

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, 2019 [JAPAN GAAP]

April 2, 2019

Listed company name: Kewpie Corporation
 Listed exchange: Tokyo Stock Exchange
 Securities code: 2809
 URL: <https://www.kewpie.co.jp/english/>
 Representative: Osamu Chonan,
 Representative Director, President and Chief Executive Corporate Officer
 Contact: Toshihiro Kaneko,
 Senior General Manager of Management Promotion Division
 Scheduled date for filing quarterly securities report: April 12, 2019
 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, 2019 (From December 1, 2018 to February 28, 2019)

(1) Consolidated operating results

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

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended February 28, 2019	128,319	(6.5)	6,026	5.3	6,408	6.5	3,500	7.8
Three months ended February 28, 2018	137,212	3.9	5,725	2.7	6,017	5.9	3,247	20.5

(Note) Comprehensive income: Three months ended February 28, 2019 ¥2,689 million (Decrease of 31.9%)
 Three months ended February 28, 2018 ¥3,946 million (Decrease of 46.6%)

	Earnings per share	Earnings per share (diluted)
	Yen	Yen
Three months ended February 28, 2019	24.47	–
Three months ended February 28, 2018	22.09	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of February 28, 2019	411,908	265,626	54.8
As of November 30, 2018	419,736	266,100	53.9

(Reference) Shareholders' equity: As of February 28, 2019 ¥225,891 million
 As of November 30, 2018 ¥226,332 million

Kewpie Corporation

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



2. Dividends

	Annual dividend per share				
	End of 1st quarter	End of 2nd quarter	End of 3rd quarter	Year-end	Total
Fiscal year 2018	– Yen	19.00 Yen	– Yen	19.00 Yen	38.00 Yen
Fiscal year 2019	–				
Fiscal year 2019 (Forecast)		20.00	–	25.00	45.00

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

The year-end dividend for fiscal year 2019 (Forecast) includes a dividend of ¥5 to commemorate the 100th anniversary.

3. Forecasts of consolidated operating results for the fiscal year ending November 30, 2019 (From December 1, 2018 to November 30, 2019)

(Percentage figures show changes from the previous year.)

Year ending November 30, 2019	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
	560,000	(2.4)	33,200	0.4	34,400	0.1	18,400	0.4	128.63

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

*Notes

- (1) Changes in significant subsidiaries during the three months (Changes in specified subsidiaries resulting in the change in the scope of consolidation): Yes
Excluded: 1 company (Name: Kanae Foods Co., Ltd.)
(Note)
For details, please refer to “I. Quarterly consolidated financial statements and major notes: 3. Notes Regarding Quarterly Consolidated Financial Statements (Changes in significant subsidiaries during the three months)” on page 6.
- (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: None
 - b) Changes in accounting policies due to reasons other than “a)” (above): None
 - c) Changes in accounting estimates: None
 - d) Restatements: None
- (4) Number of issued shares (common stock)
 - a) Number of issued shares at the end of the period (including treasury stock):

February 28, 2019	150,000,000 shares
November 30, 2018	150,000,000 shares
 - b) Number of shares of treasury stock at the end of the period:

February 28, 2019	6,957,109 shares
November 30, 2018	6,956,925 shares
 - c) Average number of shares during the period:

December 1, 2018 to February 28, 2019	143,042,984 shares
December 1, 2017 to February 28, 2018	147,044,318 shares

Kewpie Corporation

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



***The summary of quarterly consolidated financial statements is outside the scope of quarterly review procedures by certified public accountants or an audit corporation.**

***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. Therefore, 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.

Kewpie Corporation

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



Table of contents

I. Quarterly consolidated financial statements and major notes	2
1. Quarterly Consolidated Balance Sheets	2
2. Quarterly Consolidated Statements of Income and Quarterly Consolidated Statements of Comprehensive Income	4
(Quarterly Consolidated Statements of Income) (Three months ended February 28, 2018 and February 28, 2019).....	4
(Quarterly Consolidated Statements of Comprehensive Income) (Three months ended February 28, 2018 and February 28, 2019).....	5
3. Notes Regarding Quarterly Consolidated Financial Statements	6
(Notes regarding assumption of a going concern)	6
(Notes regarding the significant changes in the amount of shareholders' equity)	6
(Changes in significant subsidiaries during the three months)	6
(Additional information)	6
(Segment information).....	6
II. Supplementary data	8
1. Summary of net sales and operating income and factors behind changes in operating income	8
2. Capital investments and main components of selling, general and administrative expenses	12
3. Domestic sales volume and amount of salads condiments by category type (Kewpie Corporation).....	13
4. Summary of net sales and operating income in overseas operations	13
5. Principal items of changes in non-operating income (expenses) and extraordinary gains (losses)	15
6. Summary and items of changes in balance sheets	15

Kewpie Corporation

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



I. Quarterly consolidated financial statements and major notes

1. Quarterly Consolidated Balance Sheets

(Millions of yen)

	Previous fiscal year (As of November 30, 2018)	Current first quarter (As of February 28, 2019)
Assets		
Current assets		
Cash and deposits	38,493	37,634
Notes and accounts receivable - trade	77,034	67,963
Securities	9,500	9,500
Purchased goods and products	16,695	17,606
Work in process	963	1,780
Raw materials and supplies	10,595	9,385
Other	5,566	5,236
Allowances for doubtful accounts	(446)	(379)
Total current assets	158,402	148,727
Fixed assets		
Tangible fixed assets		
Buildings and structures	181,314	183,203
Accumulated depreciation	(106,708)	(107,961)
Net book value	74,605	75,241
Machinery, equipment and vehicles	175,809	176,890
Accumulated depreciation	(123,835)	(124,867)
Net book value	51,974	52,022
Land	52,084	52,016
Construction in progress	11,223	11,285
Other	25,150	25,354
Accumulated depreciation	(16,182)	(16,539)
Net book value	8,968	8,814
Total tangible fixed assets	198,856	199,381
Intangible fixed assets		
Goodwill	1,233	1,169
Other	5,059	7,795
Total intangible fixed assets	6,293	8,965
Investments and other assets		
Investment securities	29,673	28,352
Assets for retirement benefits	11,552	11,354
Other	15,140	15,309
Allowances for doubtful accounts	(181)	(181)
Total investments and other assets	56,184	54,834
Total fixed assets	261,334	263,181
Total assets	419,736	411,908

Kewpie Corporation

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



(Millions of yen)

	Previous fiscal year (As of November 30, 2018)	Current first quarter (As of February 28, 2019)
Liabilities		
Current liabilities		
Notes and accounts payable - trade	44,518	41,609
Short-term loans payable	9,496	10,940
Current portion of bonds	10,000	-
Accrued income taxes	6,775	2,114
Reserves	2,937	5,099
Other	27,160	22,346
Total current liabilities	100,888	82,111
Non-current liabilities		
Bonds	-	10,000
Long-term loans payable	36,664	39,363
Liabilities for retirement benefits	3,546	3,023
Asset retirement obligations	1,123	1,125
Other	11,413	10,658
Total non-current liabilities	52,748	64,170
Total liabilities	153,636	146,282
Net assets		
Shareholders' equity		
Paid-in capital	24,104	24,104
Capital surplus	29,543	29,543
Earned surplus	183,431	184,218
Treasury stock	(15,859)	(15,860)
Total shareholders' equity	221,219	222,006
Accumulated other comprehensive income		
Unrealized holding gains (losses) on securities	10,618	9,703
Unrealized gains (losses) on hedges	(28)	(5)
Foreign currency translation adjustments	(1,459)	(2,062)
Accumulated adjustments for retirement benefits	(4,018)	(3,750)
Total accumulated other comprehensive income	5,112	3,885
Non-controlling interests	39,768	39,734
Total net assets	266,100	265,626
Total liabilities and net assets	419,736	411,908

Kewpie Corporation

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



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

(Quarterly Consolidated Statements of Income)

(Three months ended February 28, 2018 and February 28, 2019)

(Millions of yen)

	Previous first quarter (From December 1, 2017 to February 28, 2018)	Current first quarter (From December 1, 2018 to February 28, 2019)
Net sales	137,212	128,319
Cost of sales	106,818	97,956
Gross profit	30,393	30,363
Selling, general and administrative expenses	24,667	24,336
Operating income	5,725	6,026
Non-operating income		
Interest income	17	18
Dividends income	193	191
Equity in earnings of affiliates	42	39
Insurance income	18	220
Other	195	184
Total non-operating income	467	654
Non-operating expenses		
Interest expenses	86	80
Other	88	192
Total non-operating expenses	175	272
Ordinary income	6,017	6,408
Extraordinary gains		
Gains on sales of fixed assets	37	5
Gains on sales of investment securities	33	-
Total extraordinary gains	71	5
Extraordinary losses		
Losses on disposal of fixed assets	218	223
Losses on impairment of fixed assets	-	92
Other	9	16
Total extraordinary losses	228	331
Profit before income taxes	5,860	6,082
Income taxes	1,988	2,028
Profit	3,871	4,054
Profit attributable to non-controlling interests	624	553
Profit attributable to owners of parent	3,247	3,500

Kewpie Corporation

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



(Quarterly Consolidated Statements of Comprehensive Income)
(Three months ended February 28, 2018 and February 28, 2019)

	Previous first quarter (From December 1, 2017 to February 28, 2018)	Current first quarter (From December 1, 2018 to February 28, 2019)
	(Millions of yen)	
Profit	3,871	4,054
Other comprehensive income		
Unrealized holding gains (losses) on securities	(837)	(944)
Unrealized gains (losses) on hedges	(18)	25
Foreign currency translation adjustments	606	(733)
Adjustments for retirement benefits	323	288
Total other comprehensive income	74	(1,364)
Comprehensive income	3,946	2,689
(Breakdown)		
Comprehensive income attributable to owners of parent	3,225	2,273
Comprehensive income attributable to non-controlling interests	720	415

Kewpie Corporation

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



3. Notes Regarding Quarterly Consolidated Financial Statements

(Notes regarding assumption of a going concern)

Not applicable.

(Notes regarding the significant changes in the amount of shareholders' equity)

Not applicable.

(Changes in significant subsidiaries during the three months)

Kanae Foods Co., Ltd. (specified subsidiary) has been excluded from the scope of consolidation as a result of the merger with Kewpie Egg Corporation (specified subsidiary) taken place during the current first quarter, in which Kewpie Egg Corporation was the surviving entity.

(Additional information)

(Application of "Partial Amendments to Accounting Standard for Tax Effect Accounting" and Relevant Guidelines)

The Company has applied the "Partial Amendments to Accounting Standard for Tax Effect Accounting" (ASBJ Statement No. 28, February 16, 2018) and relevant guidelines effective as of the beginning of the current first quarter. Accordingly, "deferred tax assets" were recorded under "Investments and other assets" and "deferred tax liabilities" were recorded under "Non-current liabilities".

(Segment information)

[Segment information]

I. Previous first quarter (From December 1, 2017 to February 28, 2018)

1. Information on amounts of net sales and profit or loss by reported segment

	(Millions of yen)									Amount reported on the quarterly consolidated statement of income (Note 2)
	Condi-ments and processed foods	Salad and delica-tessen	Egg	Fruit solution	Fine chemicals	Distribution	Common business operations	Total	Adjust-ments (Note 1)	
Net sales										
Net sales to outside customers	43,262	30,023	24,153	3,627	2,140	32,560	1,443	137,212	-	137,212
Intersegment net sales or transfers	1,752	29	1,127	78	80	7,357	2,461	12,886	(12,886)	-
Total	45,015	30,053	25,280	3,705	2,220	39,917	3,905	150,098	(12,886)	137,212
Segment profit	3,829	599	1,734	220	7	609	408	7,410	(1,684)	5,725

(Notes) 1. "Adjustments" of ¥(1,684) million in "Segment profit" includes Company-wide expenses unallocated to the respective reporting segments. The Company-wide expenses mainly consist of expenditures pertaining to general and administrative expenses not attributable to the reportable segments.

2. "Segment profit" is adjusted with "Operating income" in the quarterly consolidated statements of income.

2. Information on losses on impairment of fixed assets or goodwill, etc. by reported segment

(Significant losses on impairment of fixed assets)

Not applicable.

(Significant changes in amount of goodwill)

Not applicable.

(Significant gains on negative goodwill)

Not applicable.

Kewpie Corporation

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



II. Current first quarter (From December 1, 2018 to February 28, 2019)

1. Information on amounts of net sales and profit or loss by reported segment

(Millions of yen)

	Condi- ments and processed foods	Salad and delica- tessen	Egg	Fruit solution	Fine chemicals	Distribution	Common business operations	Total	Adjust- ments (Note 1)	Amount reported on the quarterly consolidated statement of income (Note 2)
Net sales										
Net sales to outside customers	43,137	21,421	23,421	3,494	2,044	33,610	1,189	128,319	–	128,319
Intersegment net sales or transfers	1,510	28	1,067	236	98	7,419	2,498	12,858	(12,858)	–
Total	44,648	21,449	24,488	3,731	2,142	41,029	3,687	141,178	(12,858)	128,319
Segment profit (loss)	4,247	210	1,993	(41)	(21)	745	393	7,527	(1,500)	6,026

(Notes) 1. "Adjustments" of ¥(1,500) million in "Segment profit (loss)" includes Company-wide expenses unallocated to the respective reporting segments. The Company-wide expenses mainly consist of expenditures pertaining to general and administrative expenses not attributable to the reportable segments.

2. "Segment profit (loss)" is adjusted with "Operating income" in the quarterly consolidated statements of income.

2. Information on changes in reportable segment

From the current first quarter, the Company has amended the Group's operational structure to implement its business activities in accordance with the allocation of management responsibility outlined in the Medium-term Business Plan, which covers three years starting from fiscal year 2019. These changes are as follows:

◇ Changes in business category

- All business operations of the former "Processed foods business" segment except the Aohata Corporation portion have been transferred to the former "Condiments products business" segment and this segment was renamed as "Condiments and processed foods business".
- The Aohata Corporation portion included in the former "Processed foods business" segment has been split off and this new segment was named as "Fruit solution business".
- The former "Distribution system business" segment has transferred its leasing related transactions to "Common business operations" and was renamed as "Distribution business".

◇ Company-wide expenses

- Expenses not attributable to any specific business (headquarters expenses, etc.) have been classified as "Company-wide expenses".

Segment information of the previous first quarter is prepared and disclosed based on the reportable segment classifications after the change.

3. Information on losses on impairment of fixed assets or goodwill, etc. by reported segment

(Significant losses on impairment of fixed assets)

Not applicable.

(Significant changes in amount of goodwill)

Not applicable.

(Significant gains on negative goodwill)

Not applicable.

Kewpie Corporation

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



II. Supplementary data

- (Notes) 1. Fraction errors may occur due to rounding figures less than 100 million.
 2. The following changes took effect at the beginning of fiscal year 2019.
- ◇ Changes in business category
 - All business operations of the former "Processed foods business" segment except the Aohata Corporation portion have been transferred to the former "Condiments products business" segment and this segment was renamed as "Condiments and processed foods business".
 - The Aohata Corporation portion included in the former "Processed foods business" segment has been split off and this new segment was named as "Fruit solution business".
 - The former "Distribution system business" segment has transferred its leasing related transactions to "Common business operations" and was renamed as "Distribution business".
 - ◇ Company-wide expenses
 - Expenses not attributable to any specific business (headquarters expenses, etc.) have been classified as "Company-wide expenses".

1. Summary of net sales and operating income and factors behind changes in operating income

<Net sales>

(Billions of yen)

Former business category	Segment	1st quarter	2nd quarter	2nd quarter (Cumulative)	3rd quarter	3rd quarter (Cumulative)	4th quarter	Year
Fiscal Year 2017	Condiments products	34.3	39.7	74.0	39.3	113.2	37.2	150.4
	Egg products	24.0	25.9	49.9	24.8	74.7	25.8	100.5
	Delicatessen products	27.5	29.3	56.8	29.8	86.7	28.8	115.5
	Processed foods	11.0	12.3	23.2	12.0	35.2	11.4	46.6
	Fine chemical products	2.3	2.8	5.1	2.7	7.8	2.8	10.6
	Distribution system	31.0	33.2	64.2	33.5	97.7	33.5	131.2
	Common business operations	2.0	2.0	3.9	1.7	5.7	1.2	6.8
	Total	132.1	145.1	277.2	143.8	421.0	140.7	561.7
Fiscal Year 2018	Condiments products	36.0	40.1	76.1	40.1	116.2	37.2	153.4
	Egg products	24.2	25.4	49.6	24.9	74.5	26.4	100.9
	Delicatessen products	30.0	31.2	61.2	31.7	92.9	25.4	118.3
	Processed foods	10.9	12.5	23.4	12.2	35.6	11.2	46.8
	Fine chemical products	2.1	2.7	4.8	2.6	7.4	2.6	10.0
	Distribution system	32.6	34.4	67.0	35.6	102.6	35.6	138.3
	Common business operations	1.4	1.5	2.9	1.2	4.2	1.7	5.8
	Total	137.2	147.8	285.0	148.4	433.4	140.1	573.5

Kewpie Corporation

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



New business category	Segment	1st quarter	2nd quarter	2nd quarter (Cumulative)	3rd quarter	3rd quarter (Cumulative)	4th quarter	Year
Fiscal Year 2018 (A)	Condiments and processed foods	43.3	48.1	91.3	48.2	139.6	44.7	184.3
	Salad and delicatessen	30.0	31.2	61.2	31.7	92.9	25.4	118.3
	Egg	24.2	25.4	49.6	24.9	74.5	26.4	100.9
	Fruit solution	3.6	4.5	8.2	4.1	12.3	3.6	15.9
	Fine chemicals	2.1	2.7	4.8	2.6	7.4	2.6	10.0
	Distribution	32.6	34.4	67.0	35.6	102.6	35.6	138.3
	Common business operations	1.4	1.5	2.9	1.2	4.2	1.7	5.8
	Total	137.2	147.8	285.0	148.4	433.4	140.1	573.5
Fiscal Year 2019 (B)	Condiments and processed foods	43.1						191.8
	Salad and delicatessen	21.4						93.5
	Egg	23.4						105.8
	Fruit solution	3.5						16.2
	Fine chemicals	2.0						8.8
	Distribution	33.6						138.4
	Common business operations	1.2						5.5
	Total	128.3						560.0
Change (B) - (A)	Condiments and processed foods	(0.1)						7.5
	Salad and delicatessen	(8.6)						(24.8)
	Egg	(0.7)						4.9
	Fruit solution	(0.1)						0.3
	Fine chemicals	(0.1)						(1.2)
	Distribution	1.1						0.1
	Common business operations	(0.3)						(0.3)
	Total	(8.9)						(13.5)

- (Notes) 1. Figures of "Year" in Fiscal Year 2019 indicate planned figures disclosed on January 10, 2019.
 2. Figures of "2nd quarter" are differences between "2nd quarter (Cumulative)" and "1st quarter".
 3. Figures of "3rd quarter" are differences between "3rd quarter (Cumulative)" and "2nd quarter (Cumulative)".
 4. Figures of "4th quarter" are differences between "Year" and "3rd quarter (Cumulative)".

Kewpie Corporation

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



<Operating income>

(Billions of yen)

Former business category	Segment	1st quarter	2nd quarter	2nd quarter (Cumulative)	3rd quarter	3rd quarter (Cumulative)	4th quarter	Year
Fiscal Year 2017	Condiments products	2.6	4.8	7.3	4.6	11.9	3.4	15.3
	Egg products	1.0	1.0	2.0	1.3	3.3	1.1	4.4
	Delicatessen products	0.6	1.1	1.7	1.3	2.9	0.9	3.8
	Processed foods	(0.1)	0.3	0.3	0.3	0.6	(0.4)	0.2
	Fine chemical products	(0.0)	0.1	0.1	0.4	0.6	0.3	0.9
	Distribution system	1.3	1.6	2.9	1.6	4.5	1.4	5.9
	Common business operations	0.2	0.3	0.5	0.2	0.7	0.1	0.8
	Total	5.6	9.2	14.8	9.6	24.4	6.9	31.3
Fiscal Year 2018	Condiments products	2.6	4.5	7.1	4.4	11.5	2.9	14.4
	Egg products	1.3	1.7	3.1	1.6	4.7	1.3	6.0
	Delicatessen products	0.6	1.4	2.0	1.4	3.4	1.0	4.4
	Processed foods	0.1	0.4	0.5	0.3	0.8	(0.1)	0.6
	Fine chemical products	(0.0)	0.3	0.3	0.5	0.8	0.5	1.3
	Distribution system	0.8	1.8	2.6	1.7	4.4	1.2	5.6
	Common business operations	0.2	0.2	0.4	0.2	0.6	0.1	0.8
	Total	5.7	10.2	16.0	10.2	26.1	6.9	33.1

New business category	Segment	1st quarter	2nd quarter	2nd quarter (Cumulative)	3rd quarter	3rd quarter (Cumulative)	4th quarter	Year
Fiscal Year 2018 (A)	Condiments and processed foods	3.8	5.9	9.8	5.8	15.5	4.3	19.8
	Salad and delicatessen	0.6	1.3	1.9	1.4	3.3	1.0	4.3
	Egg	1.7	2.1	3.9	2.0	5.9	1.9	7.8
	Fruit solution	0.2	0.3	0.5	0.2	0.8	(0.1)	0.7
	Fine chemicals	0.0	0.4	0.4	0.6	0.9	0.5	1.5
	Distribution	0.6	1.5	2.2	1.5	3.7	1.0	4.7
	Common business operations	0.4	0.4	0.8	0.4	1.2	0.3	1.5
	Company-wide expenses	(1.7)	(1.8)	(3.5)	(1.7)	(5.1)	(2.0)	(7.1)
	Total	5.7	10.2	16.0	10.2	26.1	6.9	33.1
Fiscal Year 2019 (B)	Condiments and processed foods	4.2						20.5
	Salad and delicatessen	0.2						3.9
	Egg	2.0						8.3
	Fruit solution	(0.0)						0.4
	Fine chemicals	(0.0)						1.2
	Distribution	0.7						4.8
	Common business operations	0.4						1.3
	Company-wide expenses	(1.5)						(7.2)
	Total	6.0						33.2
Change (B) - (A)	Condiments and processed foods	0.4						0.7
	Salad and delicatessen	(0.4)						(0.4)
	Egg	0.3						0.5
	Fruit solution	(0.3)						(0.3)
	Fine chemicals	(0.0)						(0.3)
	Distribution	0.1						0.1
	Common business operations	(0.0)						(0.2)
	Company-wide expenses	0.2						(0.1)
	Total	0.3						0.1

Kewpie Corporation

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



- (Notes)
1. Figures of “Year” in Fiscal Year 2019 indicate planned figures disclosed on January 10, 2019.
 2. Figures of “2nd quarter” are differences between “2nd quarter (Cumulative)” and “1st quarter”.
 3. Figures of “3rd quarter” are differences between “3rd quarter (Cumulative)” and “2nd quarter (Cumulative)”.
 4. Figures of “4th quarter” are differences between “Year” and “3rd quarter (Cumulative)”.

Kewpie Corporation

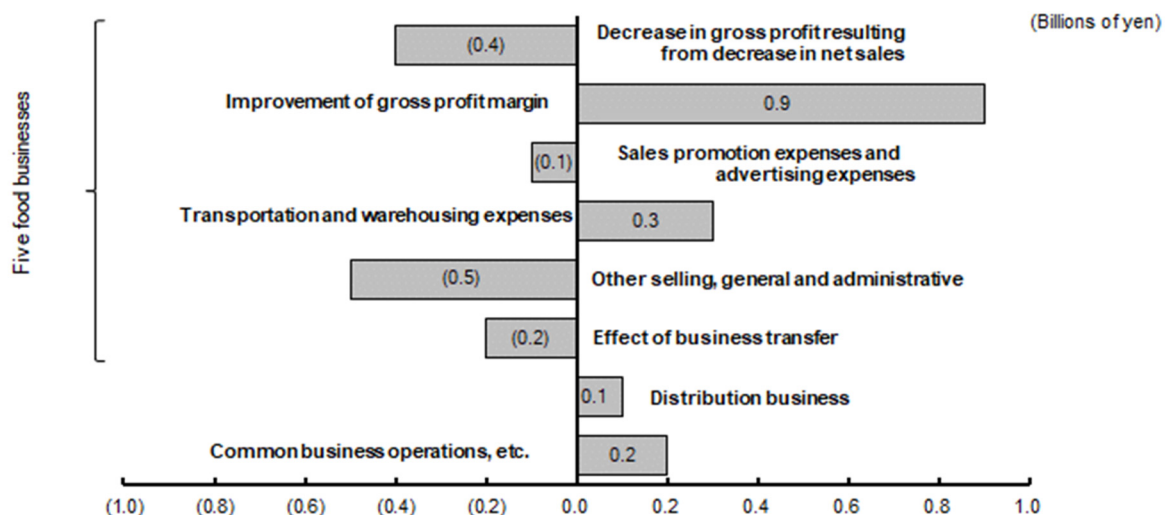
1-4-13 Shibuya, Shibuya-ku, Tokyo 150-0002, Japan Tel:03-3486-3331



<Factors behind changes in operating income (comparison with the previous fiscal year)>

(Billions of yen)

	1st quarter 2018 (A)	1st quarter 2019 (B)	Change (B) - (A)
Operating income	5.7	6.0	0.3



2. Capital investments and main components of selling, general and administrative expenses

(Billions of yen)

	1st quarter 2017	1st quarter 2018 (A)	1st quarter 2019 (B)	Change (B) - (A)
Capital investments	10.2	6.5	8.7	2.2
Depreciation expenses	3.9	4.4	4.5	0.2
Sales promotion expenses	1.0	1.0	0.9	(0.0)
Advertising expenses	2.7	2.5	2.6	0.1
Transportation and warehousing expenses	6.0	6.6	6.2	(0.5)
Payroll expenses	7.7	8.0	8.2	0.2
Research and development expenses	0.8	0.8	0.9	0.0

Kewpie Corporation

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



3. Domestic sales volume and amount of salads condiments by category type (Kewpie Corporation)

		1st quarter 2017	1st quarter 2018 (A)	1st quarter 2019 (B)	Change (B) - (A)
For household use	Volume (Thousands of ton)	30	29	31	1
	Amount (Billions of yen)	15.3	14.8	14.9	0.1
For commercial use	Volume (Thousands of ton)	25	26	25	(1)
	Amount (Billions of yen)	9.5	9.7	9.3	(0.4)

4. Summary of net sales and operating income in overseas operations

(Note) The following changes took effect at the beginning of fiscal year 2019.

- In line with changes to the business categories, the former “Condiments products business” segment was renamed to “Condiments and processed foods business”.
- “Exports and New” was reclassified into “Europe” and “Exports”.
- Expenses attributable to overseas operations but not attributable to any specific area have been classified as “Other expenses”.

<Net sales>

(Billions of yen)

Former category		1st quarter 2017	1st quarter 2018
China		3.7	4.2
Southeast Asia		2.0	2.5
North America	Condiments products	1.4	1.5
	Egg products	0.9	1.4
Exports and New		0.7	1.6
Total		8.8	11.2

(Billions of yen) Local currency basis

New category		1st quarter 2018 (A)	1st quarter 2019 (B)	Change (B) - (A)	Rate of change from 1st quarter 2018
China		4.2	4.3	0.1	8%
Southeast Asia		2.5	2.6	0.2	9%
North America	Condiments and processed foods	1.5	1.6	0.0	3%
	Egg	1.4	1.4	0.0	2%
Europe		0.8	0.8	0.0	7%
Exports		0.8	0.9	0.1	–
Total		11.2	11.7	0.5	–

* For overseas subsidiaries, figures are results from October to December.

* The total change includes a 0.3 billion yen decrease caused by the impact of the exchange rate fluctuations.

Kewpie Corporation

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



<Operating income>

(Billions of yen)

Former category		1st quarter 2017	1st quarter 2018
China		0.3	0.3
Southeast Asia		0.1	0.2
North America	Condiments products	0.1	0.1
	Egg products	(0.3)	(0.0)
Exports and New		0.1	0.1
Total		0.3	0.6

(Billions of yen) Local currency basis

New category		1st quarter 2018 (A)	1st quarter 2019 (B)	Change (B) - (A)	Rate of change from 1st quarter 2018
China		0.3	0.5	0.2	98%
Southeast Asia		0.2	0.2	(0.0)	(7)%
North America	Condiments and processed foods	0.1	0.1	0.0	18%
	Egg	(0.0)	0.2	0.2	–
Europe		(0.1)	0.0	0.1	–
Exports		0.1	0.2	0.0	–
Other expenses		(0.1)	(0.1)	(0.0)	–
Total		0.5	1.0	0.6	–

* For overseas subsidiaries, figures are results from October to December.

* The total change includes a 0.0 billion yen decrease caused by the impact of the exchange rate fluctuations.

Kewpie Corporation

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



5. Principal items of changes in non-operating income (expenses) and extraordinary gains (losses)

(Billions of yen)

	1st quarter 2018 (A)	1st quarter 2019 (B)	Change (B) - (A)	Items of changes [Comparison with 1st quarter 2018]
Non-operating income (expenses), net	0.3	0.4	0.1	Increase in insurance income 0.2
Extraordinary gains (losses), net	(0.2)	(0.3)	(0.2)	Increase in losses on impairment of fixed assets (0.1)

6. Summary and items of changes in balance sheets

(Billions of yen)

	1st quarter 2018 (A)	1st quarter 2019 (B)	Change (B) - (A)	Items of changes [Comparison with fiscal year 2018]
(Assets)				
Current assets	158.4	148.7	(9.7)	Decrease in cash and deposits (0.9) Decrease in notes and accounts receivable - trade (9.1) Increase in inventories 0.5
Fixed assets				
Tangible and intangible fixed assets	205.1	208.3	3.2	Increase resulting from purchases 8.1 Decrease resulting from depreciation (4.6)
Investments and other assets	56.2	54.8	(1.4)	Decrease in investment securities (1.3)
(Liabilities)				
	153.6	146.3	(7.4)	Decrease in notes and accounts payable - trade (2.9) Decrease in accrued income taxes (4.7) Increase in reserves 2.2 Decrease in accounts payable - other (3.3)
(Net assets)				
	266.1	265.6	(0.5)	Increase in earned surplus 0.8 Decrease in accumulated other comprehensive income (1.2)