

# Kewpie Corporation

1-4-13 Shibuya, Shibuya-ku, Tokyo 150-0002, Japan Tel:03-3486-3331



## SUMMARY OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE FIRST QUARTER OF THE FISCAL YEAR ENDING NOVEMBER 30, 2013 [JAPAN GAAP]

April 1, 2013

Listed company name: Kewpie Corporation  
Listed exchange: Tokyo Stock Exchange  
Security code number: 2809  
URL: <http://www.kewpie.co.jp/english/>  
Representative: Minesaburo Miyake, President and Representative Director  
Contact: Nobuo Inoue,  
Director and General Manager of Operation Promote Department

Scheduled date for filing quarterly securities report: April 12, 2013

Scheduled date for dividend payment: -

Quarterly supplementary data: Yes

Quarterly results briefing: None

(Amounts are rounded down to the nearest million yen.)

### 1. Consolidated business results for the first quarter of the fiscal year ending November 30, 2013 (From December 1, 2012 to February 28, 2013)

#### (1) Consolidated operating results (Accumulated)

(Percentage figures represent changes from the same period of the previous year.)

|   | Net sales       |     | Operating income |        | Ordinary income |        | Net income      |        |
|---|-----------------|-----|------------------|--------|-----------------|--------|-----------------|--------|
|   | Millions of yen | %   | Millions of yen  | %      | Millions of yen | %      | Millions of yen | %      |
| Three months ended<br>February 28, 2013 | 124,926         | 4.2 | 3,902            | (21.5) | 4,307           | (17.6) | 2,279           | (32.5) |
| Three months ended<br>February 29, 2012 | 119,931         | 3.7 | 4,968            | 19.9   | 5,224           | 17.7   | 3,378           | 52.9   |

(Note) Comprehensive income: Three months ended February 28, 2013 ¥5,071 million (Increase of 5.6%)  
Three months ended February 29, 2012 ¥4,802 million (Increase of 85.7%)

|   | Net income<br>per share | Net income<br>per share - diluted |
|---|-------------------------|-----------------------------------|
|   | Yen                     | Yen                               |
| Three months ended<br>February 28, 2013 | 15.22                   | -                                 |
| Three months ended<br>February 29, 2012 | 22.56                   | -                                 |

#### (2) Consolidated financial position

|                         | Total assets    | Net assets      | Equity ratio |
|-------------------------|-----------------|-----------------|--------------|
|                         | Millions of yen | Millions of yen | %            |
| As of February 28, 2013 | 300,848         | 199,133         | 57.8         |
| As of November 30, 2012 | 306,515         | 195,928         | 55.8         |

(Reference) Shareholder's equity: As of February 28, 2013 ¥173,831 million  
As of November 30, 2012 ¥170,936 million

### 2. Dividends

|                             | Annual dividend per share |                       |                       |          |       |
|-----------------------------|---------------------------|-----------------------|-----------------------|----------|-------|
|                             | End of 1st<br>quarter     | End of 2nd<br>quarter | End of 3rd<br>quarter | Year-end | Total |
|                             | Yen                       | Yen                   | Yen                   | Yen      | Yen   |
| Fiscal year 2012            | -                         | 9.50                  | -                     | 10.50    | 20.00 |
| Fiscal year 2013            | -                         |                       |                       |          |       |
| Fiscal year 2013 (forecast) |                           | 11.00                 | -                     | 11.00    | 22.00 |

(Note) Revision to the recently published forecast of dividends: None

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### 3. Forecasts of consolidated operating results for the fiscal year ending November 30, 2013 (From December 1, 2012 to November 30, 2013)

(Percentage figures represent changes from the same period of the previous year.)

|                                | Net sales       |     | Operating income |     | Ordinary income |       | Net income      |        | Net income per share |
|--------------------------------|-----------------|-----|------------------|-----|-----------------|-------|-----------------|--------|----------------------|
|                                | Millions of yen | %   | Millions of yen  | %   | Millions of yen | %     | Millions of yen | %      | Yen                  |
| Six months ending May 31, 2013 | 258,000         | 3.9 | 12,000           | 2.8 | 12,200          | 0.7   | 6,200           | (13.4) | 41.41                |
| Year ending November 30, 2013  | 520,000         | 3.0 | 23,500           | 0.6 | 23,900          | (2.3) | 12,500          | 1.7    | 83.49                |

(Note) Revision to the recently published forecast of consolidated operating results: None

### 4. Notes

(1) Changes in significant subsidiaries during the current quarter (Changes in specific subsidiaries resulting in the change in the scope of consolidation): None

(2) Application of special accounting treatments for the preparation of quarterly consolidated financial statements: None

(3) Changes in accounting policies and estimates, and restatements

a) Changes in accounting policies due to revision of accounting standards: Yes

b) Changes in accounting policies due to reasons other than "a)" (above): None

c) Changes in accounting estimates: Yes

d) Restatements: None

(Changes in accounting policies which are difficult to distinguish from changes in accounting estimates)

Effective from the first-quarter period of the fiscal year ending November 30, 2013, the Company and its domestic consolidated subsidiaries changed the depreciation method for the relevant tangible assets newly acquired on or after December 1, 2012 according to the amendment to the Corporation Tax Act of Japan.

However, this change had only minor impact on operating income, ordinary income and income before income taxes and minority interests in the three-month period ended February 28, 2013.

(4) Number of issued shares (common stock)

a) Number of issued shares at the end of each period (including treasury stock):

February 28, 2013 153,000,000 shares

November 30, 2012 153,000,000 shares

b) Number of treasury stock at the end of each period:

February 28, 2013 3,276,641 shares

November 30, 2012 3,276,258 shares

c) Average number of issued shares during each period:

December 1, 2012 to February 28, 2013 149,723,524 shares

December 1, 2011 to February 29, 2012 149,725,870 shares

\*Status of implementation of quarterly review procedures

This summary of consolidated financial statements is outside the scope of the quarterly review procedures based on the Financial Instruments and Exchange Act. As of the time of its disclosure, review procedures for quarterly financial statements based on the Financial Instruments and Exchange Act have not been completed.

\*Statement for an appropriate usage of the forecasts of operating results and other special notes

The forecasts and other forward looking statements contained in this summary are based on the information currently available to the Company and certain assumptions considered reasonable by the Company. In other words, they are not guaranteed to be achieved by the Company. As a result, the forecasts of operating results may differ significantly from the actual operating results due to various factors.

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## I. Consolidated financial statements for the first quarter

### 1. Consolidated Balance Sheets

|   | Previous fiscal year<br>(As of November 30, 2012) | Current first quarter<br>(As of February 28, 2013) |
|---|---|--|
| (Millions of yen)                         |   |  |
| <b>Assets</b>                             |   |  |
| Current assets                            |   |  |
| Cash and deposits                         | 33,394  | 24,944   |
| Notes and accounts receivable - trade     | 66,684  | 62,923   |
| Securities                                | 10,000  | 10,000   |
| Purchased goods and products              | 11,553  | 12,652   |
| Work in process                           | 1,163   | 767  |
| Raw materials and supplies                | 5,190   | 5,720  |
| Other                                     | 5,184   | 5,689  |
| Allowances for doubtful accounts          | (152)   | (164)  |
| <b>Total current assets</b>               | <b>133,018</b>                                    | <b>122,533</b>                                     |
| Fixed assets                              |   |  |
| Tangible fixed assets                     |   |  |
| Buildings and structures                  | 130,277   | 130,401  |
| Accumulated depreciation                  | (81,977)  | (82,234)   |
| Net book value                            | 48,300  | 48,166   |
| Machinery, equipment and vehicles         | 129,574   | 130,891  |
| Accumulated depreciation                  | (106,641)   | (108,134)  |
| Net book value                            | 22,933  | 22,757   |
| Land                                      | 42,129  | 42,736   |
| Construction in progress                  | 5,864   | 8,038  |
| Other                                     | 14,883  | 15,163   |
| Accumulated depreciation                  | (9,533)   | (9,948)  |
| Net book value                            | 5,349   | 5,215  |
| <b>Total tangible fixed assets</b>        | <b>124,577</b>                                    | <b>126,914</b>                                     |
| Intangible fixed assets                   | 2,405   | 2,627  |
| Investments and other assets              |   |  |
| Investment securities                     | 20,051  | 22,396   |
| Prepaid pension costs                     | 15,951  | 15,881   |
| Other                                     | 11,091  | 11,074   |
| Allowances for doubtful accounts          | (580)   | (579)  |
| <b>Total investments and other assets</b> | <b>46,514</b>                                     | <b>48,772</b>                                      |
| <b>Total fixed assets</b>                 | <b>173,496</b>                                    | <b>178,314</b>                                     |
| <b>Total assets</b>                       | <b>306,515</b>                                    | <b>300,848</b>                                     |

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(Millions of yen)

|   | Previous fiscal year<br>(As of November 30, 2012) | Current first quarter<br>(As of February 28, 2013) |
|---|---|--|
| <b>Liabilities</b>                              |   |  |
| Current liabilities                             |   |  |
| Notes and accounts payable - trade              | 41,715  | 40,775   |
| Short-term loans payable                        | 8,197   | 9,776  |
| Accrued income taxes                            | 6,692   | 2,049  |
| Reserves  | 2,130   | 4,714  |
| Other   | 27,146  | 17,848   |
| Total current liabilities                       | 85,882  | 75,164   |
| Non-current liabilities                         |   |  |
| Bonds   | 10,000  | 10,000   |
| Long-term loans payable                         | 799   | 2,184  |
| Reserves  | 2,595   | 2,643  |
| Asset retirement obligations                    | 342   | 337  |
| Other   | 10,968  | 11,384   |
| Total non-current liabilities                   | 24,705  | 26,550   |
| Total liabilities                               | 110,587   | 101,714  |
| <b>Net assets</b>                               |   |  |
| Shareholders' equity                            |   |  |
| Paid-in-capital                                 | 24,104  | 24,104   |
| Capital surplus                                 | 29,434  | 29,434   |
| Earned surplus                                  | 123,143   | 123,850  |
| Treasury stock                                  | (3,389)   | (3,389)  |
| Total shareholders' equity                      | 173,292   | 173,999  |
| Accumulated other comprehensive income          |   |  |
| Unrealized holding gains (losses) on securities | 2,646   | 4,031  |
| Unrealized gains (losses) on hedges             | 7   | 6  |
| Foreign currency translation adjustments        | (5,009)   | (4,205)  |
| Total accumulated other comprehensive income    | (2,355)   | (167)  |
| Minority interests                              | 24,991  | 25,302   |
| Total net assets                                | 195,928   | 199,133  |
| Total liabilities and net assets                | 306,515   | 300,848  |

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## 2. Consolidated Statements of Income and Consolidated Statements of Comprehensive Income

(Consolidated Statements of Income)

(Three months ended February 28, 2013)

|   | (Millions of yen)   |  |
|---|---|--|
|   | Previous first quarter<br>(From December 1, 2011<br>to February 29, 2012) | Current first quarter<br>(From December 1, 2012<br>to February 28, 2013) |
| Net sales   | 119,931   | 124,926  |
| Cost of sales                                     | 90,768  | 96,279   |
| Gross profit                                      | 29,162  | 28,646   |
| Selling, general and administrative expenses      | 24,194  | 24,744   |
| Operating income                                  | 4,968   | 3,902  |
| Non-operating income                              |   |  |
| Interest income                                   | 43  | 36   |
| Dividends income                                  | 103   | 99   |
| Equity in earnings of affiliates                  | 45  | 62   |
| Foreign exchange gains                            | 25  | 98   |
| Other   | 166   | 193  |
| Total non-operating income                        | 385   | 491  |
| Non-operating expenses                            |   |  |
| Interest expenses                                 | 38  | 60   |
| Bond issuance cost                                | 52  | -  |
| Other   | 37  | 26   |
| Total non-operating expenses                      | 128   | 86   |
| Ordinary income                                   | 5,224   | 4,307  |
| Extraordinary gains                               |   |  |
| Gains on sales of fixed assets                    | 14  | 18   |
| Insurance income                                  | 324   | -  |
| Compensation income                               | 146   | -  |
| Other   | 46  | 0  |
| Total extraordinary gains                         | 531   | 18   |
| Extraordinary losses                              |   |  |
| Losses on disposal of fixed assets                | 141   | 121  |
| Other   | 0   | 25   |
| Total extraordinary losses                        | 142   | 146  |
| Income before income taxes and minority interests | 5,614   | 4,179  |
| Income taxes                                      | 1,661   | 1,568  |
| Income before minority interests                  | 3,952   | 2,611  |
| Minority interests                                | 574   | 332  |
| Net income  | 3,378   | 2,279  |

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## (Consolidated Statements of Comprehensive Income) (Three months ended February 28, 2013)

|  | (Millions of yen)   |  |
|--|---|--|
|  | Previous first quarter<br>(From December 1, 2011<br>to February 29, 2012) | Current first quarter<br>(From December 1, 2012<br>to February 28, 2013) |
| Income before minority interests   | 3,952   | 2,611  |
| Other comprehensive income   |   |  |
| Unrealized holding gains (losses) on securities  | 741   | 1,443  |
| Unrealized gains (losses) on hedges  | 9   | (9)  |
| Foreign currency translation adjustments   | 97  | 1,022  |
| Share of other comprehensive income of affiliates<br>accounted for using equity method | 0   | 2  |
| Total other comprehensive income   | 849   | 2,459  |
| Comprehensive income   | 4,802   | 5,071  |
| (Breakdown)  |   |  |
| Comprehensive income attributable to owners of the<br>parent                           | 4,177   | 4,467  |
| Comprehensive income attributable to minority interests                                | 625   | 604  |



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## 3. Consolidated Statements of Cash Flows

|  | (Millions of yen)   |  |
|--|---|--|
|  | Previous first quarter<br>(From December 1, 2011<br>to February 29, 2012) | Current first quarter<br>(From December 1, 2012<br>to February 28, 2013) |
| <b>Cash flows from operating activities</b>                          |   |  |
| Income before income taxes and minority interests                    | 5,614   | 4,179  |
| Depreciation and amortization  | 3,201   | 3,312  |
| Equity in losses (earnings) of affiliates                            | (45)  | (62)   |
| Losses (gains) on valuation of investment securities                 | -   | 6  |
| Increase (decrease) in reserves                                      | 2,564   | 2,579  |
| Decrease (increase) in prepaid pension costs                         | 338   | 69   |
| Interest and dividends income  | (147)   | (136)  |
| Interest expenses  | 38  | 60   |
| Losses (gains) on sales and disposal of fixed assets                 | 127   | 102  |
| Decrease (increase) in notes and accounts receivable - trade         | 3,435   | 4,119  |
| Decrease (increase) in inventories                                   | (713)   | (1,011)  |
| Increase (decrease) in notes and accounts payable - trade            | (178)   | (1,006)  |
| Other  | (6,948)   | (6,847)  |
| <b>Subtotal</b>  | <b>7,287</b>  | <b>5,366</b>   |
| Interest and dividends income received                               | 181   | 165  |
| Interest paid  | (33)  | (75)   |
| Income taxes paid  | (3,109)   | (6,703)  |
| <b>Net cash provided by (used in) operating activities</b>           | <b>4,326</b>  | <b>(1,247)</b>   |
| <b>Cash flows from investing activities</b>                          |   |  |
| Purchases of tangible fixed assets                                   | (3,180)   | (7,498)  |
| Purchases of intangible fixed assets                                 | (50)  | (380)  |
| Purchases of investment securities                                   | (109)   | (206)  |
| Proceeds from redemption of investment securities                    | 1,000   | -  |
| Payments of loans receivable   | (15)  | (31)   |
| Collection of loans receivable                                       | 193   | 46   |
| Other  | (165)   | (198)  |
| <b>Net cash provided by (used in) investing activities</b>           | <b>(2,328)</b>  | <b>(8,268)</b>   |
| <b>Cash flows from financing activities</b>                          |   |  |
| Net increase (decrease) in short-term loans payable                  | 778   | 1,954  |
| Proceeds from long-term loans payable                                | 500   | 1,600  |
| Repayment of long-term loans payable                                 | (122)   | (620)  |
| Proceeds from issuance of bonds                                      | 9,947   | -  |
| Cash dividends paid  | (1,347)   | (1,572)  |
| Cash dividends paid to minority shareholders                         | (236)   | (287)  |
| Repurchase of shares   | (0)   | (0)  |
| Other  | (200)   | (258)  |
| <b>Net cash provided by (used in) financing activities</b>           | <b>9,318</b>  | <b>816</b>   |
| <b>Effects of exchange rate changes on cash and cash equivalents</b> | <b>30</b>   | <b>257</b>   |
| Increase (decrease) in cash and cash equivalents                     | 11,347  | (8,442)  |
| <b>Cash and cash equivalents at the beginning of the period</b>      | <b>24,509</b>   | <b>40,387</b>  |
| <b>Cash and cash equivalents at the end of the period</b>            | <b>35,856</b>   | <b>31,944</b>  |

## 4. Notes regarding assumption of a going concern

Not applicable.

## 5. Notes regarding the significant changes in the amount of shareholders' equity

Not applicable.



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## 6. Segment information

### (1) Previous first quarter (From December 1, 2011 to February 29, 2012)

Information on net sales and profit or loss by reported segment

(Millions of yen)

|   | Condi-<br>ments<br>products | Egg<br>products | Delica-<br>tessen<br>products | Processed<br>foods | Fine<br>chemical<br>products | Distribution<br>system | Common<br>business<br>operations | Total   | Adjustments | Amount<br>reported on the<br>consolidated<br>statements of<br>income<br>(Note) |
|---|-----------------------------|-----------------|-------------------------------|--------------------|------------------------------|------------------------|----------------------------------|---------|-------------|--|
| Net sales                                 |                             |                 |                               |                    |                              |                        |                                  |         |             |  |
| Net sales<br>to outside<br>customers      | 32,805                      | 21,090          | 20,919                        | 13,950             | 1,674                        | 28,059                 | 1,431                            | 119,931 | -           | 119,931  |
| Intersegment<br>net sales<br>or transfers | 807                         | 1,235           | 79                            | 407                | 107                          | 5,665                  | 2,264                            | 10,566  | (10,566)    | -  |
| Total                                     | 33,612                      | 22,325          | 20,998                        | 14,357             | 1,782                        | 33,724                 | 3,696                            | 130,498 | (10,566)    | 119,931  |
| Profit (loss) of<br>the segment           | 2,301                       | 1,330           | 538                           | (291)              | 193                          | 652                    | 242                              | 4,967   | 0           | 4,968  |

(Note) Adjustments are made between the "Profit (loss) of the segment" and the "Operating income" reported in the consolidated statements of income.

### (2) Current first quarter (From December 1, 2012 to February 28, 2013)

a) Information on net sales and profit or loss by reported segment

(Millions of yen)

|   | Condi-<br>ments<br>products | Egg<br>products | Delica-<br>tessen<br>products | Processed<br>foods | Fine<br>chemical<br>products | Distribution<br>system | Common<br>business<br>operations | Total   | Adjustments | Amount<br>reported on the<br>consolidated<br>statements of<br>income<br>(Note) |
|---|-----------------------------|-----------------|-------------------------------|--------------------|------------------------------|------------------------|----------------------------------|---------|-------------|--|
| Net sales                                 |                             |                 |                               |                    |                              |                        |                                  |         |             |  |
| Net sales<br>to outside<br>customers      | 33,085                      | 21,846          | 22,737                        | 13,784             | 2,267                        | 28,433                 | 2,770                            | 124,926 | -           | 124,926  |
| Intersegment<br>net sales<br>or transfers | 841                         | 1,402           | 77                            | 439                | 87                           | 5,624                  | 2,210                            | 10,682  | (10,682)    | -  |
| Total                                     | 33,927                      | 23,249          | 22,814                        | 14,224             | 2,354                        | 34,057                 | 4,980                            | 135,609 | (10,682)    | 124,926  |
| Profit (loss) of<br>the segment           | 2,330                       | 647             | 398                           | (397)              | 325                          | 255                    | 343                              | 3,902   | (0)         | 3,902  |

(Note) Adjustments are made between the "Profit (loss) of the segment" and the "Operating income" reported in the consolidated statements of income.

#### b) Changes in the reported segments

In order to speed up business operations and increase profitability, the reported segments have been reclassified from the current first quarter. As a result, the following changes have been made in the reported segments.

- Dividing "Condiments and processed foods" into "Condiments products" and "Processed foods"
- Transferring Health-care division from "Health function products" to "Processed foods"
- Establishing "Fine chemical products" that was previously categorized as Fine chemical division in "Health function products"
- Transferring some product lines from "Health function products" to "Condiments products", as well as some from "Salads and prepared foods" to "Processed foods".

Additionally, from the current first quarter, according to the changes of the Company's governing structure, the method for calculating the amounts of profit (loss) of the reported segments have been changed. The main changes are to distribute the adjustments (which mainly include expenses pertaining to the Company's administration departments and consolidated subsidiaries K. System Co., Ltd. and Kewpie Ai Co., Ltd.) to the reported segments proportionally on the net sales basis.

Also, segment information on the previous first quarter was made in accordance with the reclassified reported segments.

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## II. Supplementary data

- (Notes)
1. Fraction errors may occur due to rounding figures less than 100 million.
  2. The forecast information in this supplementary data is reported based on available information as of the date hereof and assumptions on uncertain factors which may have an effect on the future operating results. It may differ significantly from the actual operating results due to various factors.
  3. The business segments have been changed from the fiscal year 2013 as follows: the former Condiments and processed foods business is divided into Condiments products business and Processed foods business; Fine chemical products business is newly established, which was previously categorized as Fine chemical division of Health function products business; and Health care division of the former Health function products business is transferred to Processed foods business. Figures of the fiscal year 2012 in "New business segment" are reclassified in accordance with the new segment classification.

### 1. Summary of net sales

#### (1) Former business segments

(Billions of yen)

|                        | Segment                        | 1st quarter | 2nd quarter | 2nd quarter<br>(Accumulated) | 3rd quarter | 3rd quarter<br>(Accumulated) | 4th quarter | Year  |
|------------------------|--------------------------------|-------------|-------------|------------------------------|-------------|------------------------------|-------------|-------|
| Fiscal<br>Year<br>2011 | Condiments and processed foods | 41.2        | 44.5        | 85.7                         | 44.5        | 130.2                        | 43.3        | 173.5 |
|                        | Health function products       | 4.2         | 5.0         | 9.2                          | 4.3         | 13.5                         | 5.0         | 18.5  |
|                        | Egg products                   | 21.0        | 22.1        | 43.1                         | 21.0        | 64.1                         | 21.6        | 85.7  |
|                        | Salads and prepared foods      | 19.4        | 20.8        | 40.2                         | 23.2        | 63.4                         | 22.4        | 85.8  |
|                        | Common business operations     | 1.4         | 1.5         | 2.9                          | 1.4         | 4.3                          | 1.5         | 5.8   |
|                        | Distribution system            | 28.4        | 29.2        | 57.6                         | 30.0        | 87.6                         | 29.5        | 117.1 |
|                        | Total                          | 115.7       | 123.0       | 238.7                        | 124.5       | 363.2                        | 123.2       | 486.4 |
| Fiscal<br>Year<br>2012 | Condiments and processed foods | 43.0        | 47.0        | 90.0                         | 47.1        | 137.1                        | 44.3        | 181.4 |
|                        | Health function products       | 4.0         | 4.5         | 8.5                          | 4.8         | 13.3                         | 5.1         | 18.4  |
|                        | Egg products                   | 21.1        | 21.7        | 42.8                         | 20.7        | 63.5                         | 22.1        | 85.6  |
|                        | Salads and prepared foods      | 22.4        | 24.8        | 47.2                         | 26.1        | 73.3                         | 24.4        | 97.7  |
|                        | Common business operations     | 1.4         | 1.6         | 3.0                          | 1.4         | 4.4                          | 1.8         | 6.2   |
|                        | Distribution system            | 28.1        | 28.8        | 56.9                         | 29.4        | 86.3                         | 29.4        | 115.7 |
|                        | Total                          | 119.9       | 128.5       | 248.4                        | 129.5       | 377.9                        | 127.1       | 505.0 |

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## (2) New business segments

(Billions of yen)

|                               | Segment                    | 1st quarter | 2nd quarter | 2nd quarter<br>(Accumulated) | 3rd quarter | 3rd quarter<br>(Accumulated) | 4th quarter | Year  |
|-------------------------------|----------------------------|-------------|-------------|------------------------------|-------------|------------------------------|-------------|-------|
| Fiscal<br>Year<br>2012<br>(A) | Condiments products        | 32.8        | 35.7        | 68.5                         | 36.5        | 104.9                        | 33.6        | 138.6 |
|                               | Egg products               | 21.1        | 21.7        | 42.8                         | 20.7        | 63.5                         | 22.1        | 85.6  |
|                               | Delicatessen products      | 20.9        | 23.2        | 44.1                         | 24.6        | 68.7                         | 22.8        | 91.6  |
|                               | Processed foods            | 14.0        | 15.6        | 29.6                         | 14.7        | 44.3                         | 14.8        | 59.1  |
|                               | Fine chemical products     | 1.7         | 1.9         | 3.6                          | 2.3         | 5.8                          | 2.5         | 8.3   |
|                               | Distribution system        | 28.1        | 28.8        | 56.9                         | 29.4        | 86.3                         | 29.4        | 115.7 |
|                               | Common business operations | 1.4         | 1.6         | 3.0                          | 1.4         | 4.4                          | 1.8         | 6.2   |
|                               | Total                      | 119.9       | 128.5       | 248.4                        | 129.5       | 377.9                        | 127.1       | 505.0 |
| Fiscal<br>Year<br>2013<br>(B) | Condiments products        | 33.1        |             |                              |             |                              |             | 145.0 |
|                               | Egg products               | 21.8        |             |                              |             |                              |             | 87.0  |
|                               | Delicatessen products      | 22.7        |             |                              |             |                              |             | 93.0  |
|                               | Processed foods            | 13.8        |             |                              |             |                              |             | 62.0  |
|                               | Fine chemical products     | 2.3         |             |                              |             |                              |             | 10.0  |
|                               | Distribution system        | 28.4        |             |                              |             |                              |             | 116.0 |
|                               | Common business operations | 2.8         |             |                              |             |                              |             | 7.0   |
|                               | Total                      | 124.9       |             |                              |             |                              |             | 520.0 |
| Changes<br>(B) - (A)          | Condiments products        | 0.3         |             |                              |             |                              |             | 6.4   |
|                               | Egg products               | 0.8         |             |                              |             |                              |             | 1.4   |
|                               | Delicatessen products      | 1.8         |             |                              |             |                              |             | 1.4   |
|                               | Processed foods            | (0.2)       |             |                              |             |                              |             | 2.9   |
|                               | Fine chemical products     | 0.6         |             |                              |             |                              |             | 1.7   |
|                               | Distribution system        | 0.4         |             |                              |             |                              |             | 0.3   |
|                               | Common business operations | 1.3         |             |                              |             |                              |             | 0.8   |
|                               | Total                      | 5.0         |             |                              |             |                              |             | 15.0  |

- (Notes) 1. Figures of "Year" in Fiscal Year 2013 indicate forecast figures disclosed on January 10, 2013.  
 2. Figures of "2nd quarter" are differences between "2nd quarter (Accumulated)" and "1st quarter".  
 3. Figures of "3rd quarter" are differences between "3rd quarter (Accumulated)" and "2nd quarter (Accumulated)".  
 4. Figures of "4th quarter" are differences between "Year" and "3rd quarter (Accumulated)".

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## 2. Summary of operating income

### (1) Former business segments

(Billions of yen)

|                        | Segment                                       | 1st quarter | 2nd quarter | 2nd quarter<br>(Accumulated) | 3rd quarter | 3rd quarter<br>(Accumulated) | 4th quarter | Year  |
|------------------------|---|-------------|-------------|------------------------------|-------------|------------------------------|-------------|-------|
| Fiscal<br>Year<br>2011 | Condiments and processed foods                | 3.4         | 3.8         | 7.2                          | 4.0         | 11.2                         | 3.2         | 14.4  |
|                        | Health function products                      | 0.2         | 0.7         | 0.9                          | 0.2         | 1.1                          | 0.4         | 1.5   |
|                        | Egg products                                  | 0.7         | 0.6         | 1.3                          | 1.3         | 2.6                          | 1.2         | 3.8   |
|                        | Salads and prepared foods                     | 0.2         | 0.5         | 0.7                          | 0.9         | 1.6                          | 0.6         | 2.2   |
|                        | Common business operations                    | 0.3         | 0.1         | 0.4                          | 0.1         | 0.5                          | 0.2         | 0.7   |
|                        | Distribution system                           | 0.4         | 1.0         | 1.4                          | 1.0         | 2.4                          | 0.6         | 3.0   |
|                        | Adjustments<br>(Elimination and/or corporate) | (1.1)       | (1.3)       | (2.4)                        | (1.3)       | (3.7)                        | (1.1)       | (4.8) |
|                        | Total   | 4.1         | 5.3         | 9.4                          | 6.4         | 15.8                         | 5.0         | 20.8  |
| Fiscal<br>Year<br>2012 | Condiments and processed foods                | 3.1         | 4.1         | 7.2                          | 4.8         | 12.0                         | 3.0         | 15.0  |
|                        | Health function products                      | 0.1         | 0.2         | 0.3                          | 0.3         | 0.6                          | 0.2         | 0.8   |
|                        | Egg products                                  | 1.5         | 1.6         | 3.1                          | 1.4         | 4.5                          | 1.2         | 5.7   |
|                        | Salads and prepared foods                     | 0.5         | 0.9         | 1.4                          | 1.1         | 2.5                          | 0.6         | 3.1   |
|                        | Common business operations                    | 0.3         | 0.2         | 0.5                          | 0.2         | 0.7                          | 0.1         | 0.8   |
|                        | Distribution system                           | 0.6         | 1.0         | 1.6                          | 1.1         | 2.7                          | 0.5         | 3.2   |
|                        | Adjustments<br>(Elimination and/or corporate) | (1.2)       | (1.3)       | (2.5)                        | (1.3)       | (3.8)                        | (1.4)       | (5.2) |
|                        | Total   | 5.0         | 6.7         | 11.7                         | 7.5         | 19.2                         | 4.2         | 23.4  |

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## (2) New business segments

(Billions of yen)

|                               | Segment                    | 1st quarter | 2nd quarter | 2nd quarter<br>(Accumulated) | 3rd quarter | 3rd quarter<br>(Accumulated) | 4th quarter | Year  |
|-------------------------------|----------------------------|-------------|-------------|------------------------------|-------------|------------------------------|-------------|-------|
| Fiscal<br>Year<br>2012<br>(A) | Condiments products        | 2.3         | 3.1         | 5.4                          | 3.8         | 9.3                          | 2.2         | 11.5  |
|                               | Egg products               | 1.3         | 1.4         | 2.7                          | 1.2         | 4.0                          | 0.9         | 4.9   |
|                               | Delicatessen products      | 0.5         | 0.9         | 1.5                          | 1.1         | 2.5                          | 0.6         | 3.1   |
|                               | Processed foods            | (0.3)       | (0.1)       | (0.4)                        | (0.2)       | (0.6)                        | (0.5)       | (1.0) |
|                               | Fine chemical products     | 0.2         | 0.2         | 0.4                          | 0.3         | 0.6                          | 0.3         | 1.0   |
|                               | Distribution system        | 0.7         | 1.0         | 1.6                          | 1.1         | 2.8                          | 0.5         | 3.2   |
|                               | Common business operations | 0.2         | 0.2         | 0.5                          | 0.2         | 0.7                          | 0.1         | 0.8   |
|                               | Total                      | 5.0         | 6.7         | 11.7                         | 7.5         | 19.2                         | 4.2         | 23.4  |
| Fiscal<br>Year<br>2013<br>(B) | Condiments products        | 2.3         |             |                              |             |                              |             | 11.5  |
|                               | Egg products               | 0.6         |             |                              |             |                              |             | 4.3   |
|                               | Delicatessen products      | 0.4         |             |                              |             |                              |             | 3.1   |
|                               | Processed foods            | (0.4)       |             |                              |             |                              |             | (0.5) |
|                               | Fine chemical products     | 0.3         |             |                              |             |                              |             | 1.3   |
|                               | Distribution system        | 0.3         |             |                              |             |                              |             | 3.1   |
|                               | Common business operations | 0.3         |             |                              |             |                              |             | 0.7   |
|                               | Total                      | 3.9         |             |                              |             |                              |             | 23.5  |
| Changes<br>(B) - (A)          | Condiments products        | 0.0         |             |                              |             |                              |             | 0.0   |
|                               | Egg products               | (0.7)       |             |                              |             |                              |             | (0.6) |
|                               | Delicatessen products      | (0.1)       |             |                              |             |                              |             | 0.0   |
|                               | Processed foods            | (0.1)       |             |                              |             |                              |             | 0.5   |
|                               | Fine chemical products     | 0.1         |             |                              |             |                              |             | 0.3   |
|                               | Distribution system        | (0.4)       |             |                              |             |                              |             | (0.1) |
|                               | Common business operations | 0.1         |             |                              |             |                              |             | (0.1) |
|                               | Total                      | (1.1)       |             |                              |             |                              |             | 0.1   |

(Notes) 1. Figures of "Year" in Fiscal Year 2013 indicate forecast figures disclosed on January 10, 2013.

2. Figures of "2nd quarter" are differences between "2nd quarter (Accumulated)" and "1st quarter".

3. Figures of "3rd quarter" are differences between "3rd quarter (Accumulated)" and "2nd quarter (Accumulated)".

4. Figures of "4th quarter" are differences between "Year" and "3rd quarter (Accumulated)".

5. In the new business segments, "Adjustments" in the former business segments are reclassified as expenses of each business.

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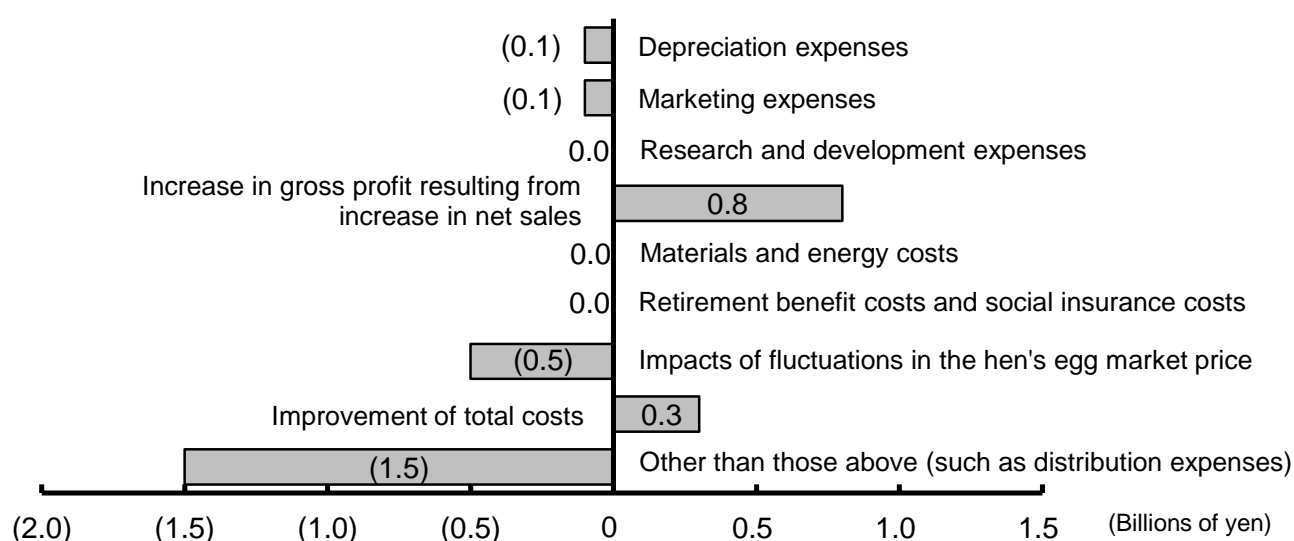


## 3. Results of main components of selling, general and administrative expenses

(Billions of yen)

|  | 1st quarter<br>2011 | 1st quarter<br>2012<br>(A) | 1st quarter<br>2013<br>(B) | Changes<br>(B) - (A) |
|--|---------------------|----------------------------|----------------------------|----------------------|
| Sales promotion expenses                   | 4.4                 | 4.5                        | 4.6                        | 0.1                  |
| Advertising and general publicity expenses | 1.9                 | 2.0                        | 2.0                        | 0.0                  |
| Transportation and warehousing expenses    | 6.5                 | 6.8                        | 7.1                        | 0.3                  |
| Payroll expenses                           | 5.8                 | 6.0                        | 6.1                        | 0.1                  |
| Research and development expenses          | 0.7                 | 0.7                        | 0.7                        | 0.0                  |

## 4. Factors behind changes in operating income for the first quarter of the fiscal year 2013



## 5. Sales volume and amount of salads condiments by category type (Kewpie Corporation)

|              |                           | 1st quarter<br>2011 | 1st quarter<br>2012<br>(A) | 1st quarter<br>2013<br>(B) | Changes<br>(B) - (A) |
|--------------|---------------------------|---------------------|----------------------------|----------------------------|----------------------|
| Retail       | Volume (Thousands of ton) | 29                  | 31                         | 30                         | (1)                  |
|              | Amount (Billions of yen)  | 16.8                | 17.7                       | 17.2                       | (0.5)                |
| Food service | Volume (Thousands of ton) | 23                  | 25                         | 25                         | 0                    |
|              | Amount (Billions of yen)  | 8.7                 | 9.3                        | 9.4                        | 0.1                  |

\* Results for the fiscal year 2012 have been reclassified in accordance with the change in product categories made in the fiscal year 2013.

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## 6. Summary of overseas operations

(Billions of yen)

|   | 1st quarter<br>2011 | 1st quarter<br>2012<br>(A) | 1st quarter<br>2013<br>(B) | Changes<br>(B) - (A) |
|---|---------------------|----------------------------|----------------------------|----------------------|
| Net sales in overseas operations        | 3.9                 | 4.5                        | 5.3                        | 0.8                  |
| China*                                  | 0.9                 | 1.3                        | 1.6                        | 0.3                  |
| South-east Asia*                        | 0.7                 | 0.8                        | 1.1                        | 0.3                  |
| North America*                          | 1.8                 | 2.0                        | 2.1                        | 0.1                  |
| Export from Japan                       | 0.5                 | 0.4                        | 0.4                        | 0.1                  |
| Operating income in overseas operations | 0.1                 | 0.2                        | 0.2                        | 0.1                  |

\* For overseas subsidiaries, shown as China, South-east Asia and North America, figures in the first quarter are results from October to December.

## 7. Non-operating income and expenses, extraordinary gains and losses

- Results, forecasts and principal items of changes for the first quarter of the fiscal year 2013 in comparison with the same period of the fiscal year 2012

(Billions of yen)

|  | 1st quarter<br>2012<br>(A) | 1st quarter<br>2013<br>(B) | Principal items of changes<br>[Comparison between (A) and (B)]               | Fiscal year<br>2012 | Fiscal year<br>2013<br>(forecast) |
|--|----------------------------|----------------------------|--|---------------------|-----------------------------------|
| Non-operating income and expenses, net | 0.3                        | 0.4                        | Increase in foreign exchange gains 0.1<br>Decrease in bond issuance cost 0.1 | 1.1                 | 0.4                               |
| Extraordinary gains and losses, net    | 0.4                        | (0.1)                      | Decrease in insurance income and compensation income (0.5)                   | (1.1)               | (1.5)                             |

## 8. Principal items of changes in balance sheets in comparison with the end of the fiscal year 2012

(Billions of yen)

|                                      | Fiscal year<br>2012<br>(A) | 1st quarter<br>2013<br>(B) | Changes<br>(B) - (A) | Principal items of changes<br>[Comparison between (A) and (B)]  |
|--------------------------------------|----------------------------|----------------------------|----------------------|---|
| (Assets)                             |                            |                            |                      |   |
| Current assets                       | 133.0                      | 122.5                      | (10.5)               | Decrease in cash and deposits (8.5)<br>Decrease in notes and accounts receivable - trade (3.8)  |
| Fixed assets                         |                            |                            |                      |   |
| Tangible and intangible fixed assets | 127.0                      | 129.5                      | 2.6                  | Increase resulting from purchases 5.3<br>Decrease resulting from depreciation (3.3)   |
| Investments and other assets         | 46.5                       | 48.8                       | 2.3                  | Increase in investment securities 2.3   |
| (Liabilities)                        |                            |                            |                      |   |
|                                      | 110.6                      | 101.7                      | (8.9)                | Decrease in accrued income taxes (4.6)<br>Increase in reserves 2.6<br>Decrease in accounts payable - facilities (2.6)<br>Decrease in accrued expenses (6.2)   |
| (Net assets)                         |                            |                            |                      |   |
|                                      | 195.9                      | 199.1                      | 3.2                  | Increase in earned surplus 0.7<br>Increase in unrealized holding gains (losses) on securities 1.4<br>Increase in foreign currency translation adjustments 0.8 |



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## 9. Results and principal items of changes in cash flows for the first quarter of the fiscal year 2013 in comparison with the same period of the fiscal year 2012

(Billions of yen)

|                                      | 1st quarter<br>2012<br>(A) | 1st quarter<br>2013<br>(B) | Principal items of changes<br>[Comparison between (A) and (B)]   | Fiscal year<br>2012 |
|--------------------------------------|----------------------------|----------------------------|--|---------------------|
| Cash flows from operating activities | 4.3                        | (1.2)                      | Decrease in income before income taxes and minority interests (1.4)<br>Increase in income taxes paid (3.6)   | 33.2                |
| Cash flows from investing activities | (2.3)                      | (8.3)                      | Increase in purchases of tangible fixed assets and purchases of intangible fixed assets (4.6)<br>Decrease in proceeds from redemption of investment securities (1.0) | (24.4)              |
| Cash flows from financing activities | 9.3                        | 0.8                        | Decrease in proceeds from issuance of bonds (9.9)<br>Increase in proceeds from loans payable 1.8   | 7.0                 |