Consolidated Financial Statements
for the Fiscal Year Ending March 2010

May 13, 2010

Name of Listed Company: Meiji Holdings Co., Ltd. Listed exchange: 1st Section, Tokyo Stock Exchange
Code Number: 2269 URL: www.meiji.com
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Scheduled date of annual shareholders meeting: June 29, 2010
Scheduled date of dividend payment commencement: June 9, 2010
Scheduled date of submission of the securities report: June 29, 2010

(Note: Amounts under one million yen have been rounded down.)

1. Consolidated Financial Results for the Fiscal Year Ending March 2010
(April 1, 2009 to March 31, 2010)

(1) Consolidated operating results

(Percentages represent changes from the previous fiscal year.)

	Net Sales		Operating Income		Ordinary Income		Net Income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal Year Ending March 2010	1,106,645	–	28,786	–	28,316	–	13,088	–
Fiscal Year Ending March 2009	–	–	–	–	–	–	–	–

	Net Income per Share	Diluted Net Income per Share	Return on Equity	Ordinary Income / Total Assets	Operating Income / Net Sales
	Yen	Yen	%	%	%
Fiscal Year Ending March 2010	177.73	–	4.6	3.9	2.6
Fiscal Year Ending March 2009	–	–	–	–	–

(Reference) Equity in income of affiliates: Fiscal year ending March 2010: (236) million yen
Fiscal year ending March 2009: –

(2) Consolidated financial position

	Total Assets	Net Assets	Equity Ratio	Net Assets per Share
	Millions of yen	Millions of yen	%	Yen
Fiscal Year Ending March 2010	730,044	297,771	39.7	3,933.05
Fiscal Year Ending March 2009	–	–	–	–

(Reference) Shareholders' equity: Fiscal year ending March 2010: 289,886 million yen

Fiscal year ending March 2009: –

(3) Consolidated cash flows

	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financial Activities	Cash and Cash Equivalents at End of Year
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal Year Ending March 2010	47,707	(33,641)	(12,674)	16,061
Fiscal Year Ending March 2009	–	–	–	–

2. Dividends

(Basic date)	Cash Dividends per Share					Total Cash Dividends (annual)	Payout Ratio (Consolidated)	Dividends to Net Assets Ratio (Consolidated)
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal Year Ending March 2009	–	–	–	–	–	–	–	–
Fiscal Year Ending March 2010	–	–	–	80.00	80.00	6,100	45.0	2.1
Fiscal Year Ending March 2011 (Projected)	–	40.00	–	40.00	80.00		39.3	

For the year ending March 2010, the first fiscal year in which the integration took place, we will distribute an 80 yen per share year-end dividend to shareholders at the end of the period. For years ending March 2011 and thereafter, we plan dividends with the interim-end closing date as the basic date ("interim dividends").

3. Forecasts of Consolidated Financial Results for the Fiscal Year Ending March 2011

(April 1, 2010 to March 31, 2011)

(Percentages represent changes from the previous fiscal year/the same period of the previous fiscal 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
Second Quarter of Fiscal Year Ending March 2011	564,500	1.7	12,000	(11.6)	12,000	(10.7)	5,700	5.4	77.34
Full year	1,131,000	2.2	29,000	0.7	29,000	2.4	15,000	14.6	203.51

4. Other

(1) Changes in significant subsidiaries during the fiscal year under review

(Changes in subsidiaries affecting the scope of consolidation): None

(2) Revisions of accounting rules, procedures and presentations concerning preparation of consolidated financial statements

(Revisions in significant items concerning the basis for preparing consolidated financial statements)

1. Revisions due to changes in accounting standards: None
2. Other revisions: None

(3) Number of shares outstanding (common stock)

1. Number of shares outstanding at end of year (including treasury stock)

   Fiscal year ending March 2010: 76,341,700 shares

   Fiscal year ending March 2009: – shares
2. Number of treasury stock at end of year

   Fiscal year ending March 2010: 2,636,540 shares

   Fiscal year ending March 2009: – shares

(Reference) Outline of Non-consolidated Financial Results

1. Non-consolidated Financial Results for the Fiscal Year Ending March 2010

(April 1, 2009 to March 31, 2010)

(1) Non-consolidated operating results

(Percentages represent changes from the previous fiscal year.)

	Net Sales		Operating Income		Ordinary Income		Net Income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal Year Ending March 2010	14,032	–	12,422	–	12,299	–	12,183	–
Fiscal Year Ending March 2009	–	–	–	–	–	–	–	–

	Net Income per Share	Diluted Net Income per Share
	Yen	Yen
Fiscal Year Ending March 2010	159.63	–
Fiscal Year Ending March 2009	–	–

(2) Non-consolidated financial position

	Total Assets	Net Assets	Equity Ratio	Net Assets per Share
	Millions of yen	Millions of yen	%	Yen
Fiscal Year Ending March 2010	269,371	269,281	100.0	3,531.06
Fiscal Year Ending March 2009	–	–	–	–

(Reference) Shareholders' equity: Fiscal year ending March 2010: 269,281 million yen

Fiscal year ending March 2009: –

* Forward-looking statements and other special notes

1. The above forecasts are based on information currently available at the time of the release of this report and reasonable assumptions made by the Company. Actual results could differ materially from forecasts due to various factors. For earnings forecast assumptions and other related items, please refer to "1. Operating Results (1) Analysis on Operating Results" "Outlook for the Next Fiscal Year" (page 8).

2. Meiji Holdings Co., Ltd. was established as a joint holding company through the management integration on April 1, 2009 of Meiji Seika Kaisha, Ltd. (hereinafter, Meiji Seika) and Meiji Dairies Corporation (hereinafter, Meiji Dairies), making the two companies its wholly owned subsidiary companies. Since the current consolidated fiscal year is the first term for the Company, no figures are available with regard to the Company's financial results for the previous fiscal year.

1. Operating Results

(1) Analysis on Operating Results

(Millions of yen)

	Net Sales	Operating Income	Ordinary Income	Net Income	Net Income per Share (Yen)
Results of the fiscal year under review	1,106,645	28,786	28,316	13,088	177.73
Forecasts of financial results for the full fiscal year	1,124,000	26,000	26,000	12,000	162.97
Achievement rate (%)	98.5	110.7	108.9	109.1	–

(Note) Forecasts of financial results for the full fiscal year were revised on November 12, 2009.

a. Overall Operating Results

In the consolidated fiscal year under review, although signs of picking up are seen due primarily to moderate recovery in the global economy, the employment and income environment has not improved and the situation surrounding the Japanese economy has remained severe, marked by continued sluggish consumer spending, etc.

Under such circumstances, the Meiji Group vigorously promoted efforts to achieve the Group's main targets, which are to "strengthen and expand its existing businesses" and to "expedite integrated synergies," in the first year of "FY2009-2011 Mid-Term Business Plan." Specifically, the Group strove to raise the profile of new brands and make them well-established in the market by launching products with a unified new brandmark and new items with mutually-utilized product brands, while focusing on investment in growth businesses and cost reduction to strengthen its competitiveness.

As a result, in the consolidated fiscal year under review, the Company recorded net sales of 1,106 billion yen, operating income of 28,786 million yen, ordinary income of 28,316 million yen and net income of 13,088 million yen. With regard to the achievement rate against forecasts of financial results for the full fiscal year, although such rate for net sales was 98.5%, rates for operating income (110.7%), ordinary income (108.9%) and net income (109.1%) exceeded our plans.

b. Outline of Segments (Consolidated)

(Millions of yen)

	Dairy products	Confectionary and healthcare	Pharmaceuticals	Services and other	Total	Elimination or corporate	Consolidated
Net Sales	600,078	293,086	127,628	140,872	1,161,665	(55,019)	1,106,645
Operating Income	13,418	4,407	8,480	3,405	29,711	(925)	28,786

Since the current consolidated fiscal year is the first term for the Company because of management integration, no figures are available with regard to the Company’s financial results for the previous fiscal year. Therefore, an outline of the achievement rate of each segment against forecasts of financial results for the full fiscal year is provided below.

(i) Dairy products

	Fiscal year under review (Millions of yen)	Achievement rate (%)
Net Sales	600,078	100.3
Operating Income	13,418	121.2

(Note) This segment corresponds to the traditional, consolidated “Food” segment of Meiji Dairies, and it includes the manufacturing and distribution of the following: fresh dairy (drinking milk/yogurt, etc.), powdered milk (milk for infants, etc.), condensed milk, butter, cheese, ice cream, beverages, nutraceuticals (enteral formula/VAAM, etc.), livestock products, etc.

<Main points regarding financial results>

In the dairy industry, consumption of drinking milk has remained weak. However, there was an active move toward market revitalization including the launch of a series of low-fat products and products focusing on consumers’ affordability. Meanwhile, consumer demand has shifted to low-priced products, leading to intensifying sales competition.

Under such circumstances, the outline of the dairy products segment is as follows:

Although sales of ice cream and beverages were unfavorable due to the unseasonable summer, overall segment sales exceeded our plan due to increased sales of such products as yogurt, powdered milk, cheese, nutraceuticals and margarine.

In particular, the sales of such main products of segments as “Meiji Probio Yogurt LG21” and “Meiji Hokkaido Tokachi Cheese” were brisk, owing to the implementation of continuous communication activities at retail stores and proactive sales promotion activities.

Operating income exceeded our plan due to expanded sales of high-value-added products such as “Meiji Probio Yogurt LG21” and cost reduction in imported raw materials caused by a decline of their prices in the overseas markets.

(ii) Confectionary and Healthcare

	Fiscal year under review (Millions of yen)	Achievement rate (%)
Net Sales	293,086	93.9
Operating Income	4,407	88.1

(Note) This segment corresponds to the traditional “Food & Healthcare” segment of Meiji Seika, and it includes the manufacturing and distribution of confectionary (chocolate, chewing gum, candy), sugar, glycated flour, healthcare products (Amino Collagen, etc), over-the-counter (OTC) drugs (ISODINE® UGAIGUSURI, etc.), as well as management of sports clubs.

<Main points regarding financial results>

The environment surrounding the confectionary industry has been severe as the market significantly worsened from the autumn of last year due to such factors as further stagnation of consumer spending and progressive deflation. Moreover, the unstable movements of major raw materials have continued to have a major impact on profits.

Under such circumstances, the outline of the confectionary and healthcare segment is as follows:

Sales of confectionary other than chocolate did not fare so favorably due to the deteriorating market environment. Although sales of healthcare products were brisk, overall segment sales fell short of our plan.

In the confectionary business, sluggish sales of such products as chewing gum and candy led to the failure to achieve our plan. However, sales of chocolate products, the mainstay products of the segment, marked a record-high, as a result of strengthening marketing and sales activities on such occasions as the revision of the brandmark of “Milk Chocolate” and the launch of new products, including “Chip!Chop,” a new texture chocolate snack.

In the healthcare business, sales of “Amino Collagen” and “Savas” were steady and sales of “ISODINE® UGAIGUSURI,” a gargle, contributed to business performance due to the impact of the new type of influenza.

Although sluggish sales caused the failure to achieve our plan for the segment‘s operating income, it remained in the black and exceeded the previous year’s figure due to improved profit structures of confectionary and a cost ratio reduction resulting from changes in variety composition.

(iii) Pharmaceuticals

	Fiscal year under review (Millions of yen)	Achievement rate (%)
Net Sales	127,628	100.7
Operating Income	8,480	101.5

(Note) This segment is the traditional “Pharmaceuticals” segment of Meiji Seika, plus the pharmaceuticals business (Ohkura Pharmaceutical Co., Ltd., etc.) in the “Others” segment of Meiji Dairies, and it includes the manufacturing and distribution of ethical drugs, agricultural chemicals, veterinary drugs, etc.

<Main points regarding financial results>

In the pharmaceuticals industry, the business environment has continued to be very tough. In the ethical pharmaceuticals business, measures to curb medical-care costs were promoted. In the agricultural chemicals and veterinary drugs businesses, the government tightened its regulations and guidance. For instance, they have adopted stricter standards for application and screening for registration.

Under such circumstances, the outline of the pharmaceuticals segment is as follows:

Sales of two newly-launched drug products, generic drugs and influenza-related products contributed to the steady business performance of the segment as planned, compensating for unfavorable sales of agricultural chemicals and veterinary drugs and sluggish overseas business affected by foreign exchange rates.

As for new drug products, sales of an antibacterial drug “ORAPENEM®” and an antidepressant drug “REFLEX®” were brisk. As for generic drugs, sales of an antibacterial drug “VANCOMYCIN MEEK” and a calcium channel blocker “AMLODIPINE TABLETS MEIJI” were steady.

Operating income exceeded our plan due to the effect of the launch of new drugs, efficiency improvement in sales expenses, and improvement in variety composition caused by expanded sales of generic drugs.

(iv) Services and other

	Fiscal year under review (Millions of yen)	Achievement rate (%)
Net Sales	140,872	100.6
Operating Income	3,405	120.6

(Note) This segment is the traditional non-pharmaceuticals business in the “Others” segment of Meiji Dairies, plus the “Office building leasing and others” segment of Meiji Seika, and it includes the following: real estate, feed stuff, transportation, storage, mechanical engineering services, foodservice producers, insurance agencies, and leasing, etc.

<Main points regarding financial results>

Sales of the segment as a whole were firm as the feed business went as planned despite a business environment marked by the lowering of assorted feed prices.

Operating income exceeded our plan due to such factors as stable feed grain rates and a reduction of fuel costs.

c. Outlook for the Next Fiscal Year

(Millions of yen)

	Net Sales	Operating Income	Ordinary Income	Net Income	Net Income per Share (Yen)
Forecasts for the next fiscal year	1,131,000	29,000	29,000	15,000	203.51
Results of the fiscal year under review	1,106,645	28,786	28,316	13,088	177.73
Change (%)	2.2	0.7	2.4	14.6	–

The fiscal year ending March 2011 (fiscal year 2010) is the second year of integration. We will position it as the year in which our efforts undertaken since the previous fiscal year must be further strengthened. We will strive to further enhance each business by reinforcing our competitiveness in the markets, promoting our efforts to create new demand in a tangible manner, and strengthening the management foundation of the Group by reviewing all kinds of cost.

Consequently, in our forecasts of financial results for the fiscal year ending March 2011, we plan to achieve net sales of 1.131 trillion yen, operating income of 29 billion yen, ordinary income of 29 billion yen and net income of 15 billion yen.

Forecasts of financial results by segment for the next fiscal year are as follows:

(Millions of yen)

		Dairy products	Confectionary and healthcare	Pharmaceuticals	Services and other	Total	Elimination or corporate	Consolidated
Net Sales	Forecasts for the Next Fiscal Year	608,500	302,000	131,200	144,900	1,186,600	(55,600)	1,131,000
	Results of the fiscal year under review	600,078	293,086	127,628	140,872	1,161,665	(55,019)	1,106,645
	Change (%)	1.4	3.0	2.8	2.9	2.1	–	2.2
Operating Income	Forecasts for the Next Fiscal Year	14,700	5,500	7,100	2,600	29,900	(900)	29,000
	Results of the fiscal year under review	13,418	4,407	8,480	3,405	29,711	(925)	28,786
	Change (%)	9.6	24.8	(16.3)	(23.7)	0.6	–	0.7

(i) Dairy products

In the dairy products segment, we will further expand the businesses in which we have proactively invested management resources so far, such as the businesses of our mainstay products, including “Meiji Oishii Gyunyu” and “Meiji Bulgaria Yogurt,” and the growing businesses of cheese and enteral formula. At the same time we will also enhance and promote the development of high-value-added products that will be highly evaluated and loved by our customers. In addition, in order to create sources of future growth, we will strive for cost reduction in terms of all aspects.

(ii) Confectionary and healthcare

In the confectionary and healthcare segment, we will promote the development of new products and sales strategy in response to the market environment, while expanding our existing brands. Also, under circumstances wherein a further rise in raw material prices is expected, we will continue to improve our profit structure by thoroughly reviewing such costs as production, sales and marketing expenses.

(iii) Pharmaceuticals

In the pharmaceuticals segment, we will overcome the adverse impact of the reduction of drug prices through the expansion of sales of “REFLEX®,” “ORAPENEM®” and generic drugs, aiming to consolidate our position of a “Specialty and Generic Pharmaceuticals Company” focusing on such fields as infectious diseases and the central nervous system.

Incidentally, Ohkura Pharmaceutical Co., Ltd. became a consolidated subsidiary company of Meiji Seika on April 1 of this year as a result of the realignment of the Group.

(iii) Services and other

In the services and other segment, although sales will increase as a result of the addition of a new consolidated subsidiary, the profit situation is expected to be difficult due to an uncertain market environment. We will continue to make our utmost efforts to maintain/expand sales and improve profits in each business.

(2) Analysis of Financial Position

a. Assets, Liabilities and Net Assets

Assets

As of this consolidated accounting yearend, total assets were 730.044 billion yen. Of these, current assets were 309.585 billion yen, and fixed assets were 420.458 billion yen.

The main components of current assets were 154.589 billion yen of notes and accounts receivable, and 79.818 billion yen of goods and products.

Fixed assets were comprised of 332.875 billion yen of tangible fixed assets, 10.476 billion yen of intangible fixed assets, and 77.106 billion yen of investments and other noncurrent assets.

Liabilities

As of this consolidated accounting yearend, total liabilities were 432.272 billion yen. Of these, current liabilities were 300.741 billion yen, and fixed liabilities were 131.531 billion yen.

The main components of current liabilities were 95.164 billion yen of notes and accounts payable, 76.768 billion yen of short-term bank loans, and 28 billion yen of commercial paper.

The main components of long-term liabilities were 55 billion yen of corporate bonds, and 39.631 billion yen of long-term borrowings.

Net Assets

As of this consolidated accounting yearend, total net assets were 297.771 billion yen. The equity ratio was 39.7%, with net assets per share of 3,933.05 yen.

b. Cash Flows

	Consolidated accounting year ended March 31, 2010 (million yen)
Net cash flow from operating activities	47,707
Net cash flow from investing activities	(33,641)
Net cash flow from financing activities	(12,674)
Translation adjustment on cash and cash equivalents	12
Net increase (decrease) in cash and cash equivalents	1,403
Cash and cash equivalents at beginning of year	14,429
Increase in cash and cash equivalents due to the new consolidated subsidiary	228
Cash and cash equivalents at end of year	16,061

Cash flow from operating activities was 47.707 billion yen, due to income before income taxes, depreciation and amortization, etc.

Cash flow used in investing activities was 33.641 billion yen, due to expenditures to purchase tangible fixed assets, etc.

Free cash flow (cash flow from operating activities, minus cash flow used in investing activities) was positive 14.066 billion yen.

Cash flow used in financing activities was 12.674 billion yen, due to the decrease in financial debt, etc.

These resulted in 16.061 billion yen of cash and cash equivalents at the consolidated accounting yearend.

Also, cash flow indices were as follows.

	First accounting year (ended March 31, 2010)
Equity ratio (%)	39.7
Equity ratio on market price basis (%)	36.6
Debt repayment period	4.2
Interest coverage ratio	19.5

Note: How each index was calculated

Equity ratio: (net assets - equity capital held by minority shareholders) / Total assets

Equity ratio on market price basis: Total market value of shares (Closing share price at end of period × total no. of shares issued) / Total assets

Debt repayment period: Interest-bearing debt (bonds, borrowings, commercial paper) / Cash flow from operating activities

Interest coverage ratio: Cash flow from operating activities / Interest payments (amount of interest payments)

(3) Basic Policy on Profit Allocation, and Dividends for This Period and Next Period

The main businesses of Meiji Holdings are food, health and pharmaceuticals. Meiji is developing its businesses closely involved in customers' lives, and developing a stable business foundation over the medium and long term is essential.

Therefore, our basic policy is to retain funds according to each period's results and capital requirements for future capital investment, financing, R&D investment, etc., and also provide stable and continuous returns to shareholders.

As the annual dividend for this period, we will distribute an 80 yen per share year-end dividend at the end of the period. For years ending March 2011 and thereafter, we plan to pay dividends with the interim-end closing date as the basic date ("interim dividends").

(4) Business Risks

The Meiji Group believes the following risks in execution of its business could have a material impact on the decision-making of investors. Forward-looking statements in the following section were determined by the Meiji Group as of the date of this disclosure (May 13, 2010).

a. High Prices for Raw Materials

Prices of the Meiji Group's key raw materials (milk, dairy products, cacao beans, nuts, etc.) and energy commodities may be affected by supply/demand conditions, speculative influence, etc. in Japan and abroad. Such high prices have the potential to greatly impact procurement and production costs.

b. Foreign Currency Exchange Fluctuation

The Meiji Group purchases some of its raw materials and goods from overseas. It also operates businesses overseas. Therefore, sudden foreign currency fluctuations beyond the forecast range have the potential to impact the Group's business results and financial position.

c. Weather

The Meiji Group's dairy products business and confectionary and health businesses may be affected by weather. For example, a cool summer can decrease sales of ice cream and dairy products. Extreme heat can decrease sales of chocolate and other confectionary goods. These have the potential to impact the Group's business results and financial position.

d. Changes in Environment Faced by the Dairy Products Industry

In the Meiji Group's dairy products business, if there are sudden changes in the international trade system such as customs duties, in the dairy farming system such as the "Act on Temporary Measures concerning Compensation Price for Producers of Milk for Manufacturing Use", or in practices, there are potential impacts on the Group's business results and financial position.

e. Food Product Safety

The Meiji Group takes various actions such as preventive measures to ensure product safety and against risks foreseen to occur throughout production. However, if there is a large scale product recall, or even if there is no direct problem in the Group's products, or if food industry rumors also affect the Group's products, there could be a drop in sales, huge costs, etc. These have the potential to impact the Group's business results and financial position.

f. Side Effects in Pharmaceuticals

The Meiji Group conducts product development, manufacturing, and marketing for the pharmaceutical business in compliance with various laws and standards enforced by regulatory authorities. Nevertheless, unforeseen side effects have the potential to occur during development and after product release. The Group prepares for such incidents by carrying appropriate insurance coverage for various types of liability, including product liability. However, there is no guarantee that insurance will be sufficient to cover all damages associated with such liability. Unforeseen side effects therefore have the potential to impact the Group's business results and financial position.

g. Government Trends in Medical Care

In the Meiji Group's pharmaceutical business, prices of medical care pharmaceuticals are affected by government medical policies and the healthcare insurance system, including drug price revisions. These have the potential to impact the Group's business results and financial position.

h. Research and Development in the Pharmaceuticals Business

New product development for the Meiji Group's pharmaceutical business implements extended periods of product testing, which require significant expenses. Instances occur in which safety or efficacy issues compel the Group to extend, suspend or discontinue research and development projects. The progress status of research and development has the potential to impact the Meiji Group's business results and financial position. Moreover, launches of products developed by the Group may be delayed if research and development does not proceed as planned, which could require the Group to utilize other-company products. Such cases have the potential to increase outlays for intellectual property rights and licensing.

i. Lawsuits

In research and development and other business activities, the Meiji Group takes care to avoid infringing on intellectual property rights of third parties. However, the outcomes of unexpected litigation by third parties who claim infringement on their intellectual property rights have the potential to impact the Group's business results and financial position.

j. Information Leaks

The Meiji Group has large amounts of confidential information required in business operations, such as personal information including that of customers, and important information concerning its management. For management of this information, the Group takes suitable actions including system controls: it established an Information Management Committee, provides training to employees, etc. However, there could be risks that currently unforeseeable unauthorized access or computer virus infection will cause leaks, falsification or loss of confidential information, the computer system could become temporarily unusable, etc. If such a situation occurs, it has the potential to impact the Group's business results and financial position.

<u>* Forward-looking statements and other special notes</u>

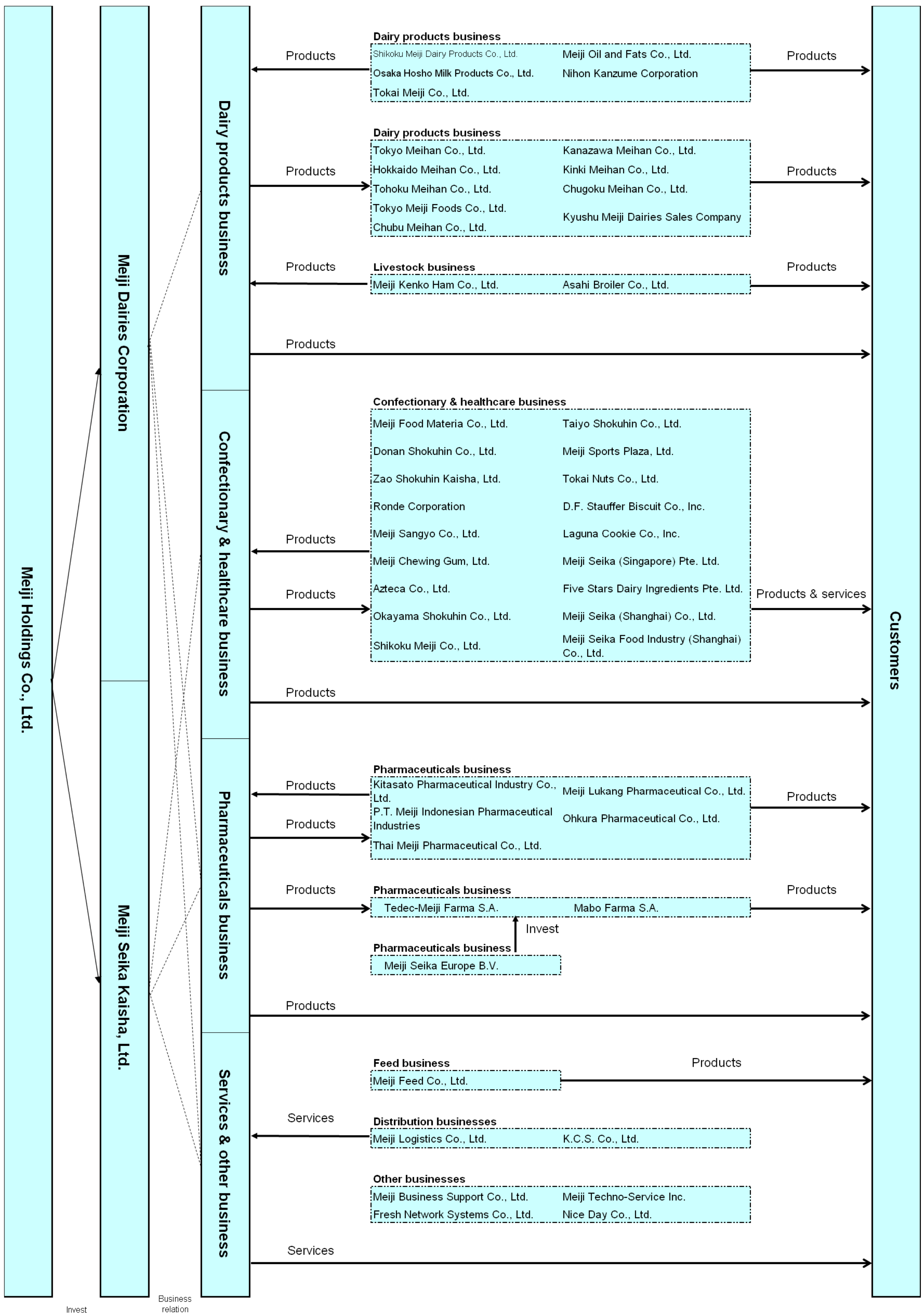
The above forecasts are based on information currently available at the time of the release of this report and reasonable assumptions made by the Company. Actual results could differ materially from forecasts due to various factors.

2. Group Companies Situation

Meiji Holdings Co., Ltd. was established as a joint holding company through the management integration on April 1, 2009 of Meiji Seika Kaisha, Ltd. and Meiji Dairies Corporation, making the two companies its wholly owned subsidiary companies. The Meiji Group is comprised of Meiji Holdings Co., Ltd. (a pure holding company), 83 subsidiaries, and 19 affiliates. Its businesses focus on manufacture and sale of dairy products, confectionary and food products, and pharmaceuticals. They also operate various service businesses.

Business System Chart

The Meiji Group’s business system chart (Meiji Holdings and consolidated subsidiaries) is as follows.(As of March 31, 2010)


Meiji Holdings Co., Ltd.
Invest
Meiji Dairies Corporation
Meiji Seika Kaisha, Ltd.
Business relation
Dairy products business
Confectionary & healthcare business
Pharmaceuticals business
Services & other business
Customers
Dairy products business
Shikoku Meiji Dairy Products Co., Ltd.
Meiji Oil and Fats Co., Ltd.
Osaka Hosho Milk Products Co., Ltd.
Nihon Kanzume Corporation
Tokai Meiji Co., Ltd.
Products
Products
Dairy products business
Tokyo Meihan Co., Ltd.
Kanazawa Meihan Co., Ltd.
Hokkaido Meihan Co., Ltd.
Kinki Meihan Co., Ltd.
Tohoku Meihan Co., Ltd.
Chugoku Meihan Co., Ltd.
Tokyo Meiji Foods Co., Ltd.
Chubu Meihan Co., Ltd.
Kyushu Meiji Dairies Sales Company
Products
Products
Livestock business
Meiji Kenko Ham Co., Ltd.
Asahi Broiler Co., Ltd.
Products
Products
Products
Confectionary & healthcare business
Meiji Food Materia Co., Ltd.
Taiyo Shokuhin Co., Ltd.
Donan Shokuhin Co., Ltd.
Meiji Sports Plaza, Ltd.
Zao Shokuhin Kaisha, Ltd.
Tokai Nuts Co., Ltd.
Ronde Corporation
D.F. Stauffer Biscuit Co., Inc.
Meiji Sangyo Co., Ltd.
Laguna Cookie Co., Inc.
Meiji Chewing Gum, Ltd.
Meiji Seika (Singapore) Pte. Ltd.
Azteca Co., Ltd.
Five Stars Dairy Ingredients Pte. Ltd.
Okayama Shokuhin Co., Ltd.
Meiji Seika (Shanghai) Co., Ltd.
Shikoku Meiji Co., Ltd.
Meiji Seika Food Industry (Shanghai) Co., Ltd.
Products
Products
Products & services
Products
Pharmaceuticals business
Kitasato Pharmaceutical Industry Co., Ltd.
Meiji Lukang Pharmaceutical Co., Ltd.
P.T. Meiji Indonesian Pharmaceutical Industries
Ohkura Pharmaceutical Co., Ltd.
Thai Meiji Pharmaceutical Co., Ltd.
Products
Products
Products
Pharmaceuticals business
Tedec-Meiji Farma S.A.
Mabo Farma S.A.
Products
Products
Invest
Pharmaceuticals business
Meiji Seika Europe B.V.
Products
Feed business
Meiji Feed Co., Ltd.
Products
Distribution businesses
Meiji Logistics Co., Ltd.
K.C.S. Co., Ltd.
Services
Other businesses
Meiji Business Support Co., Ltd.
Meiji Techno-Service Inc.
Fresh Network Systems Co., Ltd.
Nice Day Co., Ltd.
Services

3. Management Policies

(1) Basic Policies of Corporate Management

On April 1, 2009, Meiji Seika Kaisha, Ltd. (hereinafter, Meiji Seika) and Meiji Dairies Corporation (hereinafter, Meiji Dairies) merged the “Meiji brand” which both companies had nurtured over many years, and the new Meiji Group has started operations under an integrated management team.

This opportunity was taken to create the Group Philosophy and Management Attitude which express the Meiji Group’s principles.

We are striving to continually enhance our corporate value for customers, stockholders and other stakeholders by achieving the goals of management integration, while keeping in mind the heavy responsibility we bear as an entity involved in a food and health business.

1) Group Philosophy

Our mission is to widen the world of “Tastiness and Enjoyment” and meet all expectations regarding “Health and Reassurance.”

Our wish is to be closely in tune with our customers’ feelings and to always be there to brighten their daily lives.

Our responsibility as “Food and Health” professionals is to continue finding innovative ways to meet our customers’ needs, today and tomorrow.

2) Management Attitude

Five Fundamentals

1. Commit ourselves to customer-based ideas and behaviors
2. Provide safe and reassuring high-quality products
3. Strive to always produce new value
4. Foster the development of the synergies and capabilities of the organization and each individual
5. Be a transparent, wholesome company trusted by the society

(2) Business Indices as Targets

There are no important changes in the Meiji Group’s FY2009-2011 Mid-Term Business Plan, so it is not described again here. This business plan can be seen at the web site below.

(Meiji Holdings web site)

www.meiji.com/english/investor/index.html

(3) Mid- to Long-Term Business Strategy

The Meiji Group was launched by the management integration of Meiji Seika and Meiji Dairies, and aims to be a corporate group which continually contributes to fulfilling customer lives, through “Tastiness and Enjoyment” and “Health and Reassurance.”

The Meiji Group faces a market environment undergoing great changes, with Japan’s low birth rate, aging demographics and shrinking population creating slow growth in total demand. In addition, consumers' lifestyles and values are diversifying. These changes are increasing the importance of product development and a quality assurance system which accurately understands customer needs.

In this environment, the Meiji Group will strive to quickly deliver results from its management integration, comprehensively utilizing both companies' business resources in order to:

a. Push strongly for growth of our dairy products business, confectionary and healthcare business, pharmaceuticals business, etc.

b. Work to expand new business growth opportunities, such as overseas growth markets focused on Asia, and thereby further enhance corporate value.