population

Competition to become more intense in retail and food industries

Overseas market

Market to expand primarily in East Asia

Condiments and Processed Foods Business

- Salad condiments market is forecast to remain flat
- High anticipation for unique condiments and sauces as well as creating demand through new combinations of products

Health Function Products Business

- Expanded demand for health-consciousness and special needs foods expected with maturing society and increase in elderly
- Steady heightening of consumers' interest in skin care, knee joints, moisturizing care, etc.

Egg Products Business

- Slight increase expected in demand of existing product categories
- High demand potential for eggs to enhance "dining" enjoyment in a variety of ways

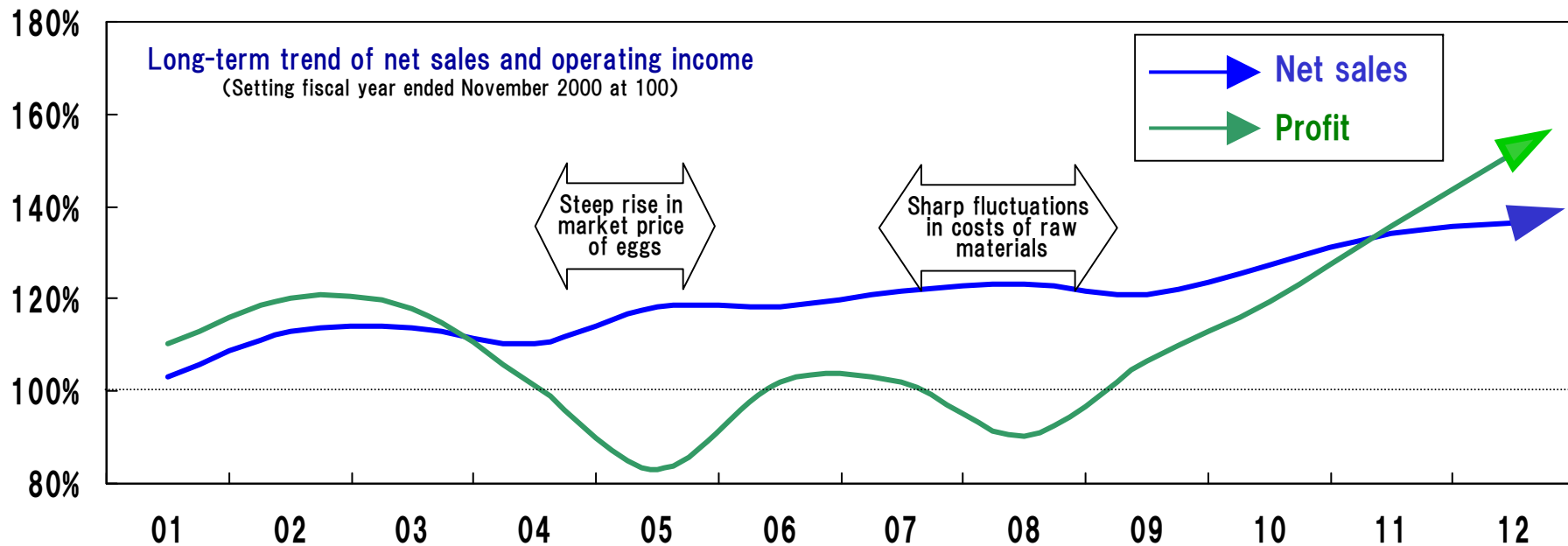
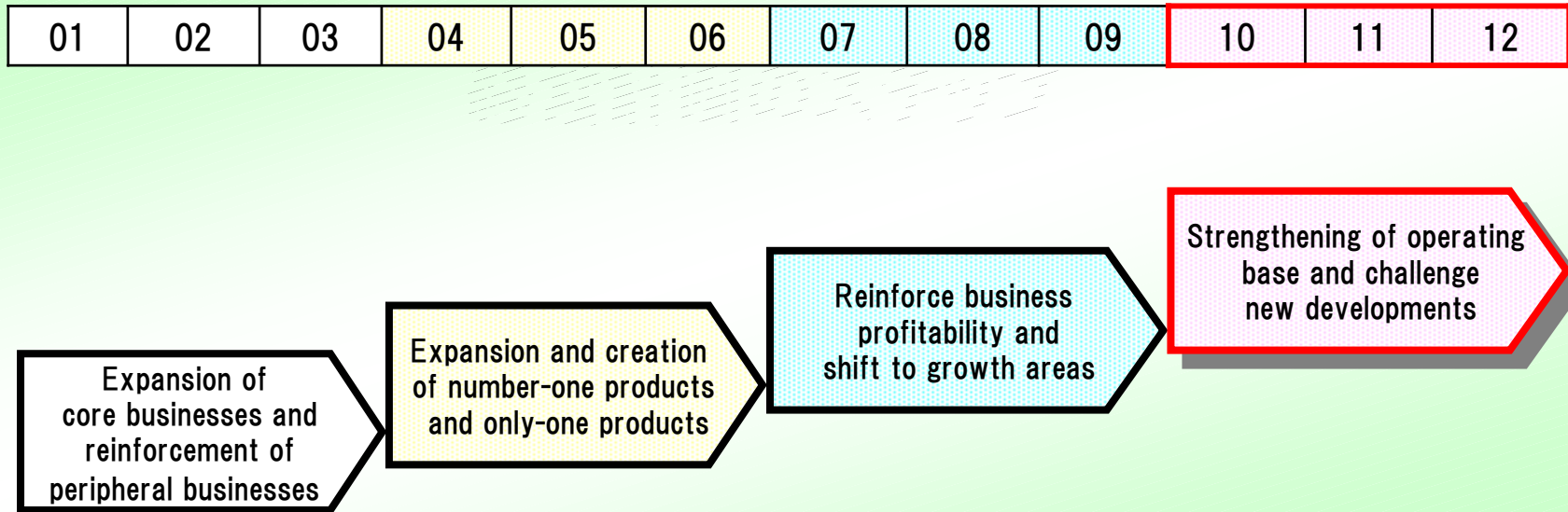
Salad and Prepared Foods Business

- Expanded demand expected for prepared foods and cut vegetables that are tastier, more convenient and safer
- Further heightened expectations for compatibility of nationwide network and maneuverability by area

Distribution Systems Business

- Slight reduction in size expected in overall food distribution
- Further growth in demand for improved quality and efficiency of physical distribution

Expansion and Reinforcement Efforts from 2001 Onwards



2010-2012

Fundamental Policy and Earnings Target



Fundamental Policy and Strategy

Challenge New Developments

Cultivation of the Domestic Market

Expansion in East Asia

Full-Fledged Execution of
Food Service Strategy

Strengthening of Operating Base

Concentration on Core Products

Improvement of Cost Structure
of the Group

Promotion of Development of Human Resources
and Improvement of the Quality of the Group

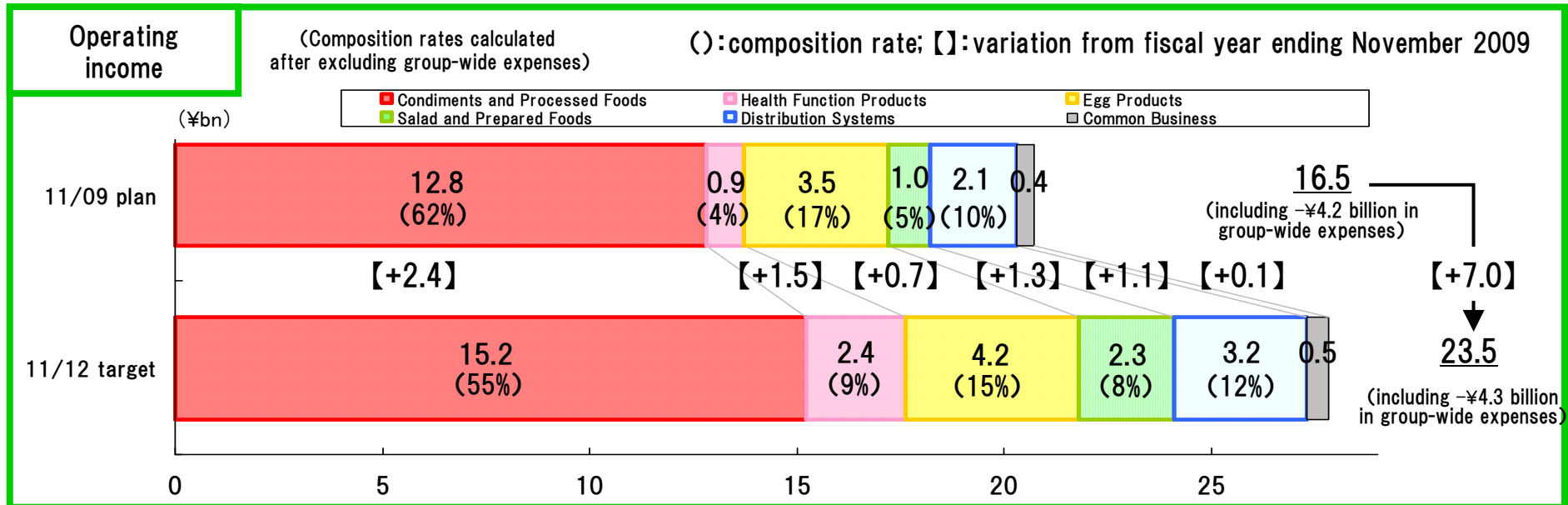
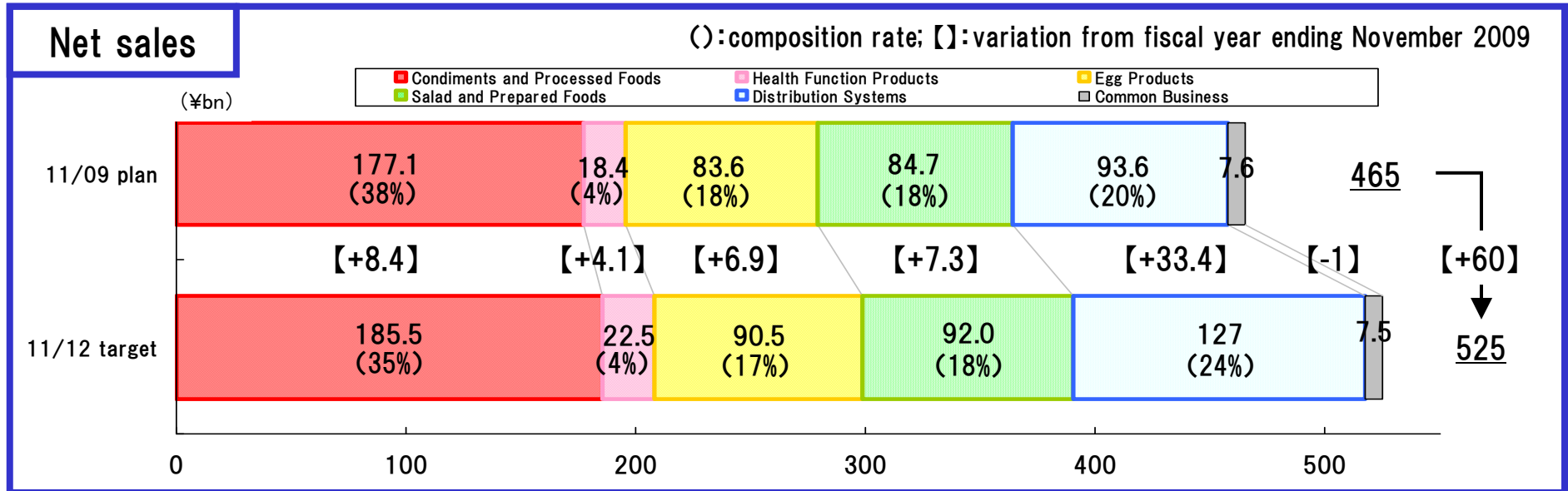
Consolidated Earnings Target

Realizing ¥525 billion in sales and ¥23.5 billion in operating income

	11/09 plan	11/12 target	11/09 difference	Annual average growth
Net sales	¥465.0 bn	¥525.0 bn	¥60.0 bn	4.1%
Operating income	¥16.5 bn	¥23.5 bn	¥7.0 bn	12.5%
Operating income ratio	3.5%	4.5%	+1.0%	—
Ordinary income	¥16.5 bn	¥23.5 bn	¥7.0 bn	12.5%
Net income	¥8.5 bn	¥11.5 bn	¥3.0 bn	10.6%
ROA	5.7%	7.5%	+1.8%	—
	07-09 plan	10-12 estimate		
Capital investments	Around ¥39 bn	Around ¥45 bn		

Targets by Segment

Aim to expand the composition rate of businesses other than Condiments and Processed Foods both in sales and profits

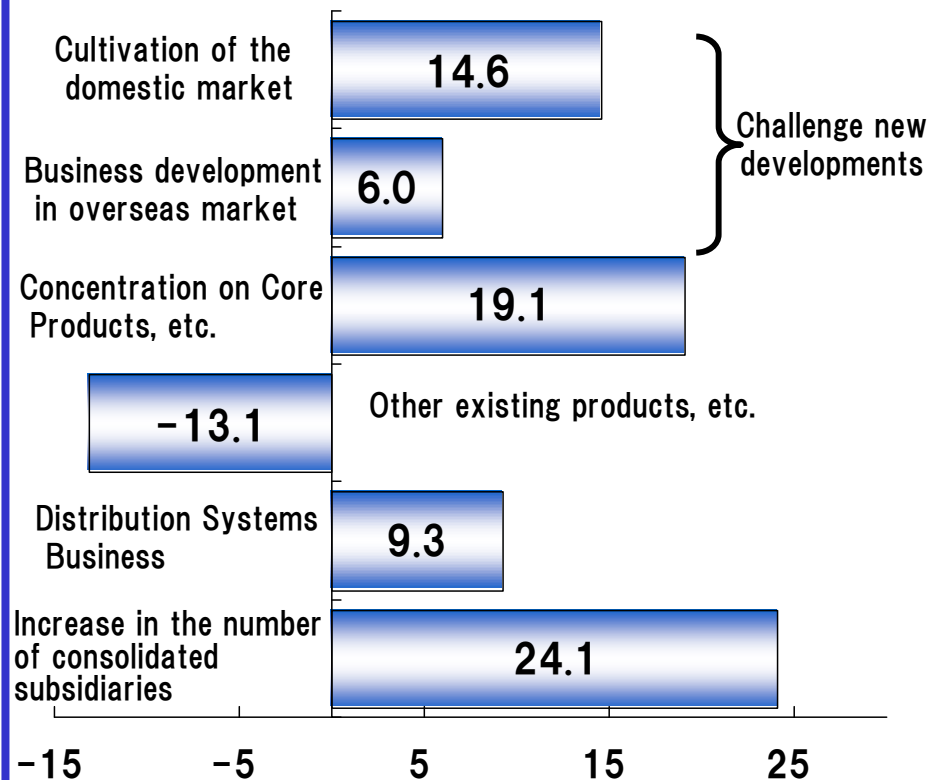


Factors Causing Increase and Decrease in Net Sales and Operating Income

Factors Causing Increase and Decrease in Net Sales

(¥bn)

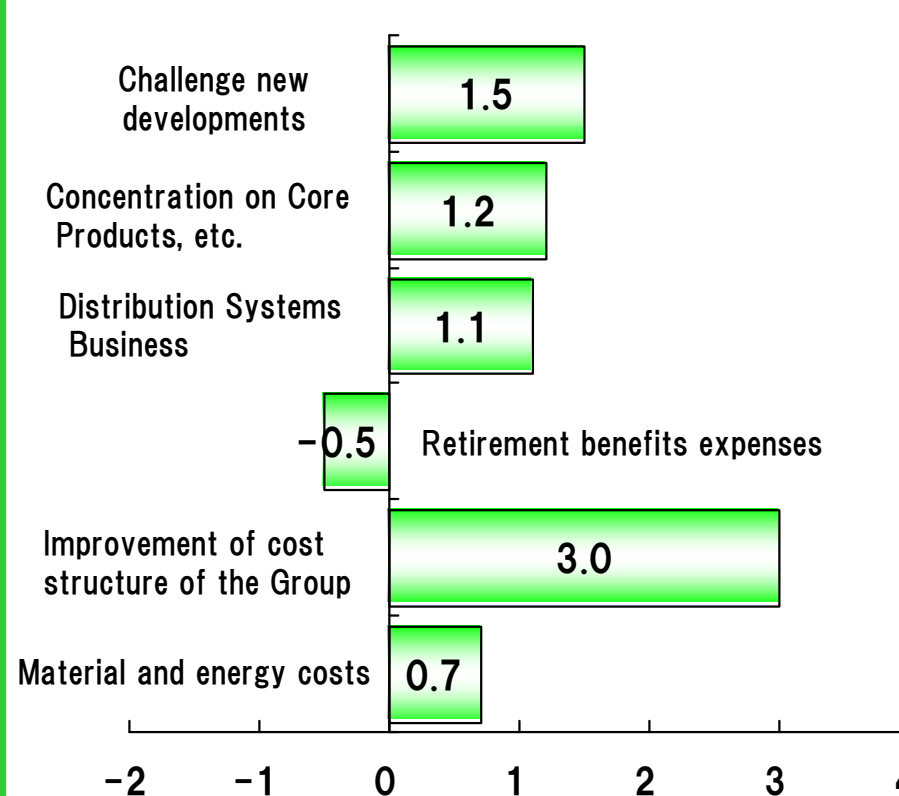
	11/09 plan	11/12 target	Increase
Net sales	465	525	+60



Factors Causing Increase and Decrease in Operating Income

(¥bn)

	11/09 plan	11/12 target	Increase
Operating income	16.5	23.5	+7



2010-2012

Strategy Overview



Strengthening of Operating Base

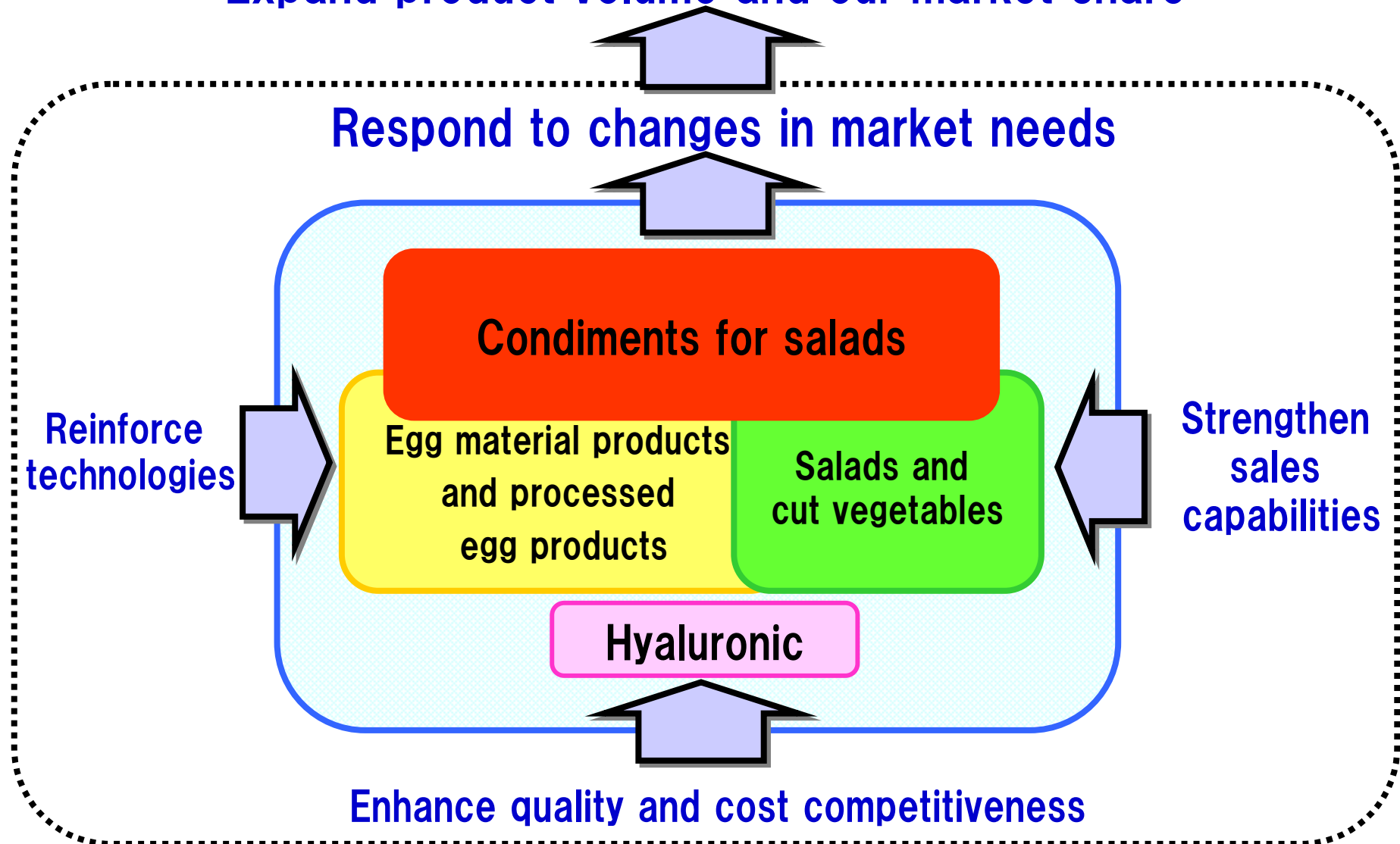
**Concentration on
Core Products**

**Improvement of Cost
Structure of the Group**

Strengthening of Operating Base-1: Concentration on Core Products

Net sales: aim to increase by approximately 20 billion yen

Expand product volume and our market share



Strengthening of Operating Base-2: Improvement of Cost Structure of the Group

Actions in 2007-2009

Reduce overall costs as a group

•Improve yield

•Enhance work efficiency

•Joint purchase of raw materials, etc.



Actions in 2010-2012

Improvement of Cost Structure of the Group

Aim to establish a cost structure that can overcome changes in the market environment

Develop the “Mudadori” activities

(work improvement activities by employees to heighten efficiency and productivity)

Promote activities to improve bottlenecks across business units

Make horizontal deployment of the “recognition” process



Promote endeavors for new activities

Make optimum production allocation

Make marketing efforts more efficient through a shift in sales organization

Enhance work efficiency by developing IT functions throughout the Group

Streamline logistics

Raise productivity through multi-talented workforce and networking human resources

Transform business formats of Group companies and reorganize them

(Decrease in costs by 3 billion yen)

Challenge New Developments

**Cultivation of
the Domestic Market**

Expansion in East Asia

Challenge New Developments-1: Cultivation of the Domestic Market

Blend technologies, products and information of the Group with its sales channels to cultivate latent demand

	Condiments and Processed Foods	Health Function Products	Egg Products	Salad and Prepared Foods
Proliferate into market	<ul style="list-style-type: none"> Effectively utilize the product route flow of perishables and prepared foods to mass-merchandise stores Expand product supply to processed foods and bakery categories by making use of the Group's marketing channels 	<ul style="list-style-type: none"> Expand our original liquid foods and unique supplementary foods to liquid foods 	<ul style="list-style-type: none"> Accelerate the marketing of chilled egg products Start expansion of sales at mass-merchandise stores 	<ul style="list-style-type: none"> Develop new marketing channels into hospitals, medical facilities, etc.
Expand product categories	<ul style="list-style-type: none"> Form a "new sauce world" as the third pillar following mayonnaise and dressings 	<ul style="list-style-type: none"> Apply micro emulsification technology to pharmaceutical use 	<ul style="list-style-type: none"> Expand into a new egg area Challenge adding value to egg whites 	<ul style="list-style-type: none"> Challenge the creation of new categories, such as prepared foods to be cooked with microwave ovens Promote products that utilize the Group's resources in vegetable, fruit and prepared foods corners
Distribution Systems		Expand handling of imported cargo		

- Promote sales through full-fledged execution of the food service strategy
- Push business through reinforcing R&D and technological capabilities

Challenge New Developments-2: Expansion in East Asia

East Asia region

Net sales in 2012: ¥9 billion
(an increase of ¥4 billion from 2009)

Accelerate business expansion in China

Focus on Thailand and expand into neighboring countries

Total net sales outside Japan

Over ¥20 billion in 2012
(an increase of ¥6 billion from 2009)
*Including exports from Japan

Study Malaysian market entry

2010-2012

Strategy by Segment



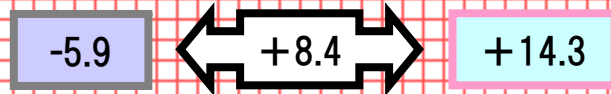
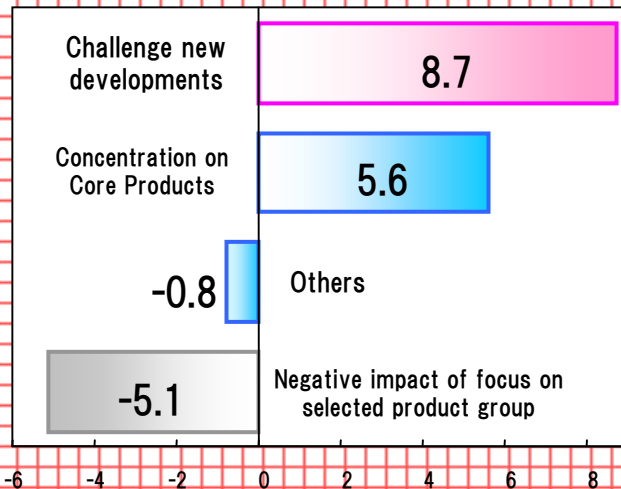
Condiments and Processed Foods Business

Create unique occasions for eating by promotion of products and marketing activities that integrate the Group's strengths

<Earnings Targets>

(¥bn)	2009	2012	Increase
Net sales	177.1	185.5	+8.4
Operating income	12.8	15.2	+2.4
Operating income on sales	7.2%	8.2%	+1.0%

<Factors Causing Increase and Decrease in Net Sales>



Challenge New Developments

Expand the area by deploying its new "sauce world"

- ◇ Promote products that combine "technologies and products" and "information" at which we excel
 - Expand provision of food solutions by utilizing the Group's strength
- ◇ Promote expansion into growth business categories by making use of the Group's marketing channels
 - Expand into ready-made foods market, including mass-merchandise stores, and into processed foods and bakery categories

Expand condiments in East Asia

Strengthening of Operating Base

Further strengthen core products

- ◇ Increase profitability of salad condiments
 - Further promote "salads as main dishes" through a Group-wide coordination
 - Expand health-conscious type products
 - Establish production systems that respond to changes in demand

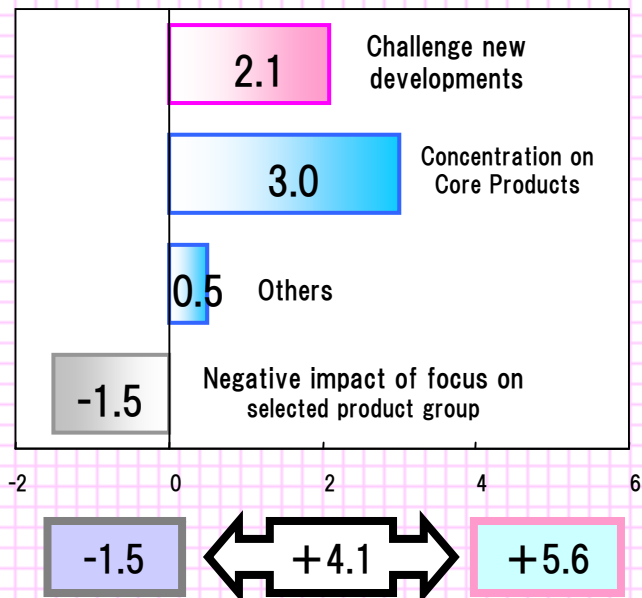
Health Function Products Business

Provide our proprietary products and services with the value of health functions to contribute to society

<Earnings Targets>

(¥bn)	2009	2012	Increase
Net sales	18.4	22.5	+4.1
Operating income	0.9	2.4	+1.5
Operating income on sales	4.9%	10.7%	+5.8%

<Factors Causing Increase and Decrease in Net Sales>



Challenge New Developments

Develop by integration of the proprietary materials and technologies we excel in

- ◇ Apply micro emulsification technology by intensive use of egg-yolk lecithin to pharmaceutical use
 - Conduct consigned production of emulsification products for pharmaceutical use and provide licenses for the technology
- ◇ Expand our original liquid foods with efficient digestibility and unique supplementary foods to liquid foods
 - Expand into liquid food market for home nursing care as well as into hospital facilities

Strengthening of Operating Base

- ◇ Create new markets for hyaluronic acid products
 - Aside from the skin care market, expand use to the market “for bodily moisturization”
 - Improve application capabilities through tie-ups with business partners
- ◇ Expand the market for home nursing care foods
 - Realize prices and convenience that allow consumers to eat them on a daily basis

Egg Products Business

Enhance competitiveness in the existing area and establish an “egg world” by expanding new areas

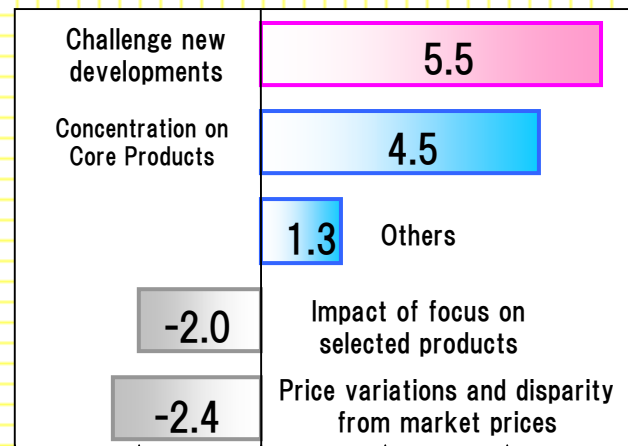
<Earnings Targets>

(¥bn)	2009	2012	Increase
Net sales	83.6	90.5	+6.9
Operating income	3.5	4.2	+0.7
Operating income on sales	4.2%	4.6%	+0.4%

Challenge New Developments

- ◇ Expand into a new egg area
 - Expand uses and develop products for niches that exist between the levels of processing
- ◇ Accelerate the marketing of chilled egg products
- ◇ Promote adding value to egg whites
 - Develop and expand high-quality egg whites

<Factors Causing Increase and Decrease in Net Sales>



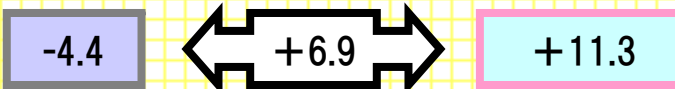
Strengthening of Operating Base

Concentration on Core Products

- ◇ Increase capability to supply and add value to egg materials products
- ◇ Enhance competitiveness of main egg products

Improvement of Cost Structure of the Group

- ◇ Optimize production allocation of raw materials and products
- ◇ Reduce manufacturing cost and operating cost



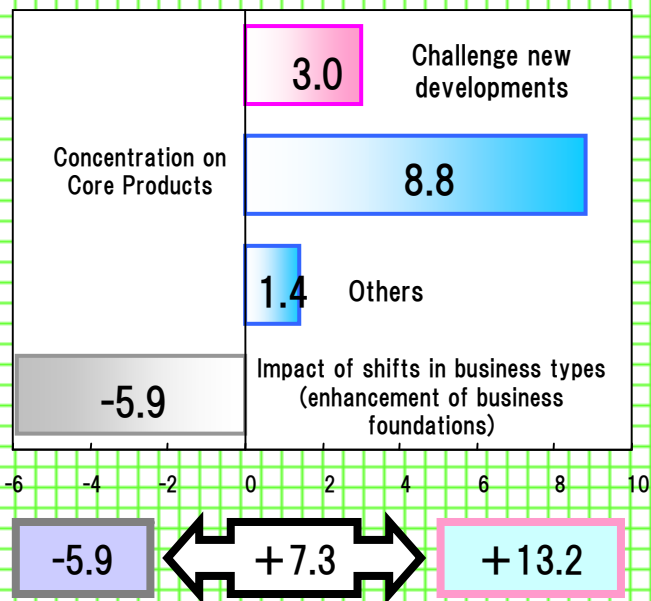
Salad and Prepared Foods Business

Promote the development of new markets by our nationwide network and maneuverability by area

<Earnings Targets>

(¥bn)	2009	2012	Increase
Net sales	84.7	92.0	+7.3
Operating income	1.0	2.3	+1.3
Operating income on sales	1.2%	2.5%	+1.3%

<Factors Causing Increase and Decrease in Net Sales>



Challenge New Developments

- ◇ Promote product development by utilizing the Group's resources
 - Promote new sauces and other products for vegetable, fruit and prepared food corners
- ◇ Challenge the creation of new categories
 - Microwave oven cooked prepared foods, cut fruits, etc.
- ◇ Strengthening development of new marketing channels
 - Hospital facilities, shops housed in railway stations, etc.

Strengthening of Operating Base

- ◇ Enhance competitiveness of salads and cut vegetables to increase market share
- ◇ Promote optimum production allocation by area
 - Promote re-establishment of production processes
 - Continue cost reduction activities
- ◇ Promote the sharing of operating infrastructures

Distribution Systems Business

Create new food distribution by improving the quality, and strengthening the functions, of physical distribution

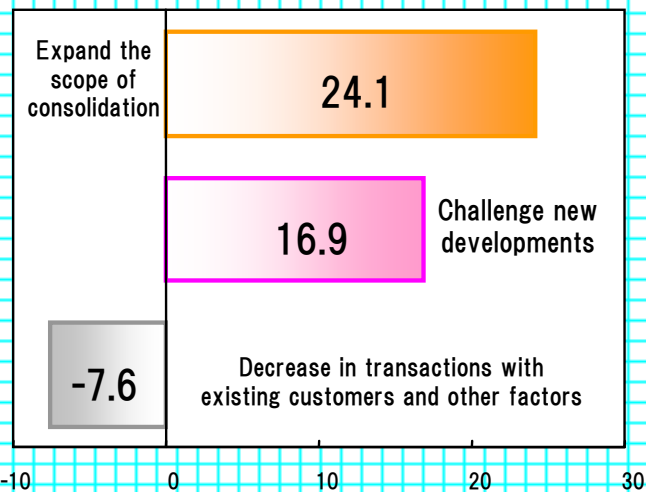
<Earnings Targets>

(¥bn)	2009	2012	Increase
Net sales	93.6	127.0	+33.4
Operating income	2.1	3.2	+1.1
Operating income on sales	2.2%	2.5%	+0.3%

Challenge New Development

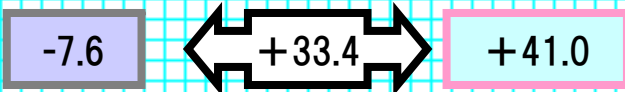
- ◇ Strengthen the capability to provide dedicated distribution services
 - Provide general packaged services
 - Tie up with non-food industry companies
- ◇ Improve infrastructures to handle import cargo
 - Expand customs clearance services and bonded warehouses

<Factors Causing Increase and Decrease in Net Sales>



Strengthening of Operating Base

- ◇ Establish standardization of operations
 - Prepare and enhance service standards and fee systems
 - Firmly establish profitability management for individual customers
- ◇ Restructure distribution functions
 - Strengthen transportation capacities via trunk lines and reduce costs in handling small-lot products
 - Enlarge storage bases in big cities and concentrate local bases
- ◇ Establish IT systems



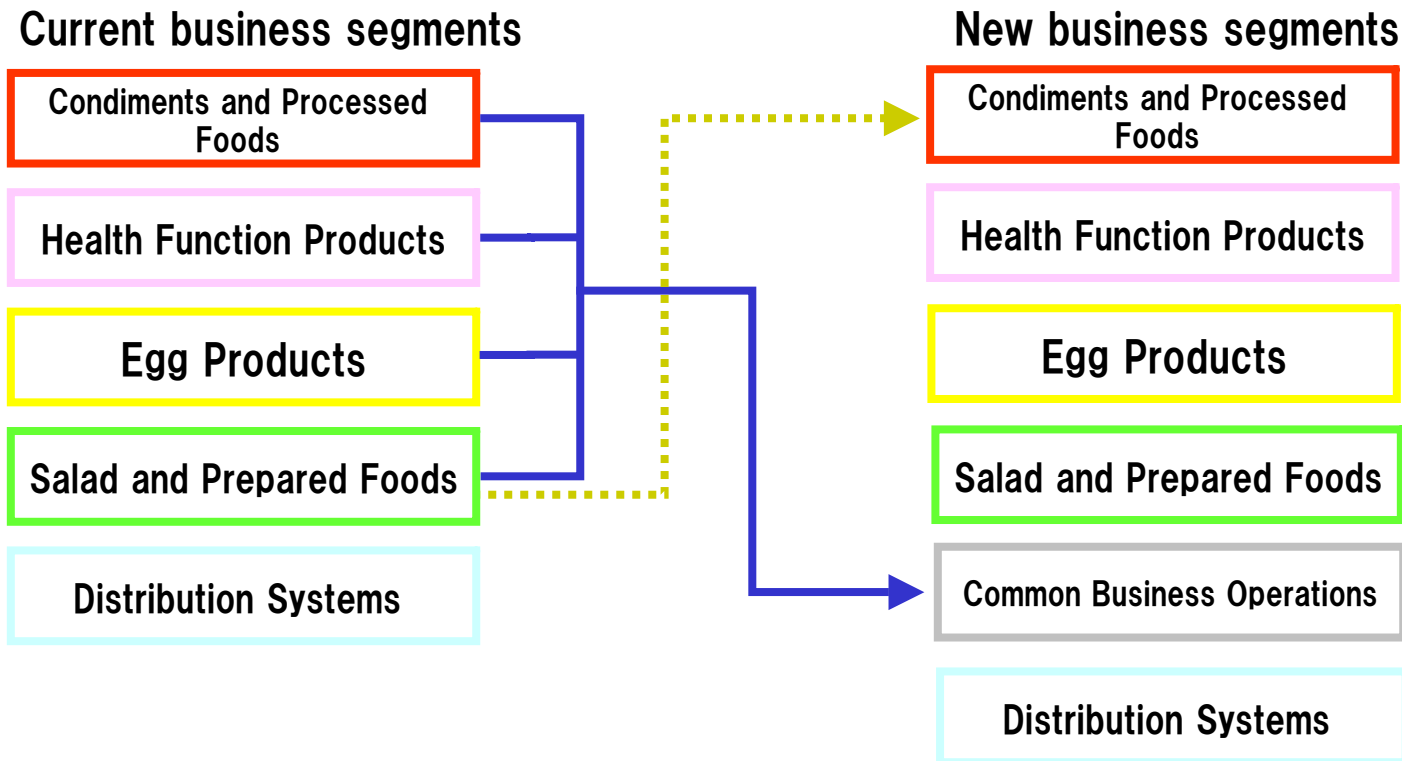
Reference Materials



Changes in Business Segments

Purpose of the change

Earlier, a common-purpose company served each segment for cross-sectional work, but this company has been made into a separate “common business operations” segment to make profits and losses of each segment clearer.



The common-purpose company has been reclassified as the “common business” segment to clarify the scope of operating companies.



Some products in the Salad and Prepared Foods segment have been transferred to the Condiments and Processed Foods segment.

Performance by Segment

(¥bn)

	11/06	11/07	11/08	11/09 Plan	11/12 Plan
《New Business Segments》					
Net sales	456.1	468.0	474.0	465.0	525.0
Operating income	14.2	15.8	14.0	16.5	23.5
Condiment and Processed Foods				177.1	185.5
Health Function Products				128.0	15.2
Egg Products				18.4	22.5
Salad and Prepared Foods				0.9	2.4
Common Business Operations				83.6	90.5
Distribution Systems				3.5	4.2
Elimination/Corporate				84.7	92.0
				1.0	2.3
				7.6	7.5
				0.3	0.5
				93.6	127.0
				2.1	3.2
				(4.2)	(4.3)
《Former Business Segments》					
Net sales	456.1	468.0	474.0	465.0	
Operating income	14.2	15.8	14.0	16.5	
Condiment and Processed Foods	172.2	177.3	177.6	176.6	
Health Function Products	10.3	11.6	9.9	13.2	
Egg Products	17.4	17.5	18.2	18.9	
Salad and Prepared Foods	0.8	1.1	0.8	0.9	
Distribution Systems	82.5	84.8	88.3	85.8	
Elimination/Corporate	2.4	3.2	3.6	3.5	
	94.5	96.2	93.8	90.1	
	1.2	1.9	1.7	1.0	
	89.5	92.2	96.0	93.6	
	3.3	2.2	1.9	2.1	
	(3.8)	(4.0)	(3.9)	(4.2)	

Note: Figures in the upper column are sales, and those in the lower columns are operating income, etc.

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.

Memo

A large rectangular area with a solid black border, containing 18 horizontal dotted lines for writing.