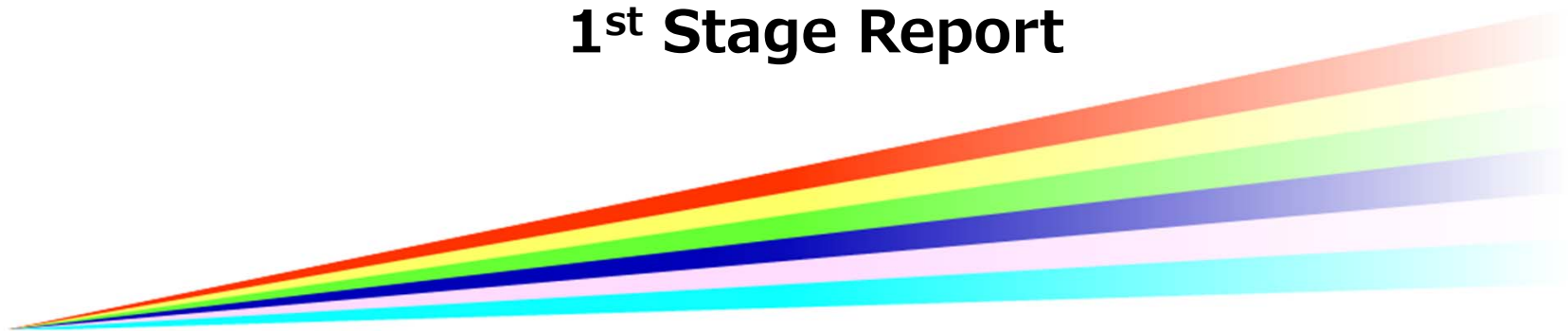


Fiscal 2013 Financial Meeting
(Period ended November 30, 2013)

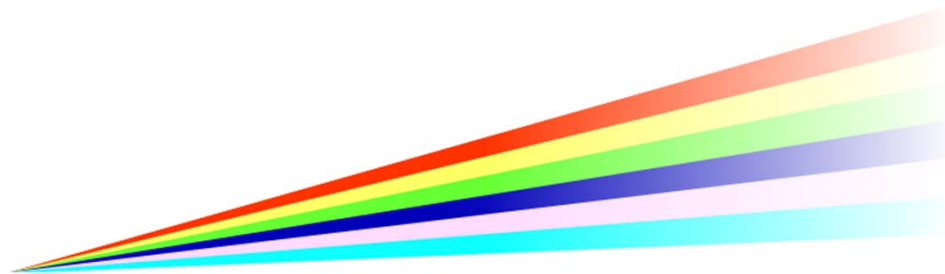
Sustainable Domestic Growth and Dramatic Overseas Growth 1st Stage Report



January 10, 2014
Kewpie Corporation
(<http://www.kewpie.co.jp/company/ir/>)

*Figures less than the units indicated have been rounded off.

Fiscal 2013 Results



Fiscal 2013 Results

Net sales increased by 25.6 billion yen;
Operating income decreased by 1.0 billion yen

	11/12	11/13 Results	Change YoY	Increase (Decrease)	Plan Comparison
Net Sales	505.0 ¥bn	530.5 ¥bn	5.1 %	25.6 ¥bn	10.5 ¥bn
Domestic	486.6	506.7	4.1	20.1	10.2
Overseas	18.4	23.8	29.7	5.5	0.3
Operating Income	23.4 ¥bn	22.4 ¥bn	(4.1) %	(1.0) ¥bn	(1.1) ¥bn
Domestic	22.6	21.2	(6.3)	(1.4)	(1.1)
Overseas	0.8	1.2	58.2	0.5	0
Operating Income Ratio	4.6 %	4.2 %	—	(0.4) %	(0.3) %
Ordinary Income	24.5 ¥bn	23.7 ¥bn	(2.9) %	(0.7) ¥bn	(0.6) ¥bn
Net income	12.3 ¥bn	12.6 ¥bn	2.2 %	0.3 ¥bn	0.1 ¥bn
ROA (Return on Assets)	8.4 %	7.4 %	—	(1.0) %	(0.3) %
ROE (Return on Equity)	7.4 %	7.1 %	—	(0.3) %	0 %
EBITDA (Operating Income + Depreciation Expenses)	37.5 ¥bn	37.0 ¥bn	(2.9) %	(0.5) ¥bn	(1.1) ¥bn

*Plan comparison indicates difference for figures announced in July 2013.

Fiscal 2013 Summary of Sales

Net sales increased due to strong performance of Condiments Products business and Delicatessen Products business

	11/12	11/13 Results	Change YoY	Increase (Decrease)
Net Sales	505.0 ¥bn	530.5 ¥bn	5.1 %	25.6 ¥bn
Condiments Products	138.6	145.4	4.9	6.8
Egg Products	85.6	91.2	6.5	5.6
Delicatessen Products	91.6	98.0	7.0	6.4
Processed Foods	59.1	58.4	(1.1)	(0.6)
Fine Chemical Products	8.3	9.7	16.0	1.3
Distribution System	115.7	120.3	4.0	4.6
Common Business Operations	6.2	7.6	22.8	1.4

■ Sales by Segment

Condiments Products	Sales increased due to higher sales of dressings attributable to menu proposals that expand the domain of salads, as well as a steady overseas expansion.
Egg Products	In addition to growth in liquid egg for ready-made foods as well as processed egg products, etc., growth in the chicken egg market also contributed, boosting sales.
Delicatessen Products	Sales increased due to higher sales of cut vegetables and prepared foods as a result of enhanced proposal activities that succeeded in bolstering demand and a reinforced production system.
Processed Foods	Sales decreased due to sluggish sales of pasta sauce and the impact of a review of unprofitable products.
Fine Chemical Products	Sales increased due to higher sales of EPA for medical use and egg yolk lecithin.
Distribution System	Sales increased due to progress in making new acquisitions in customized logistics and other areas.

Fiscal Summary of Operating Income

Operating income decreased due to rise in raw materials costs and sharp surge in chicken egg market

	11/12	11/13 Results	Change YoY	Increase (Decrease)
Operating Income	23.4 ¥bn	22.4 ¥bn	(4.1) %	(1.0) ¥bn
Condiments Products	11.5	11.5	0.4	0.0
Egg Products	4.9	3.4	(30.2)	(1.5)
Delicatessen Products	3.1	3.5	12.5	0.4
Processed Foods	(1.0)	(0.9)	—	0.1
Fine Chemical Products	1.0	0.9	(6.6)	(0.1)
Distribution System	3.2	3.2	(0.3)	0.0
Common Business Operations	0.8	0.8	2.0	0.0

■ Operating Income by Segment

Condiments Products	Higher cooking oil prices were offset by price revisions and expanded sales overseas.
Egg Products	In addition to the impact of a stronger domestic chicken egg market, prices of imported raw materials such as dried eggs continued to rise, leading to lower profits.
Delicatessen Products	Operating costs at the new plant were up, but profits increased due to lower costs and the effect of higher sales.
Processed Foods	Profits increased due to the effect of reviewing product sales mix.
Fine Chemical Products	Profits declined due to a drop in the sales volume of hyaluronic acid for medical use.
Distribution System	Despite making progress in acquiring new business, start-up losses and higher fuel unit costs kept profits flat.

Factors Causing Increase (Decrease) in Operating Income

(¥bn)

	11/12	11/13 Result	Difference
Operating Income	23.4	22.4	(1.0)

Creating growth opportunities
(1.8)

(0.5) Depreciation expenses

(1.0) Marketing expenses
(Sales promotion expenses, advertising and general publicity expenses)

(0.3) R&D costs
(Excluding depreciation expenses)

Increase in gross profit due to higher sales **4.8**

Negative factors
(4.0)

(2.8) Materials and energy costs

(1.2) Impacts of fluctuations in the chicken egg market price (Egg products business)

Retirement benefit costs 0.2

(0.2) Social insurance costs

Overcoming negative factors
2.3

Effect of revisions to condiment prices 0.7

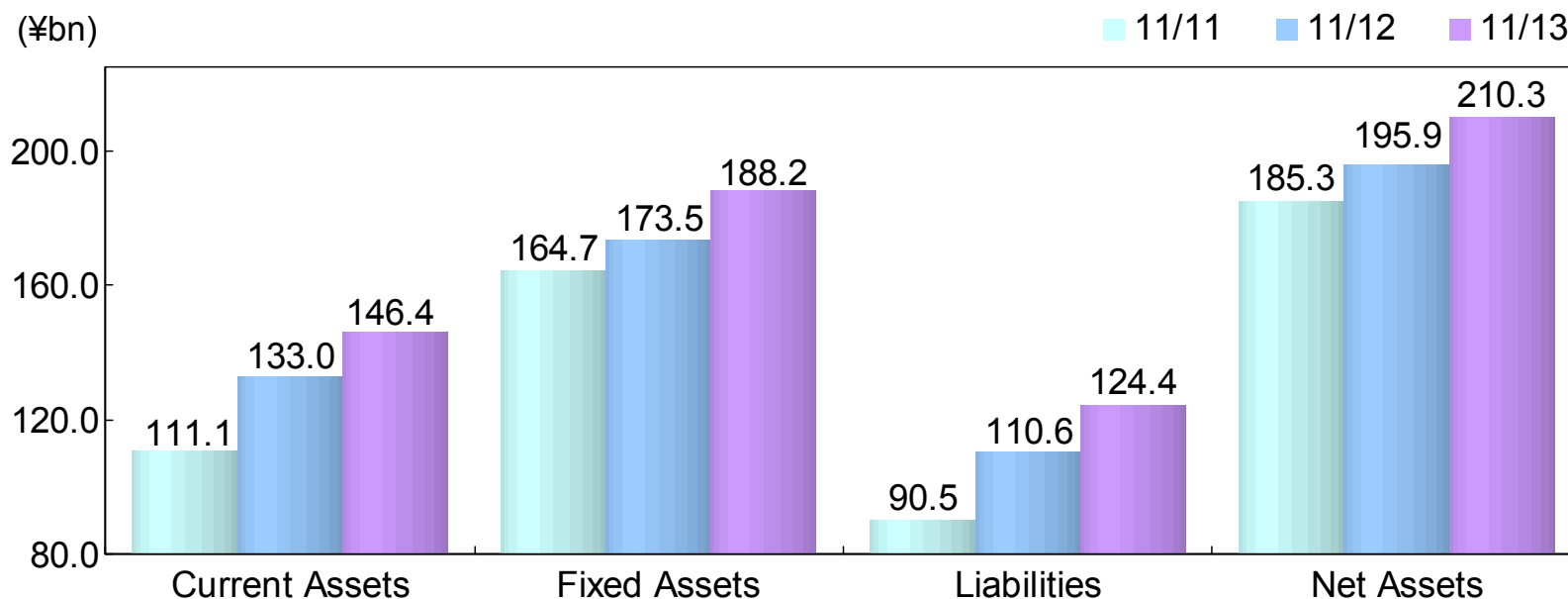
Improvement of total costs 1.6

(2.3) Other than those above
(Distribution costs, payroll expenses, distribution system business, etc.)

Key Points of Non-operating Income (Expenses) and Extraordinary Gains (Losses)

	(¥bn)			
	11/12	11/13 Results	Increase (Decrease)	
Operating Income	23.4	22.4	(1.0)	
Non-operating Income (Expenses)	1.1	1.3	0.2	<Key Points of Non-operating Income (Expenses)> Increase in foreign exchange gains and gains on valuation of derivatives 0.3
Ordinary Income	24.5	23.7	(0.7)	
Extraordinary Gains (Losses)	(1.1)	(1.3)	(0.2)	<Key Points of Extraordinary Income (Expenses)> Increase in gains on negative goodwill 0.8 Decrease in insurance income and compensation income related to the Great East Japan Earthquake (0.8) Decrease in losses on impairment of fixed assets 0.5 Increase in losses on withdrawal from employees' pension fund (0.4) Others (such as increase in extraordinary losses) (0.3)
Income before Income Taxes	23.4	22.4	(0.9)	
Income Taxes and Minority Interests	11.1	9.8	(1.2)	<Key Points of Income Taxes and Minority Interests> Decrease in income taxes due to reduction in tax rate and lower income, among other factors (0.6) Decrease in income taxes due to merger with subsidiary (0.6)
Net Income	12.3	12.6	0.3	

Key Points of Balance Sheet



Comparison with FY2012

Increase in current assets 13.4 ¥bn

- Increase in notes and accounts receivable - trade 10.8

Increase in tangible and intangible fixed assets 11.5 ¥bn

- Increase resulting from purchases 28.0
- Decrease resulting from depreciation (14.6)
- Decrease resulting from losses on impairment of fixed assets (1.1)

Increase in investments and other assets 3.2 ¥bn

- Increase in investment securities 3.5

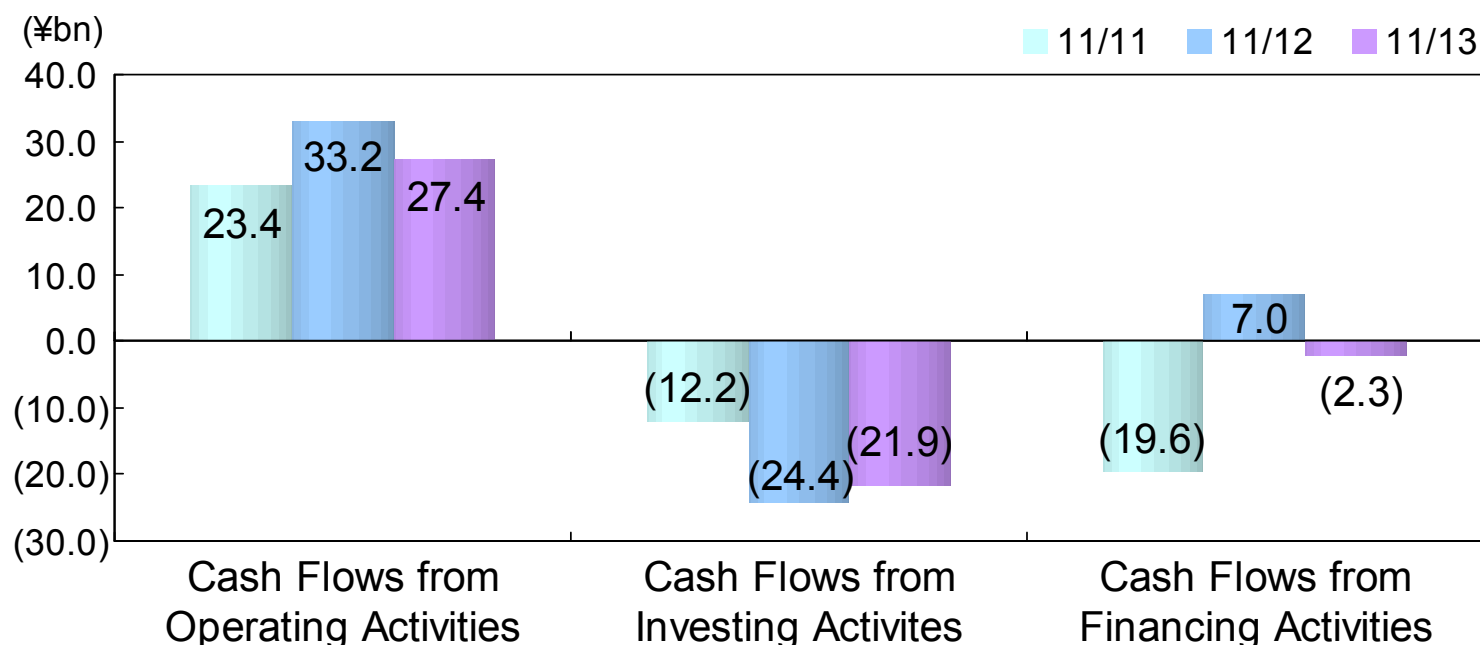
Increase in liabilities 13.8 ¥bn

- Increase in notes and accounts payable - trade 9.1
- Increase in accounts payable - other 4.8
- Decrease in accrued income taxes (4.0)
- Increase in long-term loans payable 2.9

Increase in net assets 14.4 ¥bn

- Increase in earned surplus 9.3
- Increase in unrealized holding gains on securities 2.1
- Increase in foreign currency translation adjustments 1.8

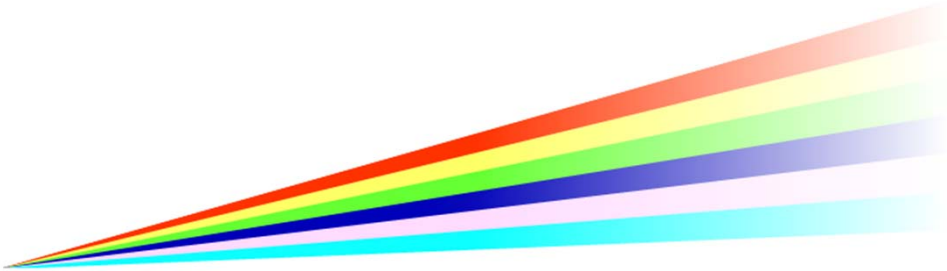
Key Points of Cash Flows



Comparison with FY2012

Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities
<ul style="list-style-type: none"> Decrease in income before income taxes and minority interests (0.9) Increase in notes and accounts receivable – trade (8.4) Increase in income (5.2) Increase in notes and accounts payable – trade 6.5 Increase in accounts payable – other 4.5 	<ul style="list-style-type: none"> Increase in purchases of tangible and intangible fixed assets (6.0) Decrease in payments into time deposits and increase in proceeds from withdrawal of time deposits 6.0 Proceeds from sales of fixed assets 1.4 	<ul style="list-style-type: none"> Increase in loans payable 1.9 Decrease in proceeds from issuance of bonds (9.9) Redemption of bonds (0.5)

Fiscal 2014 Plans



Fiscal 2014 Plans

Increase in both sales and profits planned: Sales to increase by 14.5 billion yen and operating income to increase by 2.1 billion yen

	11/13	11/14 Plan	Change YoY	Increase (Decrease)
Net Sales	530.5 ¥bn	545.0 ¥bn	2.7 %	14.5 ¥bn
Domestic	506.7	514.8	1.6	8.1
Overseas	23.8	30.2	26.8	6.4
Operating Income	22.4 ¥bn	24.5 ¥bn	9.4 %	2.1 ¥bn
Domestic	21.2	23.0	8.6	1.8
Overseas	1.2	1.5	22.1	0.3
Operating Income Ratio	4.2 %	4.5 %	—	0.3 %
Ordinary Income	23.7 ¥bn	25.1 ¥bn	5.7 %	1.4 ¥bn
Net Income	12.6 ¥bn	13.0 ¥bn	3.4 %	0.4 ¥bn
ROA (Return on Assets)	7.4 %	7.4 %	—	0.0 %
ROE (Return on Equity)	7.1 %	7.0 %	—	(0.1) %
EBITDA (Operating Income + Depreciation Expenses)	37.0 ¥bn	40.8 ¥bn	10.3 %	3.8 ¥bn

Accelerate efforts to strengthen structure and growth initiatives

Changes in business environment

Sharp rise in raw material and energy costs and consumption tax hike;
Changes in consumers' buying behavior

< Efforts to strengthen structure >

1. Scale back and withdraw from unprofitable categories, and refine product items
2. Strengthen ability to adapt to fluctuations in raw materials market; lower distribution and energy costs
3. Reform business structure through Group reorganization (making Aohata a consolidated subsidiary, optimal placement of manufacturing bases, etc.)

< Growth initiatives >

1. Expand into new fields and develop new sales channels, given changes in Japan's consumption environment
2. Expand business in China and Thailand and get business on track in new countries
3. Promote new developments utilizing M&As and alliances

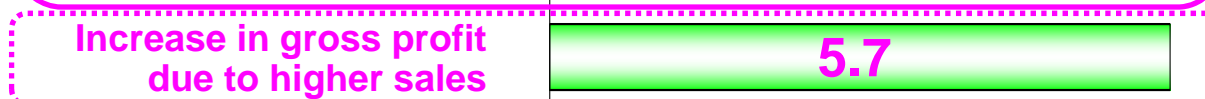
Infrastructure investment and growth investment

Factors Causing Increase (Decrease) in Operating Income

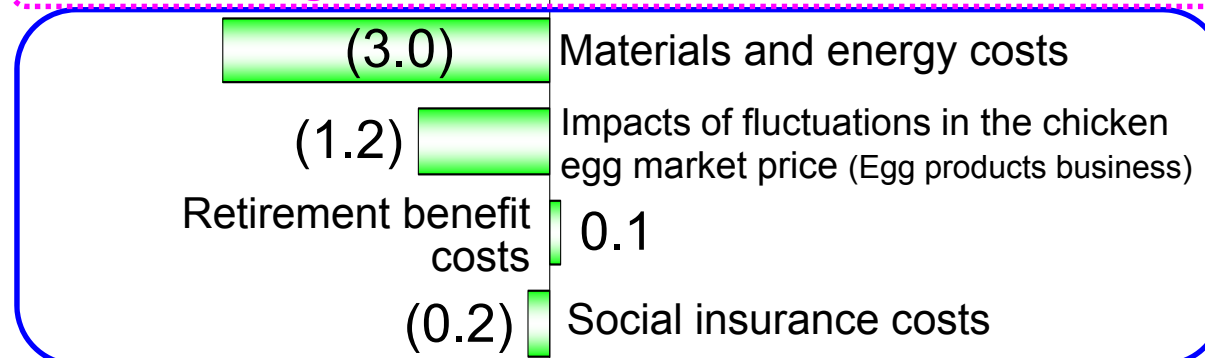
(¥bn)

	11/13	11/14 Plan	Difference
Operating Income	22.4	24.5	2.1

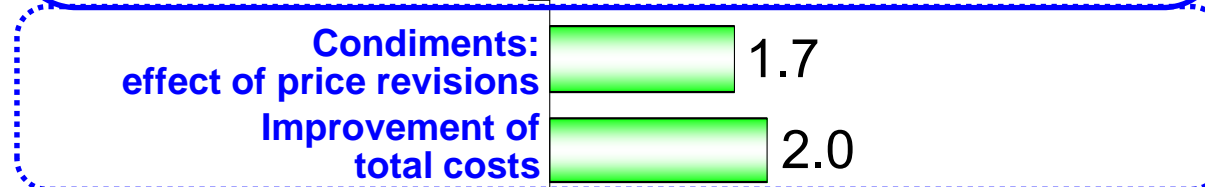
Creating growth opportunities
(2.1)



Negative factors
(4.3)



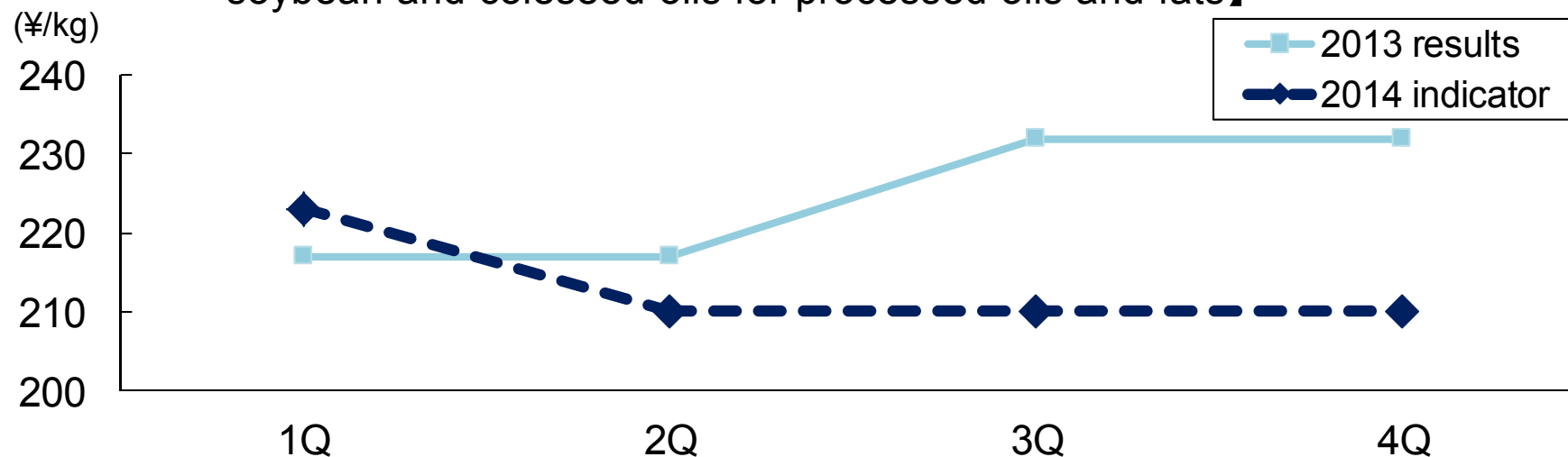
Overcoming negative factors
3.7



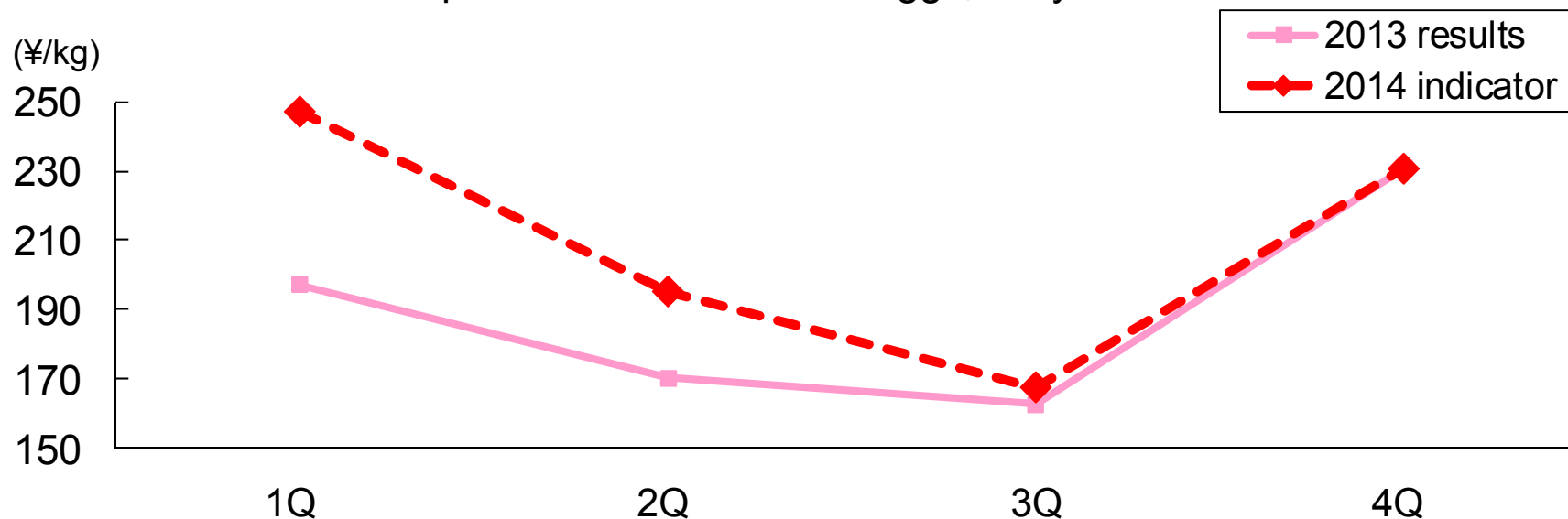
(0.9)	Other than those above (Distribution costs, payroll expenses, distribution system business, etc.)
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Conditions in Markets for Major Raw Materials

【Average institutional-use market price (tank truck base) of refined soybean and colseed oils for processed oils and fats】



【Benchmark price for medium-sized eggs, Tokyo market】



Investment policies and outlook

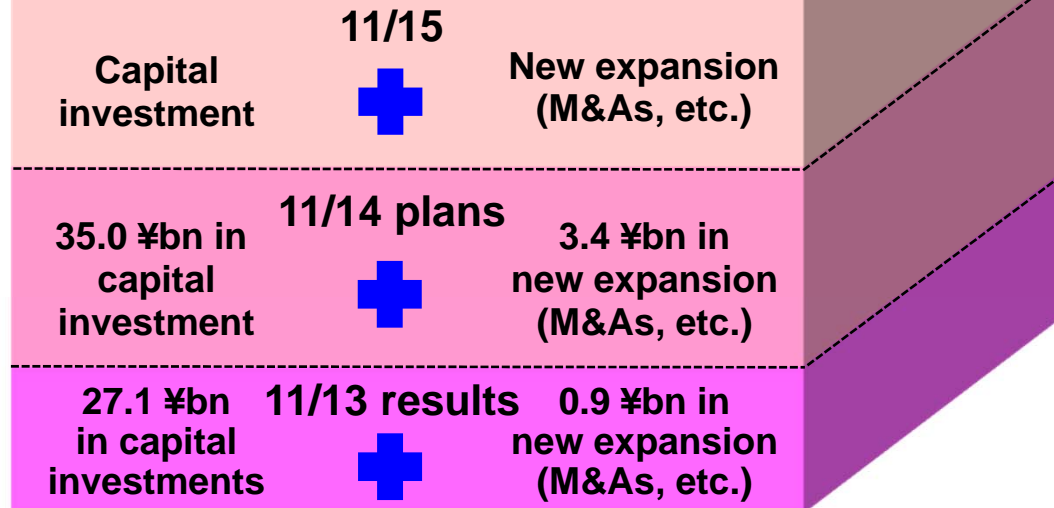
【Basic Investment Policy in 2013-15 Medium-Term Plan】

Establishing infrastructure leading to future success and improving its efficiency

Coping with production increase and new expansion necessary for growth

Enhancing safety and security and improving work environment

100 bn yen available for growth investments in 2013-15



Status of key investments

▶ Key capital investments in 11/13 (27.1 ¥bn)

(¥bn)

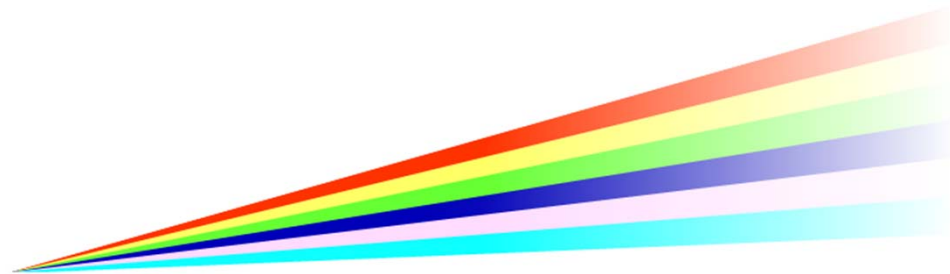
Business	Description	Objective	Amount
Condiments Products	Augmentation of manufacturing equipment in overseas plants	To strengthen supply system for growing markets	1.4
Egg Products	New installation of manufacturing equipment and augmentation of existing equipment	To enhance efficiency and expand lineup of value-added products	2.5
Delicatessen Products	Augmentation of manufacturing equipment for cut vegetables	To strengthen supply system in each area	0.4
Distribution System	New distribution base in Kanto area	To strengthen capacity to handle customized logistics	4.0
—	Sengawa Kewport	To promote group management and improve development speed	7.5

▶ Key capital investments in 11/14 (35 ¥bn)

Business	Description	Objective	Amount
Condiments Products	New installation of manufacturing equipment	To address expanded lineup in dressing sizes and increase production	1.0
	New company in Indonesia	To expand into Indonesian market	1.2
Egg Products	New liquid egg plant	To establish manufacturing system for high-mix low-volume lineup	1.5
Delicatessen Products	New plant for cut vegetables	To strengthen supply system for each area	1.0
	New company for vegetable processing	To expand into market for cut vegetables for institutional use	1.8
	New plant for cooked rice for convenience stores	To expand capacities to respond to demands from convenience stores	3.9
Distribution System	New distribution base in Kansai area	To build an efficient network	5.2
—	Reconstruction of training center	To train human resources and improve technical skills	1.1

*Since the key capital investments are shown according to the year in which they were primarily made, the actual total investment amount for each project may differ from the figure shown here.

Main Initiatives by Business Segment



Fiscal 2014 Plans by Segment

Condiments Products business drives an increase in sales and profits

(¥bn)

	Sales by Segment			Operating Income by Segment		
	11/13	11/14 Plan	Increase (Decrease)	11/13	11/14 Plan	Increase (Decrease)
Total	530.5	545.0	14.5	22.4	24.5	2.1
Condiments Products	145.4	156.0	10.6	11.5	11.9	0.4
Egg Products	91.2	91.5	0.3	3.4	4.1	0.7
Delicatessen Products	98.0	100.0	2.0	3.5	3.6	0.1
Processed Foods	58.4	58.0	(0.4)	(0.9)	(0.4)	0.5
Fine Chemical Products	9.7	11.5	1.8	0.9	1.1	0.2
Distribution System	120.3	122.0	1.7	3.2	3.5	0.3
Common Business Operations	7.6	6.0	(1.6)	0.8	0.7	(0.1)

FY14 Policies by Business

Name of business	Theme of Mid-term plan	11/14 policies
Condiments Products	This one condiment makes meals enjoyable	Expand mayonnaise applications in Japan and overseas and overcome changes in environment by augmenting capacity of the dressing bottle in Japan
Egg Products	Global & Challenge	Devise means of purchasing raw material eggs from overseas and take up challenge of untapped markets in Japan and overseas
Delicatessen Products	Farm to Table	Further cultivate proposals for new sales channels and strengthen ability to adapt to cut vegetable market
Processed Foods	Accomplish business rebuilding	Review unprofitable categories and strengthen sales of products related to bread, pasta and foods for the elderly
Fine Chemical Products	Refine proprietary raw materials	Expand into medical field on a full scale and expand sales channels in Japan and overseas based on high-performance hyaluronic acid
Distribution System	Focus on three priority areas	Make capital investments to achieve sophisticated ability to adapt to customers needs

Condiments Products Business

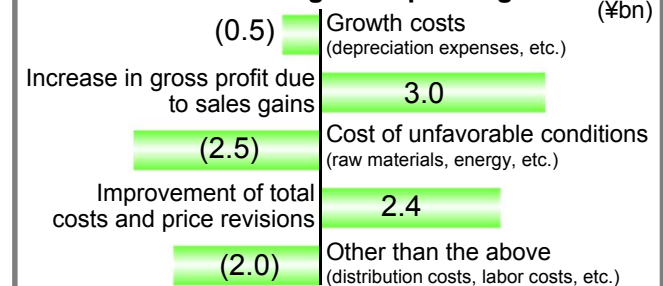
【2013-15 Medium-term Themes】

-This one condiment makes meals enjoyable -

Cultivate demand by offering condiments products that enrich meals and make them more enjoyable, tailored to each area's food culture

(¥bn)	11/14 Plan	Increase (Decrease)
Net Sales	156.0	10.6
Operating Income	11.9	0.4
Operating Income Ratio	7.6%	(0.3)%

Factors behind changes in operating income (¥bn)



*The numbers in parentheses ([]) refer to the difference in sales between the 11/14 plan and the 11/13 result. Figures are shown in billions of yen.

【Cultivate demand for mayonnaise and dressings】

◇Cultivate the domestic market [6.6]

- Shore up demand for mayonnaise with proposals for new dietary ideas and by linking with new products
- Jump-start dressing market by expanding salad field and developing easy-to-use sizes

◇Accelerate overseas expansion [3.6]

- Expand overseas market for dressings
- Augment Asian production system through operations in Indonesia

【Sauce innovation】

- Develop new sauce applications to create new dietary ideas
- Propose new ways of eating vegetables by developing Asian sauces

【Build mother and satellite production system】

(Improve productivity by compartmentalizing products and lines)

- In mother factories, pursue cost competitiveness for mainstay products with high-speed mass-production technology
- In satellite factories, create new value-added products with high-mix and low-volume production technology

Mayonnaise

Making mayonnaise an all-purpose condiment

Domestic

- Propose ease-of-purchase with a new 450 g bottle capacity
- Encourage kitchen use with suggestions for stir-frying with mayonnaise and expand demand
- Increase consumption by ensuring that a bottle of mayonnaise is on restaurant tables

Overseas

- Strengthen proposals for applications through advertising and sales promotional activities

Dressings

Expanding salads field

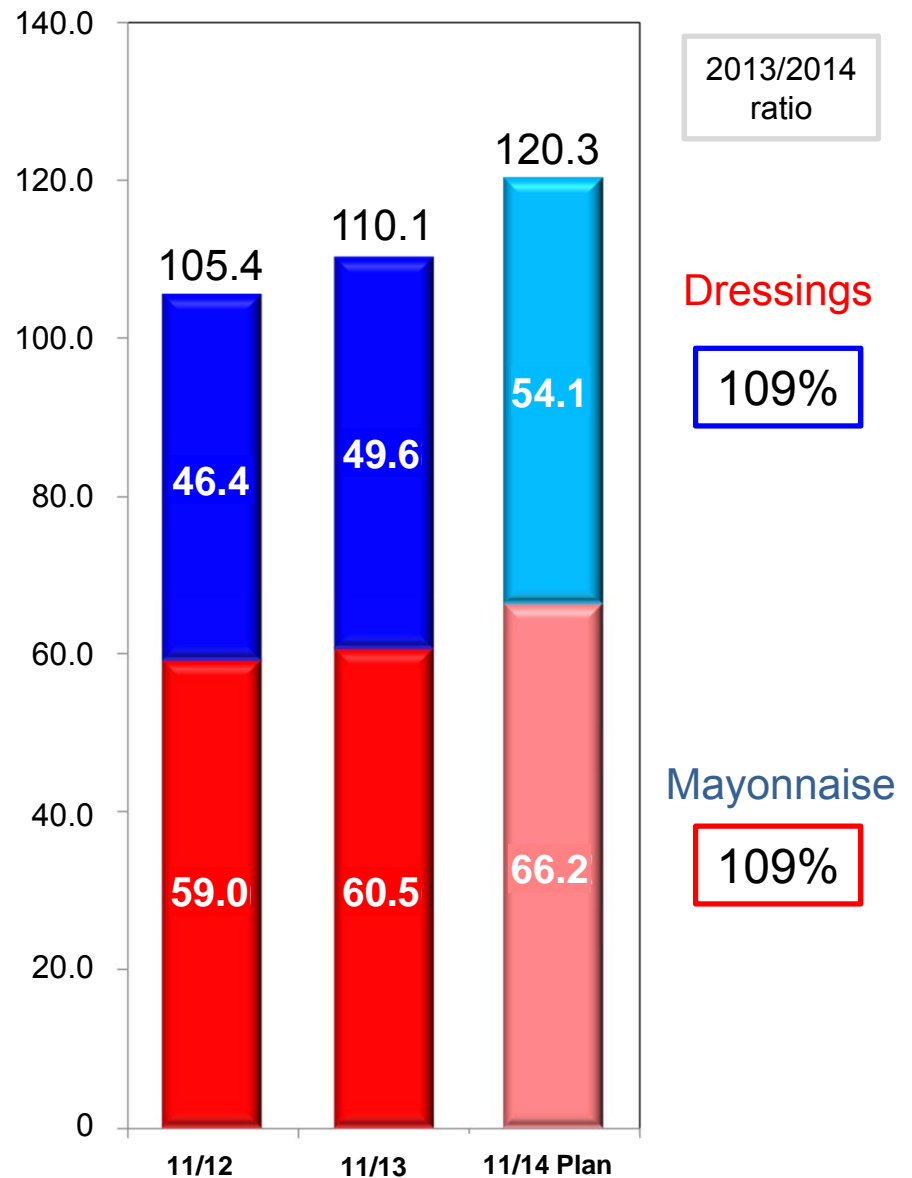
Domestic

- Encourage customers to add vegetables to all kinds of dishes and expand dressing applications
- Expand size lineup to fit changes in the size of families

Overseas

- Expand manufacturing bases and sales area

(¥bn)




* We have revised the figures for 11/12 that were released in January 2013 due to changes in the scope of the calculation.


Dressings: Expanding size lineup

Increase number of sales venues offering Kewpie products by expanding size lineup

Current products



170 ml




380 ml

Size that can be used up


Sense of affordability

From Spring 2014




150 ml

New



260 ml



380 ml

Respond to diversifying needs

Continue proposing new applications and increase sales of dressings for household use by 2.0 ¥bn (year-on-year)

Egg Products Business

【2013-15 Medium-term Themes】

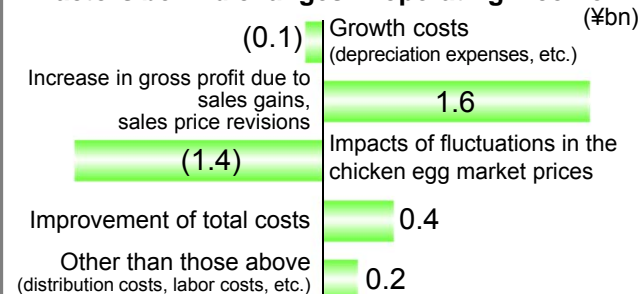
- Global & Challenge -

Take up the challenge of developing new technologies and acquiring customers for the future, and ensure that business remains strong both in Japan and overseas

(¥bn)	11/14 Plan	Increase (Decrease)
Net Sales	91.5	0.3
Operating Income	4.1	0.7
Operating Income Ratio	4.5%	0.8%

(Market impact: Sales 2.6 billion yen)

Factors behind changes in operating income (¥bn)



*The numbers in parentheses ([]) refer to the difference in sales between the 11/14 plan and the 11/13 result. Figures are shown in billions of yen.

【Cultivate new sales channels】 [1.0]

◇Create demand in untapped domestic markets

- Pursue development of products by application, and further cultivate market for shell eggs for institutional use
- Expand market of products for household use

◇Meet health needs

- Pursue egg white functions and develop products appealing to health value

◇Accelerate overseas expansion

- Utilize technology developed in Japan to expand in China, primarily in the bakery and convenience store markets
- Begin sales in southeast Asia

【Strengthen structure for core products】 [(0.7)]

◇Improve technological capabilities

- Further refine and expand unique products, such as techniques to maintain eggs in a half-boiled state

◇Lower business costs

- Carry out price revisions to bring prices to appropriate levels based on raw materials market
- Generate merit with innovations in raw material egg purchase
- Improve efficiency by relocating production bases
- Further refine product items

11/13: Major influence other than domestic chicken egg market

Sharp rise in overseas markets

Exchange rates

Strengthen profit structure

Higher cost of imported raw materials



- Penetrate sales price revisions
- Devise a better way to purchase eggs

- Refine product items
- Penetrate cost-cutting activities

Further cultivate market for shell eggs for institutional use

Identify local needs in customers' factories and stores

Actively conduct factory tours

Aggressively expand products tailored to application



Confectionery



Chinese style



Western style

Further cultivate the untapped domestic market with production volume of 0.75 million tons, which is equivalent to 30% of the total domestic production volume of 2.5 million tons.

Grow through strengthening structure and venturing into untapped markets

Delicatessen Products Business

【2013-15 Medium-term Themes】 - Farm to Table - Create products and services with real value that bring the farm and the table closer together	(¥bn)	11/14 Plan	Increase (Decrease)	Factors behind changes in operating income (¥bn)	
	Net Sales	100.0	2.0	(0.6)	Growth costs (depreciation expenses, etc.)
	Operating Income	3.6	0.1	0.7	Increase in gross profit due to sales gains
	Operating Income Ratio	3.6%	0.1%	(0.2)	Cost of unfavorable conditions (raw materials, energy, etc.)
				0.2	Improvement of total costs
				0.1	Other than those above (distribution costs, labor costs, etc.)

*The numbers in parentheses ([]) refer to the difference in sales between the 11/14 plan and the 11/13 result. Figures are shown in billions of yen.

【Focus on three areas】

◇Delicatessen Products [1.5]

- Strengthen proposals for new sales channels such as e-commerce and home delivery
- Refine potato salad production methods and combination to ensure good taste

◇Cut vegetables [2.1]

- Build production system that supports higher sales
- Expand products related to packaged salads (strengthen Salad Club brand)

◇Cooked rice for convenience stores [(1.6)]

- Reduce production costs and strengthen earning capacity
- Take up challenge of new categories

【Pursue Group vegetable strategy】

- Expand number of producing areas we have contracts with and concentrate procurement function
- Take up challenge of cut vegetables for institutional use (establish joint venture Green Message Co., Ltd. with National Federation of Agricultural Cooperative Associations)

【Strengthen management base】

- Enhance taste and freshness with new technology for vegetable processing
- Reduce indirect costs and raise productivity by consolidating manufacturing companies (decrease of one company) and plants (decrease of one factory)

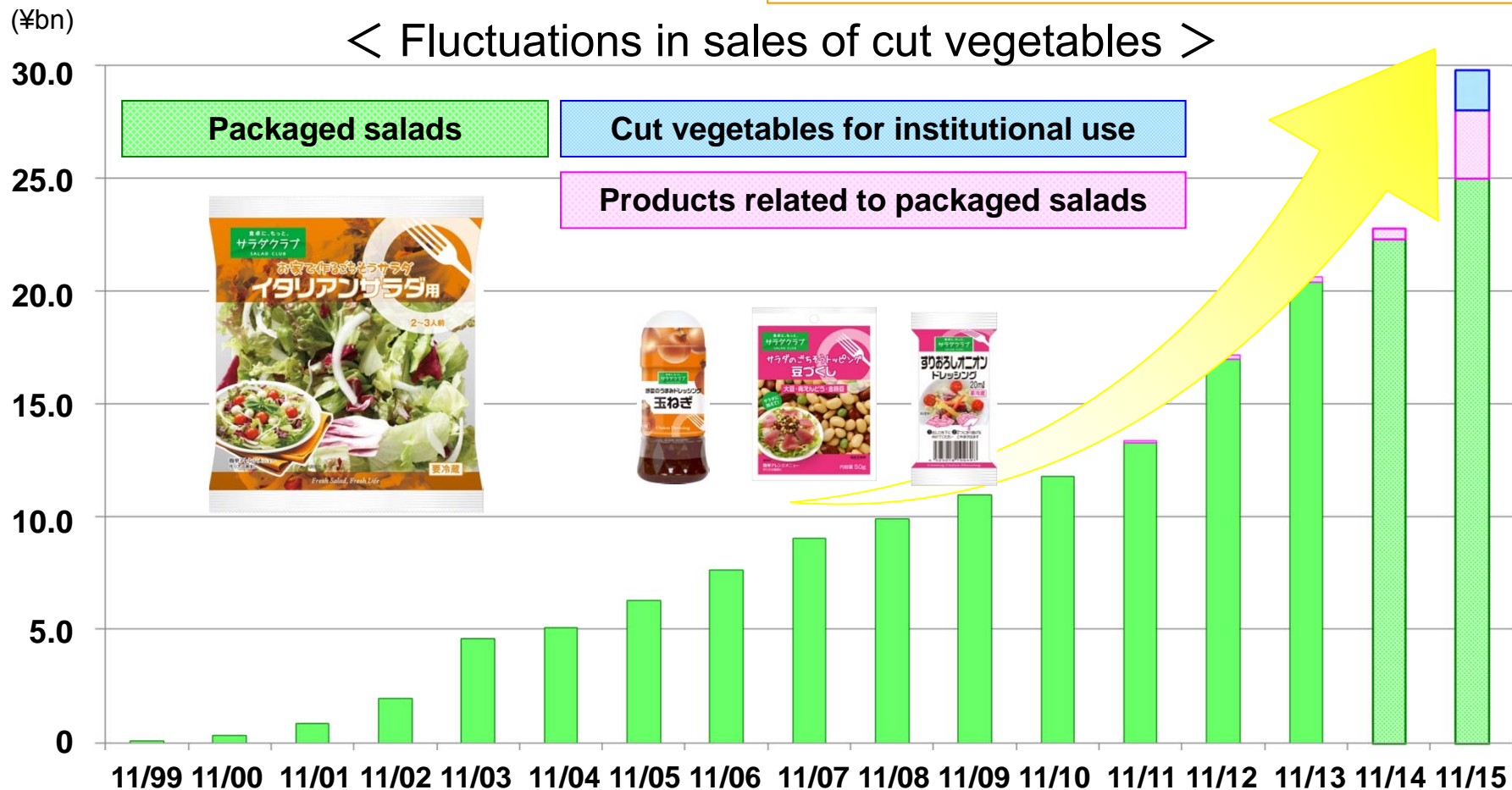
Reinforce packaged salad manufacturing bases

Increase production capacity by 30% by setting up five new bases, including new factories

Take up challenge of increasing institutional use of cut vegetables

Enhance proposals in fruit and vegetable sections of stores

Expand proposals in salad category, such as offering toppings tailored to packaged salads



Processed Foods Business

【2013-15 Medium-term Themes】

- Accomplish business rebuilding -

Shift to focus, creation and cultivation of high value-added products acclaimed by customers

(¥bn)	11/14 Plan	Increase (Decrease)
Net Sales	58.0	(0.4)
Operating Income	(0.4)	0.5
Operating Income Ratio	—	—

Factors behind changes in operating income (¥bn)

(0.1)	Growth costs (depreciation expenses, etc.)
0.2	Increase in gross profit due to changes in structure
(0.1)	Cost of unfavorable conditions (raw materials, energy, etc.)
0.4	Improvement of total costs
0.1	Other than those above (distribution costs, labor costs, etc.)

*The numbers in parentheses ([]) refer to the difference in sales between the 11/14 plan and the 11/13 result. Figures are shown in billions of yen.

【New growth in processed foods】

◇Strengthen bread-related products category [0.6]

- Strengthen sales response toward development of integrated production/sales system
- Capture bread industry by reinforcing development of bread-related products

◇Expand in market of foods for the elderly [0.3]

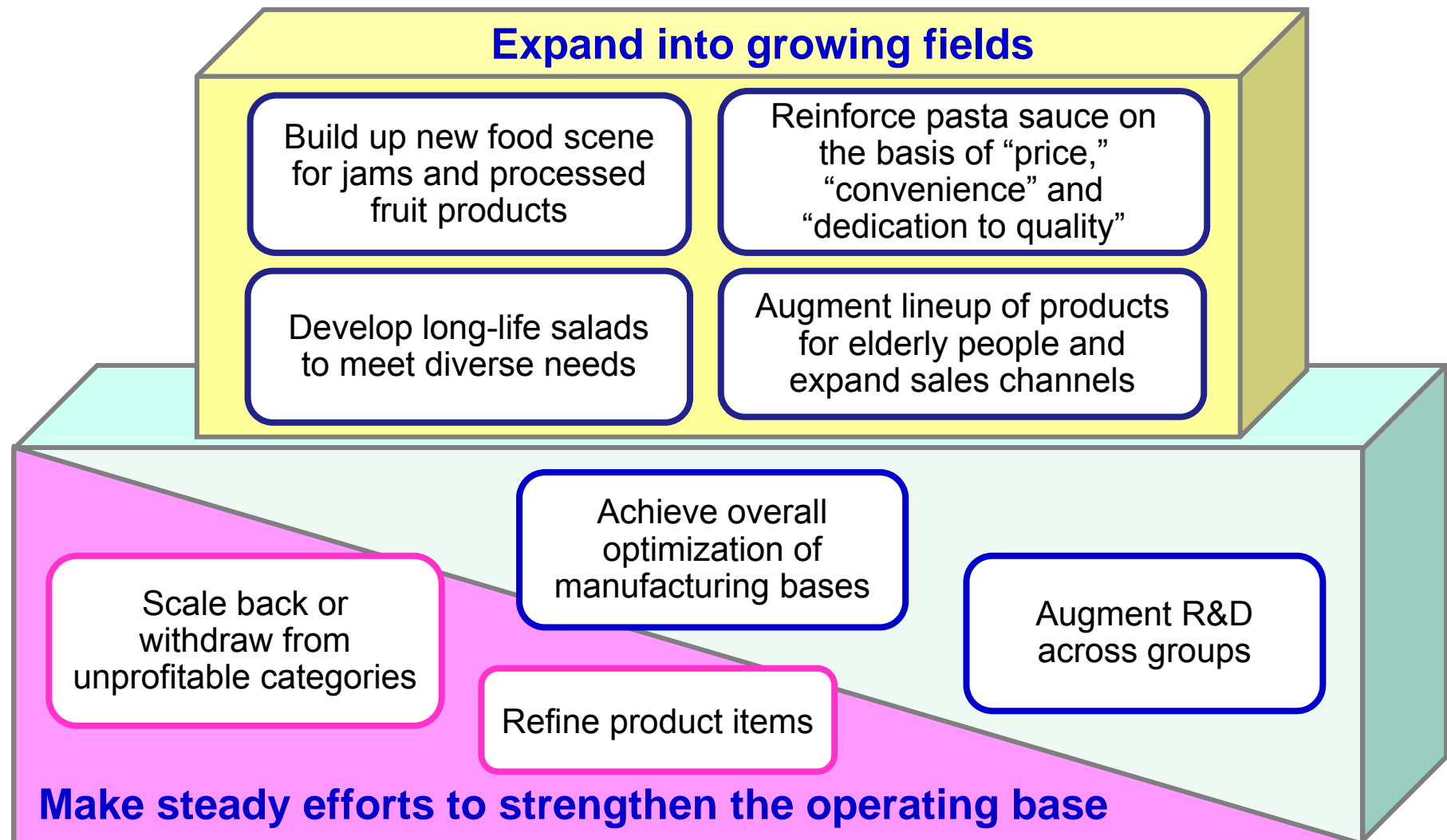
- Expand processed food for institutional use in facility and hospital meal supply route
- Expand sales of nursing care food to volume sellers by making it more closely resemble normal food and creating a convenient sales venue

【Refine categories】 [(2.4)]

- Scale back or withdraw from unprofitable categories
- Improve revenue by refining product items

【Build optimal production system】

- Reduce costs by consolidating ready-made food manufacturing bases
- Effectively utilize manufacturing bases by sharing them across multiple businesses (cut vegetable production, etc.)



Make steady progress towards strengthening operating base and link it to the future growth

New growth track for Aohata (from jams to fruits)

1. Establish Aohata's dedicated marketing system; reinforce proposals to expand jam applications
2. Integrate Group to utilize Group's sales channels; Confectionery, bread, dairy industry manufacturers, etc.
3. Accelerate overseas expansion; utilize teamwork with overseas Group subsidiaries



30.5 ¥bn
8.0 ¥bn
over FY13

2020

27.5 ¥bn
5.0 ¥bn
over FY13

2018

Sales forecast for the
new Aohata
FY13 result
22.5 ¥bn

2013



Utilize raw materials
procurement ability
in China and Chile
to the maximum
extent possible

Fine Chemical Products Business

【2013-15 Medium-term Themes】

-Refine proprietary raw materials-

Expand possibilities in medical field and offer new value

(¥bn)	11/14 Plan	Increase (Decrease)
Net Sales	11.5	1.8
Operating Income	1.1	0.2
Operating Income Ratio	9.6%	0.2%

Factors behind changes in operating income

	(¥bn)
Growth costs (depreciation expenses, etc.)	(0.3)
Increase in gross profit due to sales gains	0.2
Cost of unfavorable conditions (raw materials, energy, etc.)	(0.1)
Improvement in total costs	0.3
Other than the above (distribution costs, labor costs, etc.)	0.1

*The numbers in parentheses ([]) refer to the difference in sales between the 11/14 plan and the 11/13 result. Figures are shown in billions of yen.

【Growth based on three pillars】

◇Expansion of hyaluronic acid [0.8]

- Restore share of medical-use market by strengthening customer interaction
- Expand use in cosmetics and food products by introducing new high-performance products

◇Expansion of medical-use EPA in Japan and overseas [0.8]

- Meet expanding demand by strengthening raw material procurement and the production system
- Accelerate initiatives in Asia's hyperlipidemia market

◇Development of emulsification technology for egg yolk lecithin [0.2]

- Expand proposals for formulated emulsification technology that extends the medicinal effect
- Strengthen proposals for refinements to taste and flavor of general food products

【New challenges】

◇Technology developments in medical field

- Augment effect of hyaluronic acid for use on knees and with dry eye
- Develop new functions for eggshell membranes
Joint research with drug manufacturers on function in softening rough skin

【Strengthening our management base】

◇Promotion of efficiency through internal and external collaboration

- Accelerate cost-cutting using new manufacturing method for hyaluronic acid
- Strengthen structure by refining product items
- Speed up R&D in collaboration with external organizations

Network to break into markets

【Domestic】 80% share of generic drug market

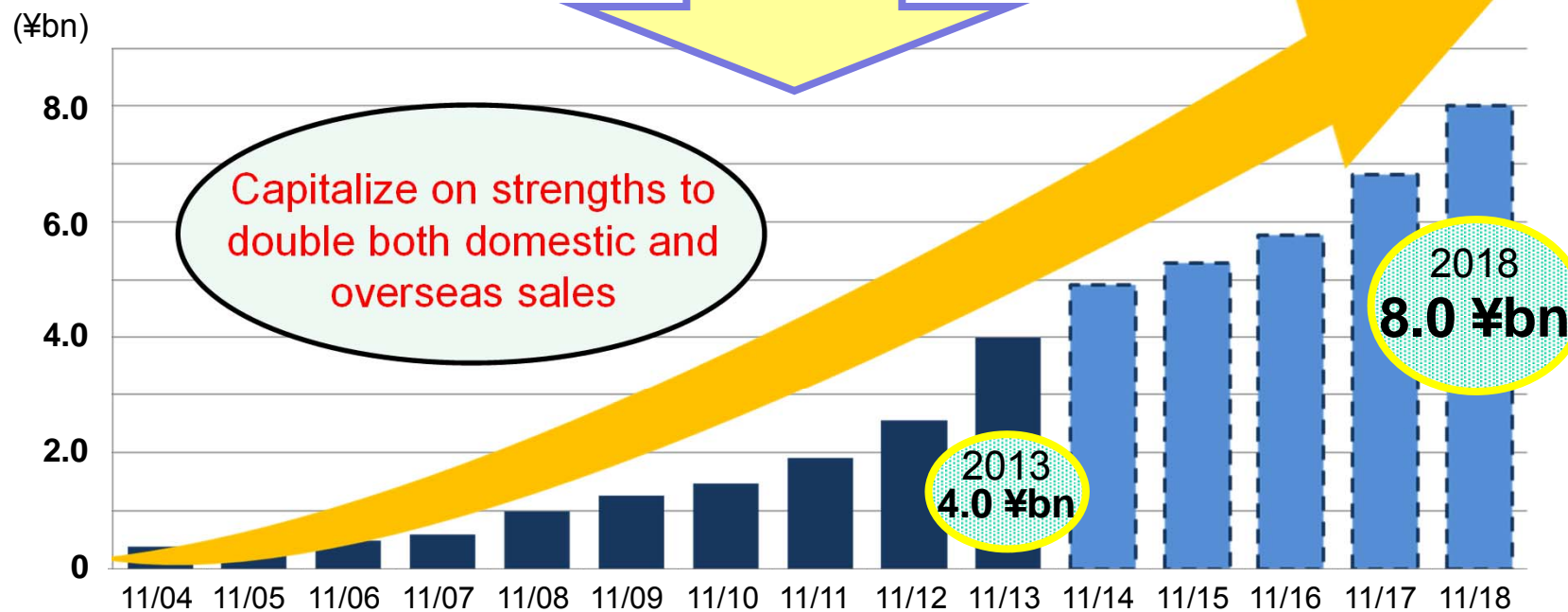
【Overseas】 Affiliations between industry, government and academia that lead to licenses

Ability to develop new technology

Establishment of high-efficiency isolation technology
(Strengthening relationship with fish oil supplier)

Proprietary manufacturing technology

Patented refining technology
Technology to prevent degradation



Trends in sales of medical-use EPA

Distribution System Business

【2013-15 Medium-term Themes】

- Focus on three priority areas -

Clarify business areas on which Kewpie will focus, strengthen operating base and pursue new developments

(¥bn)	11/14 Plan	Increase (Decrease)
Net Sales	122.0	1.7
Operating Income	3.5	0.3
Operating Income Ratio	2.9%	0.2%

Factors behind changes in operating income (¥bn)

(0.6)	Growth costs (depreciation expenses, etc.)
Increase in income due to sales gains	0.5
(0.7)	Cost of unfavorable conditions (raw materials, energy, etc.)
Improvement in total costs	1.4
(0.2)	Other than the above

【Strengthen operating base】

◇ Optimize transportation and cargo operations by promoting new business system

◇ Optimize network of bases

- Operation of Tokorozawa Distribution Center
- Establishment of Kobe No. 3 Sales Office

◇ Strengthen earning capacity by reducing costs

- Establish standardization of operations
- Strengthen transportation functions and ensure stable vehicle supplies

【Take up challenge of new developments】

◇ Strengthen ability to meet needs of customers

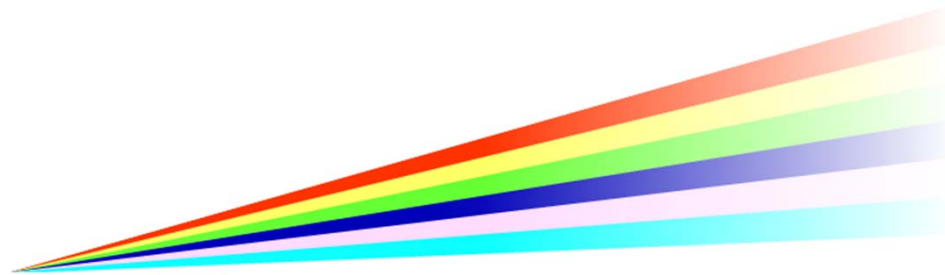
- Expand in customized logistics business
- Speedy management through on-site completion system

【Improve distribution quality】

◇ Make investments to improve environment and quality

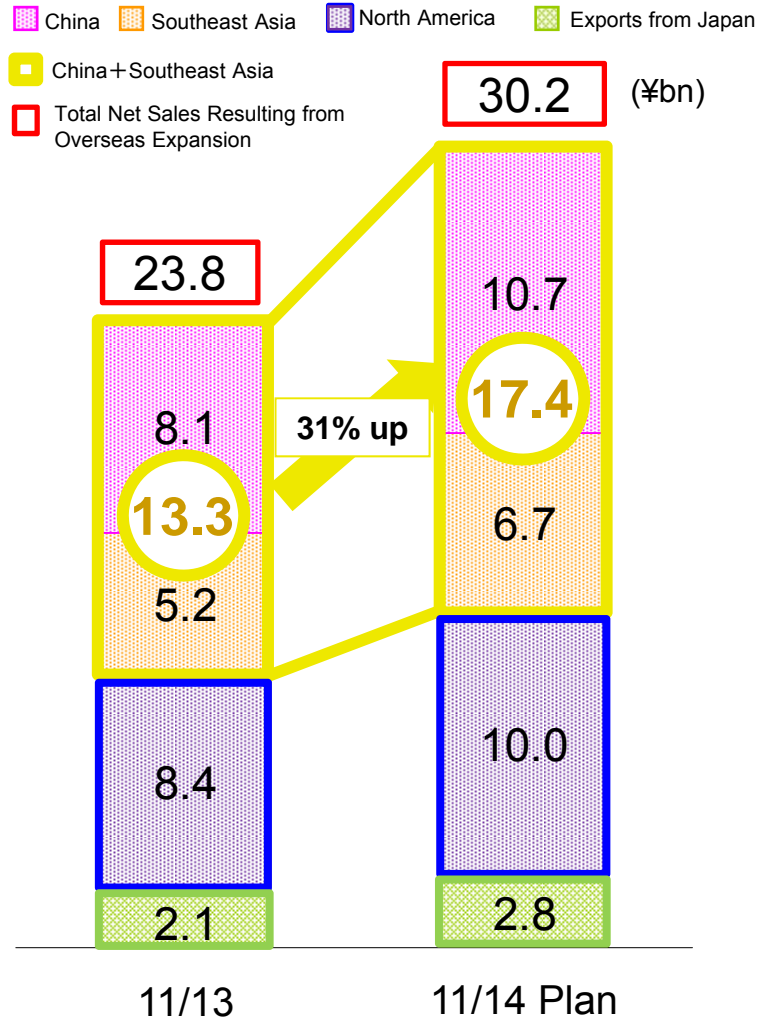
- Introduce solar power system and research energy-saving equipment
- Adopt dehumidification and positive pressure systems in refrigerated warehouses

Main Initiatives in Overseas



Overseas sales by region and initiatives

Overseas expansion: Sales trends by area



Overseas Expansion increased 27% (6.4 ¥bn) over 11/13

China and Southeast Asia increased 31% (4.1 ¥bn) over 11/13

Main Initiatives in Asia

【China】

< 33% year-on-year increase >

- ➔ Expand applications for mayonnaise and dressings in urban areas
- ➔ Increase sales of mayonnaise and dressings in the north-east and inland areas
- ➔ Strengthen fillings and processed egg products in bakery market

【Southeast Asia】

< 28% year-on-year increase >

- ➔ Expand mayonnaise and spreads in household market
- ➔ Development of dressings tailored to each country's needs
- ➔ Begin production in factory in Indonesia

Main initiatives in US

- ➔ Develop market for KEWPIE brand products
- ➔ Focus on exports to surrounding countries

Expand Chinese market

<North-east and inland regions>

Full-scale development of menu proposals using mayonnaise and dressings



Hold food sampling events on the streets of north-east and inland areas

Sales in China
11/14 Plan 10.7 ¥bn
(up 33% year-on-year)

North-east and inland regions
Cities

Up 35% year-on-year
Up 30% year-on-year



North-east region

<Cities (Beijing, Shanghai, Guangzhou)>

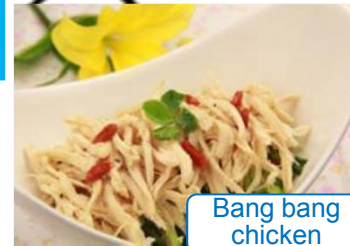
Expand applications for mayonnaise, dressings and jams in a range of dishes

Beijing

Shanghai

Inland region

Guangzhou



Bang bang chicken



Hot pot



Cold meal



Fried rice

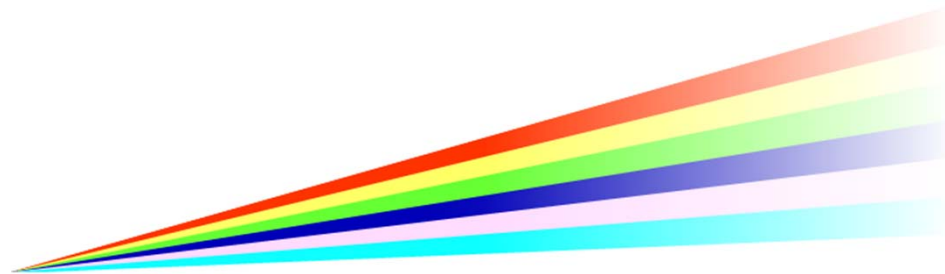


Milk-based beverages



Dessert

Reference Materials



Reference: Performance Trends

	(¥bn)					
	11/10	11/11	11/12	11/13	11/14 Plan	11/15 Target
《New Business Segments》						
Condiments Products			138.6	145.4	156.0	167.0
			11.5	11.5	11.9	11.6
Egg Products			85.6	91.2	91.5	94.0
			4.9	3.4	4.1	5.0
Delicatessen Products			91.6	98.0	100.0	100.0
			3.1	3.5	3.6	3.5
Processed Foods			59.1	58.4	58.0	63.0
			(0.1)	(0.9)	(0.4)	0.0
Fine Chemical Products			8.3	9.7	11.5	14.0
			1.0	0.9	1.1	2.2
Distribution System			115.7	120.3	122.0	116.0
			3.2	3.2	3.5	3.6
Common Business Operations			6.2	7.6	6.0	6.0
			0.8	0.8	0.7	0.6
Total			505.0	530.5	545.0	560.0
			23.4	22.4	24.5	26.5
《Former Business Segments》						
Condiments and Processed Foods	171.7	173.5	181.4			
	16.6	14.4	15.0			
Health Function Products	17.8	18.5	18.4			
	1.4	1.5	0.8			
Egg Products	83.1	85.7	85.6			
	3.9	3.8	5.7			
Salads and Prepared Foods	78.1	85.8	97.7			
	1.6	2.2	3.1			
Distribution System	113.7	117.1	115.7			
	2.8	3.0	3.2			
Common Business Operations	6.7	5.8	6.2			
	0.5	0.7	0.8			
Adjustments	(4.6)	(4.8)	(5.2)			
Total	471.0	486.4	505.0			
	22.1	20.8	23.4			

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

Reference: Capital Investments and Main SG&A Expenses

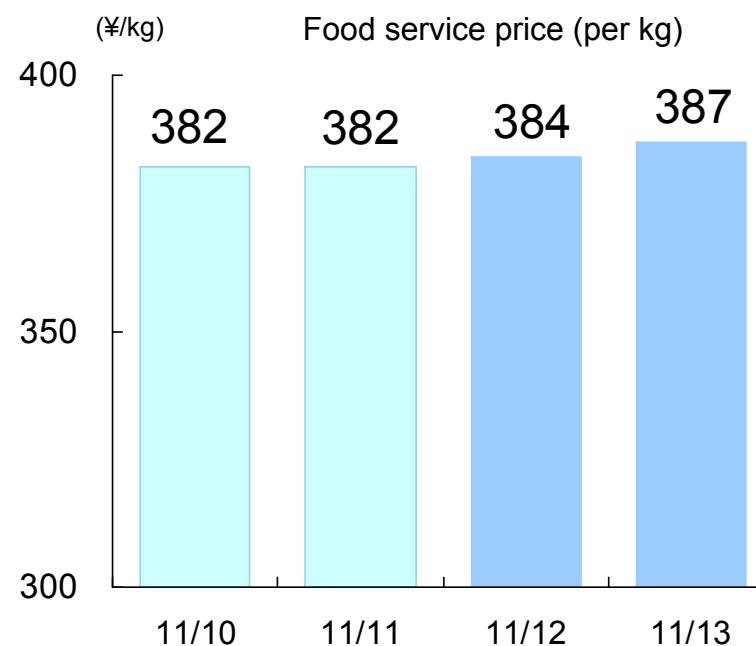
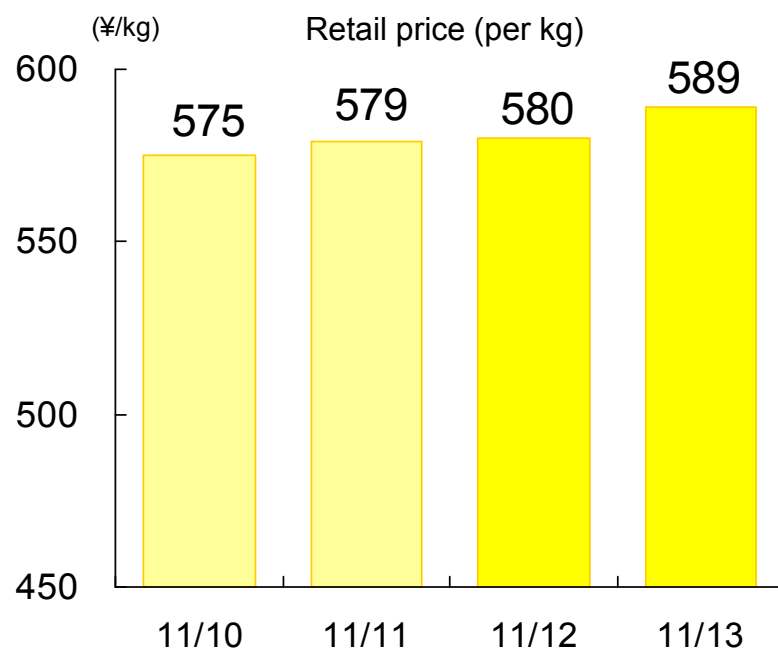
	(¥bn)					
	11/09	11/10	11/11	11/12	11/13	11/14 Plan
Capital Investments	11.9	12.6	13.4	20.9	27.1	35.0
Depreciation Expenses	13.0	13.1	13.6	14.1	14.6	16.3
Sales Promotion Expenses	17.6	18.2	18.2	19.5	20.5	20.2
Advertising and General Publicity Expenses	7.7	7.8	7.4	7.9	7.9	8.1
Transportation and Storage Costs	25.1	25.8	27.0	28.9	30.5	31.2
Payroll Expenses	21.7	22.8	23.6	24.3	25.4	26.5
R&D Expenses	3.2	3.2	3.2	3.4	3.7	4.6

	11/12	11/13	Breakdown of Increase/Decrease (Comparison between fiscal 2012 and plans for fiscal 2013)
Non-operating Income (Expenses)	1.1	1.3	Increase in profit on currency exchange and unrealized gains on derivatives 0.3
Extraordinary Gains (Losses)	(1.1)	(1.3)	Increase in gains on negative goodwill 0.8 Decrease in insurance income and compensation income related to the Great East Japan Earthquake (0.8) Decrease in losses on impairment of fixed assets 0.5 Increase in loss on withdrawal from pension fund (0.4) Increase in other extraordinary losses (0.5)

Reference: Results of Salad Condiments by Category Type in Japan

		11/10	11/11	11/12	11/13	Change YoY
Retail	Volume (1,000 t)	123	124	127	128	0.7%
	Amount (¥bn)	70.7	71.8	73.8	75.4	2.1%
Food service	Volume (1,000 t)	96	97	107	107	0.7%
	Amount (¥bn)	36.7	37.1	40.9	41.5	1.5%
Total	Volume (1,000 t)	219	221	234	235	0.7%
	Amount (¥bn)	107.4	108.9	114.7	116.9	1.9%

* Results for the period ended in November 2012 were reclassified in accordance with the new segment classification from the fiscal year 2013.



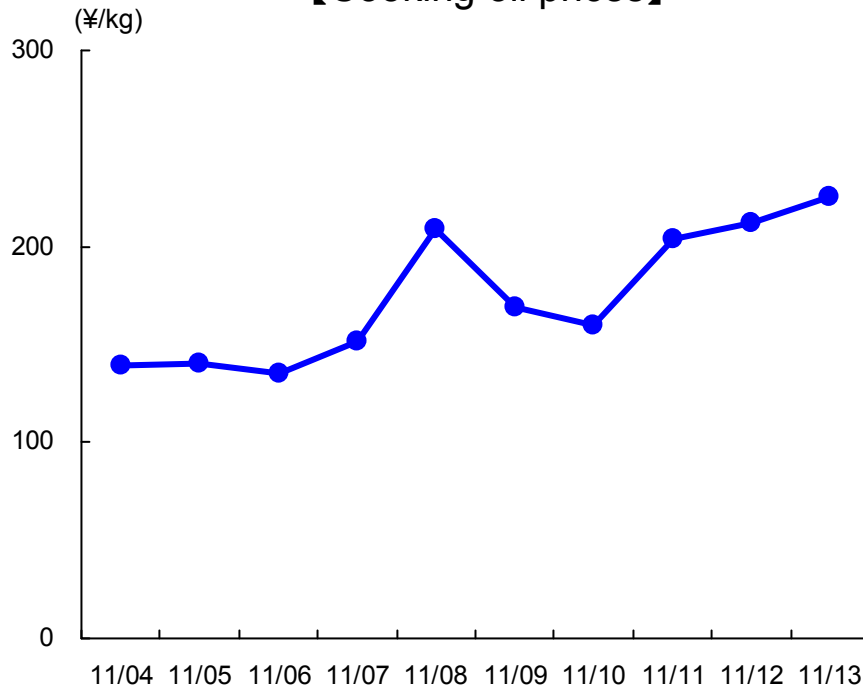
Reference: Movement in Egg and Cooking Oil Prices

(Yen)

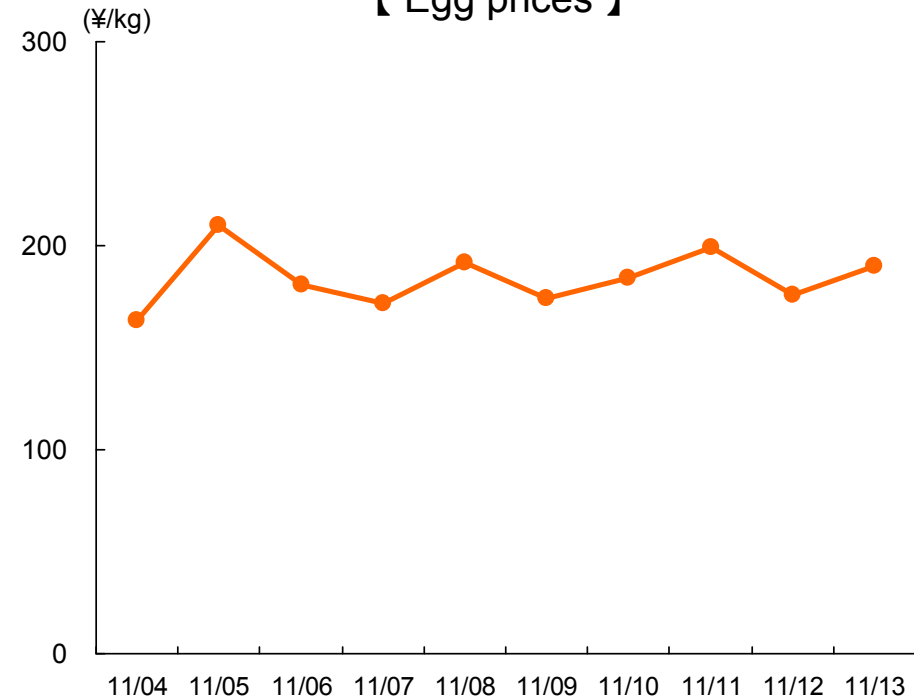
	11/04	11/05	11/06	11/07	11/08	11/09	11/10	11/11	11/12	11/13
Average Price of Institutional Use (Tank Truck Base) for Processed Oil and Fats (per kg)	139	140	135	152	209	169	160	204	212	225
Medium-Sized Egg, Tokyo Market Average Price (per kg)	163	210	181	172	192	174	184	199	176	190

(Average in period from December to November of the following year)

【Cooking oil prices】

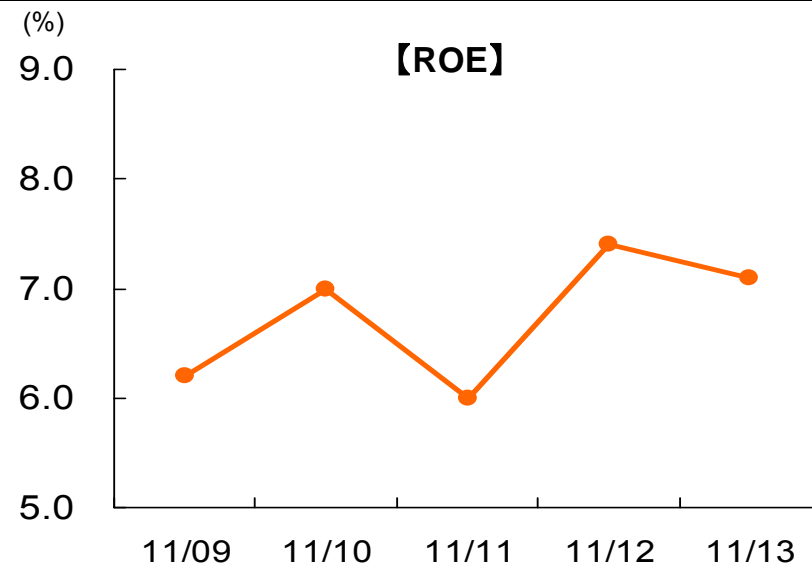
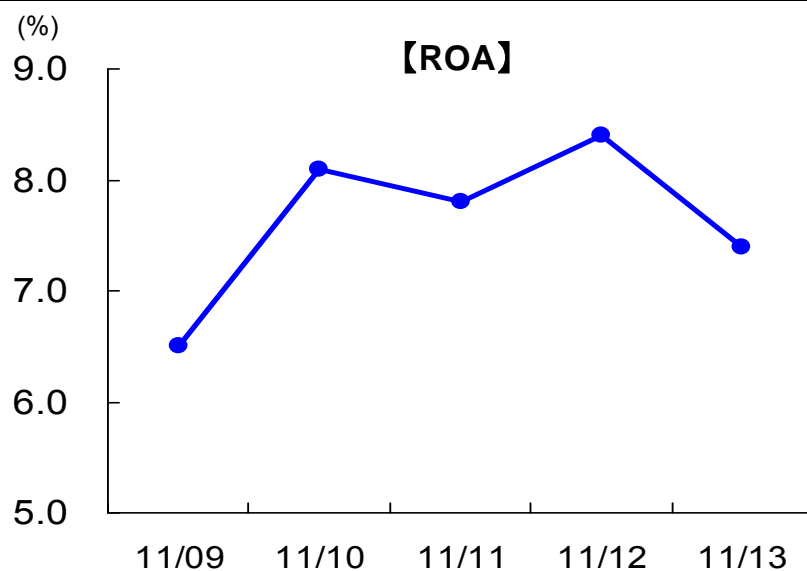


【 Egg prices 】



Reference: ROA and ROE

	11/09	11/10	11/11	11/12	11/13
ROA (Return on Assets)	6.5	8.1	7.8	8.4	7.4
ROE (Return on Equity)	6.2	7.0	6.0	7.4	7.1



(¥bn)

	11/09	11/10	11/11	11/12	11/13
Total assets	275.7	288.0	275.8	306.5	334.7
Ordinary Income	18.4	22.8	21.9	24.5	23.7

(¥bn)

	11/09	11/10	11/11	11/12	11/13
Shareholders' equity	148.4	156.1	160.0	170.9	184.2
Net Income	9.0	10.6	9.4	12.3	12.6

Note:

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