



Consolidated Financial Results for the Fiscal Year Ended March 31, 2014 [Based on Japanese GAAP]

May 13, 2014

Name of Listed Company: Meiji Holdings Co., Ltd. Listed exchange: 1st Section, Tokyo Stock Exchange
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Annual shareholders meeting: June 27, 2014

Submission of the securities report: June 27, 2014

Dividend payment commencement: June 06, 2014

Preparation of explanatory materials for full-term financial results: Yes

Holding of a briefing on full-term financial results: Yes (a briefing for analysts and institutional investors)

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

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2014

(April 1, 2013 to March 31, 2014)

(1) Consolidated operating results

(% of change 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	%
For the fiscal year ended								
March 31, 2014	1,148,076	1.9	36,496	41.1	39,089	34.2	19,060	14.5
March 31, 2013	1,126,520	1.6	25,859	28.1	29,131	33.1	16,646	144.6

(Note) Comprehensive income: the fiscal year ended March 31, 2014: 26,932 million yen (-3.5%)
the fiscal year ended March 31, 2013: 27,919 million yen (218.9%)

	Net Income per Share	Diluted Net Income per Share	Return on Equity	Ordinary Income/Total Assets	Operating Income/Net Sales
For the fiscal year ended	Yen	Yen			
March 31, 2014	258.79	—	6.0	5.0	3.2
March 31, 2013	225.98	—	5.5	3.8	2.3

(Reference) Equity in income of affiliates: the fiscal year ended March 31, 2014: 287 million yen
the fiscal year ended March 31, 2013: 310 million yen

(2) Consolidated financial position

	Total Assets	Net Assets	Equity Ratio	Net Assets per Share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2014	779,461	328,121	41.1	4,351.96
As of March 31, 2013	785,514	320,609	39.9	4,254.56

(Reference) Shareholders' equity: As of March 31, 2014: 320,447million yen
As of March 31, 2013: 313,383 million yen

(3) Consolidated cash flows

	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Cash and Cash Equivalents at Year-End
For the fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2014	63,847	-47,293	-18,194	19,238
March 31, 2013	50,622	-39,504	-9,411	16,564

2. Dividends

	Cash Dividends Per Share					Total Cash Dividends (annual)	Payout Ratio (Consolidated)	Dividends to Net Assets Ratio (Consolidated)
	1Q	2Q	3Q	Financial year end	Annual			
For the year ended (or ending)	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
March 31, 2013	–	40.00	–	40.00	80.00	5,892	35.4	1.9
March 31, 2014	–	40.00	–	40.00	80.00	5,891	30.9	1.9
March 31, 2015 (Projected)	–	40.00	–	40.00	80.00		27.4	

(Note) Amendment to projected dividends recently announced: None

3. Forecasts of Consolidated Financial Results for the Fiscal Year Ending March 31, 2015 (April 1, 2014 to March 31, 2015)

(% of change from 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
1st Half	555,000	-1.4	14,400	-9.4	14,600	-18.5	7,600	-22.4	103.19
Full Year	1,140,000	-0.7	37,500	2.7	37,500	-4.1	21,500	12.8	291.92

*Notes

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

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

(2) Changes in accounting policy, changes in accounting estimates, restatements

1. Changes in accounting policy due to revisions of accounting standards: Yes

2. Other changes in accounting policy: None

3. Changes in accounting estimates: None

4. Restatements: None

(4) Number of shares outstanding (common stock)

1. Number of shares outstanding at end of period (including treasury stock)	As of Mar. 31, 2014	76,341,700 shares	As of Mar. 31, 2013	76,341,700 shares
2. Number of treasury stock at end of period	As of Mar. 31, 2014	2,708,694 shares	As of Mar. 31, 2013	2,683,368 shares
3. Average number of shares during period	As of Mar. 31, 2014	73,650,309 shares	As of Mar. 31, 2013	73,663,781 shares

(Reference) Non-Consolidated Financial Results for the Fiscal Year Ended March 31, 2014**(April 1, 2013 to March 31, 2014)****(1) Consolidated operating results**

(% of change 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	%
For the fiscal year ended								
March 31, 2014	9,340	-1.6	7,498	-2.2	8,210	-1.4	7,789	6.4
March 31, 2013	9,496	-11.6	7,664	-13.5	8,327	-11.1	7,323	-24.8

	Net Income per Share	Diluted Net Income per Share
	Yen	Yen
For the fiscal year ended		
March 31, 2014	105.76	—
March 31, 2013	99.42	—

(2) Consolidated financial position

	Total Assets	Net Assets	Equity Ratio	Net Assets per Share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2014	463,446	265,524	57.3	3,606.05
As of March 31, 2013	454,028	261,830	57.7	3,554.67

(Reference) Shareholders' equity: As of March 31, 2014: 265,524 million yen

As of March 31, 2013: 261,830 million yen

*** Indication regarding the implementation of financial review procedures**

This financial results report is not subject to the review procedures prescribed by the Financial Instruments and Exchange Act. At the time of the disclosure of this financial results report, the review procedures prescribed by the Financial Instruments and Exchange Act had not been completed.

*** Forward-looking statements and other special notes**

(Notice concerning forward-looking statements)

The forward-looking statements described in this document, such as business forecasts, are based on information available at the time of the release of these materials and reasonable assumptions made by the Company, and do not represent a commitment from the Company that they will be achieved. For earnings forecasts assumptions and other related items, refer to page 4 of "1. Operating Results, (1) Analysis of Operating Results, (iii) Forecasts for the Fiscal Year ending March 31, 2015."

(Explanatory material for quarterly financial results)

Explanatory materials for quarterly financial results are disclosed through TDnet together with these financial statements. This information also is posted on our website on the same day.

1. Operating Results

(1) Analysis of Operating Results

(Millions of yen)

For the fiscal year ended	Net Sales	Operating Income	Ordinary Income	Net Income	Net Income per Share (Yen)
March 31, 2014	1,148,076	36,496	39,089	19,060	258.79
March 31, 2013	1,126,520	25,859	29,131	16,646	225.98
% of YoY Change	1.9	41.1	34.2	14.5	—

The Japanese economy during the consolidated accounting period for the fiscal year ended March 2014 saw a mild recovery. This was due to improvements in corporate revenues driven by yen depreciation and rising stock prices, the recovery of capital expenditures, improved consumer spending, and the demand rush at the end of the fiscal year generated by the impending consumption tax rate hike. However, low consumer confidence and concern about economic recovery following the increase in consumption taxes leaves many questions about future economic trends.

The food industry faces an increasingly difficult environment. Yen depreciation and market price fluctuations have caused sudden increases in raw material prices, which in turn have put a strain on revenues. Competition within the market also continues to intensify. The pharmaceutical industry also continues to face a difficult market due to the reduction in social security expenses.

The fiscal year ended March 2014 marked the interim year of TAKE OFF 14, the Meiji Group's Medium-Term Business Plan ending March 2015. We continued our focus on initiatives aimed at strengthening and expanding existing businesses, fostering growth businesses, and improving profitability. These initiatives focus on achieving higher profitability and conducting strategic investments for future growth, priority themes of TAKE OFF 14.

In April 2013, we implemented organizational reforms in the Food segment to strengthen our business platform. Initiatives included measures to achieve cost reductions and structural reforms in our dairy, confectioneries, and healthcare and nutritionals business. We also continued with measures to respond to sudden increases in raw material prices. Probiotics Yogurt products were a catalyst that drove the expansion of sales in our yogurt business. Sales also were strong for major products in our confectioneries and healthcare and nutritionals businesses.

Propelled by our "Speciality & Generics" strategy, the Pharmaceuticals segment saw increased domestic sales of drugs for central nervous system disorders and generic drugs. The pharmaceuticals segment also focused on low-cost operations that utilized our network of domestic and international production bases, as well as forward-looking R&D.

et sales during the fiscal period were 1,148,076 million yen (up 1.9%, year on year), operating income was 36,496 million yen (up 41.1%, year on year), ordinary income was 39,089 million yen (up 34.2%, year on year), and net income was 19,060 million yen (up 14.5%, year on year).

Below is an overview by segment.

(Millions of yen)

	Reporting Segments			Adjustments	Amount Presented in Statements of Income
	Food	Pharmaceuticals	Total		
Net Sales	1,015,265	135,105	1,150,370	-2,294	1,148,076
Operating Income	28,190	8,356	36,546	-50	36,496

(i) Food segment (corresponds to the business of Meiji Co., Ltd.)

(Millions of yen)

	For the fiscal year ended March 31, 2013	For the fiscal year ended March 31, 2014	% of YoY Change
Net Sales	1,001,551	1,015,265	1.4
Operating Income	19,383	28,190	45.4

Net sales in the Food segment exceeded results from the previous period. Dairy business and healthcare and nutritionals business sales outperformed the previous period. However, confectionery business sales slightly underperformed compared to the previous period.

Operating income from our dairy, confectioneries, and healthcare and nutritionals businesses increased to produce operating income for the entire segment that significantly outperformed the previous period. Numerous factors contributed to the increase in income. Cost reductions were achieved across all businesses, implemented revisions to our dairy business product mix to focus on probiotics, and focused on chocolate and other long sellers in our confectionery business. And in our healthcare and nutritionals business, we were able to expand sales of major products and increase sales productivity.

Below is an overview of each of this segment's main businesses.

- Dairy business (Fresh Dairy: Yogurt, drinking milk, beverages, etc.; Processed Food: Cheese, butter, frozen food, processed food products for professional use business, etc.)

Fresh dairy sales outperformed the previous period due to significant growth in probiotics sales. Processed food sales were on par with the previous period. Overall, dairy business sales outperformed results from the previous period.

Fresh Dairy

- Sales of Meiji Bulgaria Yogurt fell below the previous period. However, sales of Meiji Bulgaria Yogurt Drink performed solidly thanks to new packaging released in September 2013.
- Aggressive marketing activities helped improve brand recognition, which in turn led to significant growth in sales for our probiotics products Meiji Yogurt R-1 and Meiji Probio Yogurt LG21.
- Overall, sales of drinking milk underperformed compared to the previous period. However, sales of Meiji Oishii Gyunyu outperformed the previous period thanks to successful marketing.

Processed food

- Cheese sales outperformed the previous period. In particular, the Meiji Hokkaido Tokachi Camembert Cheese series performed well.
- With the market impacted by extreme summer heat, margarine sales were on par with the previous period. Sales of Meiji Corn-Soft and Meiji Nutte kara Yaku! Cheese ga Kongari Soft released in September 2013 were solid.

- Confectionery business (Confectioneries: Chocolate, chewing gum, candy, etc.; Ice Cream: Ice cream, etc.)

Despite the solid performance of major chocolate products, which outperformed the previous period, overall sales of confectioneries fell below the previous period due to the dissolution of one of the product partnerships. Ice cream sales also underperformed compared to the previous period. This resulted in overall decline in the confectionery business compared to the previous period.

Confectioneries

- Sales of Otona no Kinoko no Yama and Otona no Takenoko no Sato released in September 2013 to target adults were solid. Sales of Chocolate Koka and Black Chocolate grew significantly thanks to increasing consumer interest in cacao polyphenol.
- The chewing gum market remains stagnant and sales fell below the previous period. The launch of new Kaju Gummy flavors led to significant growth in sales of gummy products and sales outperformed the previous period.

Ice cream

- Although sales of our main product Meiji Essel Super Cup outperformed the previous period, other ice cream products struggled and sales underperformed the previous period.

- Healthcare and Nutritionals business (Sports Nutrition, Functional Healthcare Products, OTC Drugs, Infant Formula, Enteral Formula, Food Products for the Elderly, etc.)

Net sales of Sports Nutrition, Infant Formula, and Enteral Formula were all strong and overall net sales increased year on year.

- In the sports nutrition segment, sales of SAVAS products increased significantly compared to the previous period. Nutritional seminars for runners and junior athletes and other promotional activities focused on communication with consumers proved to be highly successful.
- Among functional healthcare products, sales of Amino Collagen fell below the previous period.
- Infant formula sales grew significantly compared to the previous period.
- Enteral formula sales outperformed the previous period. Food products for the elderly grew significantly compared to the previous period thanks to the expansion of sales routes, particularly among drug stores.

(ii) Pharmaceuticals segment (corresponds to the business of Meiji Seika Pharma Co., Ltd.)

(Millions of yen)

	For the fiscal year ended March 31, 2013	For the fiscal year ended March 31, 2014	% of YoY Change
Net Sales	127,361	135,105	6.1
Operating Income	6,461	8,356	29.3

Net sales in the pharmaceuticals segment outperformed the previous period. Domestic sales in the ethical pharmaceuticals business were strong but sales in the agricultural chemicals and veterinary drugs business fell below the previous period.

Operating income outperformed the previous period. This was due to increased revenue from domestic sales of ethical pharmaceuticals and our low-cost operations initiatives.

Below is an overview of each of this segment's main businesses.

■ Ethical Pharmaceuticals

- Among antibiotics, MEIACT sales fell below the previous period but ORAPENEM sales grew significantly over the previous period.
- The antidepressant drugs segment saw a significant increase in sales of REFLEX.
- Sales of generic drugs significantly outperformed the previous period. Sales of the calcium channel blocker AMLODIPINE TABLETS MEIJI and the remedy for Alzheimer-type dementia DONEPEZIL MEIJI grew significantly.

■ Agricultural chemicals and veterinary drugs

- Agricultural chemical sales exceeded the previous period. Sales of ORYZEMATE, our mainstay rice blast preventative, were on par with the previous period while sales of the liquid formula foliage herbicide ZAXA significantly outperformed the previous period.
- Sales of veterinary drugs significantly underperformed the previous period. Sales of marine chemicals grew significantly compared to the previous period but sales of chemicals for livestock and companion animals underperformed compared to the previous period.

(iii) Forecasts for the Fiscal Year ending March 31, 2015

During the next fiscal period ending March 31, 2015, which represents the final year of TAKE OFF 14, the Group will continue to focus on strengthening and expanding existing businesses, fostering growth businesses, and improving profitability based on our priority theme of achieving high profitability and conducting strategic investments for future growth. We will improve quality assurance systems, promote CSR management, and strengthen our management platform.

Our consolidated earnings forecast for the fiscal year ending March 31, 2015 is net sales of 1,140,000 million yen, operating income of 37,500 million yen, ordinary income of 37,500 million yen, and net income of 21,500 million yen.

(Millions of yen)

For the fiscal year ended	Net Sales	Operating Income	Ordinary Income	Net Income	Net Income per Share (Yen)
March 31, 2015 (Forecasts)	1,140,000	37,500	37,500	21,500	291.92
March 31, 2014 (Results)	1,148,076	36,496	39,089	19,060	258.79
% of YoY Change	-0.7	2.7	-4.1	12.8	—

Forecasts and major initiatives by segment are as follows.

(Millions of yen)

	Reporting Segments			Adjustments	Amount Presented in Statements of Income
	Food	Pharmaceuticals	Total		
Net Sales	1,006,000	136,500	1,142,500	-2,500	1,140,000
% of YoY Change	-0.9	1.0	-0.7	—	-0.7
Operating Income	30,000	7,600	37,600	-100	37,500
% of YoY Change	6.4	-9.0	2.9	—	2.7

■ Food Segment

In the food segment, in order to secure profits we will accelerate cost reduction initiatives and continue with structural reforms to respond to increased costs due to rising imported raw material prices and increases in domestic raw milk prices. There also is concern about a cool-off in consumer demand following the consumption tax rate hike. However, we will use the results achieved through the implementation of TAKE OFF 14 over the past two years as a platform from which we execute the various strategies and initiatives outlined for this final year of the plan.

Dairy Business

December 2013 marked the 40th anniversary of the Meiji Bulgaria Yogurt brand. We will propose new values of the Meiji Bulgaria Yogurt and expand our probiotics yogurt lineup to improve our yogurt business. We will expand market share for cheese and margarine businesses. In our institutional food products business, we will increase sales of our unique milk and cacao products. We will consolidate distribution centers to strengthen distribution functions in the Tokai area and to reduce overall costs. We will consolidate the five distribution centers located in the cities of Inazawa and Komaki in Aichi Prefecture into the facility to be located on the grounds of a new plant in Aichi Prefecture, for which construction is scheduled to be completed in autumn 2014.

We also will optimize our lineup by eliminating poor-performing products and reduce cost to secure profits.

Confectionery Business

In the confectionery business, in order to expand market share of our chocolate products, we will focus on long sellers including Meiji Milk Chocolate and Almond Chocolate, challenge ourselves in the premium market, and appeal the value of health-conscious products to customers. In the ice cream segment, we will expand market share for Meiji Essel Super Cup, which will mark its 20th anniversary in September 2014, and build stronger brand recognition for the Meiji Chocolate Ice Cream series and Meiji THE PREMIUM Gran.

We will maximize production and sales efficiency as well as improve profitability.

Healthcare and Nutritionals Business

We will expand sales of our mainstay brands, including sports nutritional products SAVAS and VAAM, and the infant formula Raku Raku Cube. In our enteral formula business, we will launch operations at a new factory in FY2014 as we seek to achieve further business expansion.

We will continue to improve sales productivity.

■ Pharmaceuticals Segment

The domestic pharmaceuticals industry is expected to face more difficult market conditions than anticipated. Because of the reduction of national medical expenditures, drug price reform led to additional reductions in prices for long-term listed items. Similarly, revisions were made to drug price calculation rules for generic drugs. To survive in such market, we, as speciality & generics pharma, will focus on three core pillars – anti-infective drugs, drugs for central nervous system disorders, and generic drugs – through which we implement the strategies outlined in TAKE OFF 14.

Ethical Pharmaceuticals

In addition to promoting our antibacterial drugs MEIACT and ORAPENEM and the antidepressant drug REFLEX, we will expand the sales of our generic products. Also, we will reduce cost in all divisions, from development to procurement and production, to improve our profit structure. We will strengthen our quality assurance system, promote optimal production and procurement schemes, and pursue R&D and alliances. We expand our international businesses, particularly in Asia and other emerging regions.

Agricultural Chemicals and Veterinary Drugs

In the agricultural chemicals segment, we will expand domestic sales of our rice blast preventative ORYZEMATE and our liquid formula foliage herbicide ZAXA as well as develop international business. We also will reevaluate our procurement structure as we seek to secure raw material cost reductions and improve profitability.

In the veterinary drugs segment, we will expand sales of our mainstay livestock drugs while also expand market share through the launch of new drugs for companion animals.

(2) Qualitative Information Concerning Consolidated Financial Position

(i) Assets, Liabilities and Net Assets

[Assets]

Total assets as of the end of the consolidated accounting period decreased by 6,052 million yen year on year to 779,461 million yen. Although machinery, equipment and vehicles (net), construction in progress, investment securities, and assets related to retirement benefits increased by 3,823 million yen, 11,262 million yen, 6,402 million yen, and 22,999 million yen respectively, notes and accounts receivables decreased 12,668 million yen and other fixed assets decreased 38,373 million yen.

[Liabilities]

Total liabilities as of the end of the consolidated accounting period decreased by 13,565 million yen year on year to 451,339 million yen. Income taxes payable, bonds, long-term debt, and liabilities related to retirement benefits increased by 3,359 million yen, 15,000 million yen, 11,345 million yen, and 38,162 million yen respectively. However, notes and accounts payable, the current portion of bonds, commercial paper, allowance for sales rebates, defect tax liabilities, and accrued employees' retirement benefits decreased 15,133 million yen, 15,000 million yen, 20,000 million yen, 2,532 million yen, 6,799 million yen, and 22,338 million yen, respectively.

[Net Assets]

Net assets as of the end of the consolidated accounting period increased by 7,512 million yen year on year to 328,121 million yen. Although we recorded adjusted losses related to retirement benefits totaling 15,386 million yen, retained earnings, net unrealized holding gains on securities, deferred gains on hedges, and currency adjustment accounts increased by 13,520 million yen, 3,053 million yen, 759 million yen, and 5,269 million yen, respectively.

Our equity ratio increased from 39.9% as of the end of the previous consolidated accounting period to 41.1% and per share net assets increased from 4,254.56 yen to 4,351.96 yen.

(ii) Cash Flows

(Millions of yen)

	For the fiscal year ended March 31, 2013	For the fiscal year ended March 31, 2014	Change
Net cash flow from operating activities	50,622	63,847	13,224
Net cash flow from investing activities	-39,504	-47,293	-7,789
Net cash flow from financing activities	-9,411	-18,194	-8,783
Translation adjustment on cash and cash equivalents	334	790	455
Net increase (decrease) in cash and cash equivalents	2,041	-850	-2,892
Cash and cash equivalents at beginning of year	14,363	16,564	2,200
Increase in cash and cash equivalents from newly consolidated subsidiary	—	3,524	3,524
Increase in cash and cash equivalents resulting from mergers with non-consolidated subsidiaries	158	—	-158
Cash and cash equivalents at end of period	16,564	19,238	2,674

Net cash from operating activities increased by 13,224 million yen year on year to revenues of 63,847 million yen. Although income taxes paid increased, an increase in net income before taxes increased and a decrease in inventories contributed to these results.

Cash flows from investing activities increased by 7,789 million yen year on year to expenditures of 47,293 million yen. Although we recorded income resulting from the sale of subsidiaries in relation to changes in the scope of consolidation, we saw increases in payments for purchases of property, plants, and equipment.

As a result, free cash flow (the sum of net cash from operating activities and cash flows from investing activities) increased by 5,435 million yen year on year to 16,553 million yen.

Cash flows from financing activities increased 8,783 million yen year on year to expenditures of 18,194 million yen. This is the result of repayments of financial debt.

As a result of the above, cash and cash equivalents as of the end of the accounting period were 19,238 million yen.

Cash flow indices were as follows.

	1st accounting year (ended March 31, 2010)	2nd accounting year (ended March 31, 2011)	3rd accounting year (ended March 31, 2012)	4th accounting year (ended March 31, 2013)	5th accounting year (ended March 31, 2014)
Equity ratio (%)	39.7	40.2	38.9	39.9	41.1
Equity ratio on market price basis (%)	36.6	34.4	35.5	40.9	61.5
Debt repayment period	4.2	3.3	6.7	4.1	3.1
Interest coverage ratio	19.5	24.0	15.0	29.5	48.6

Note: How to calculate each index is as below.

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)

*** Forward-looking statements and other special notes**

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. Management Policy

(1) Basic Policies of Company Management

We work relentlessly to help improve the lifestyles of customers across all generations in the “Food and Healthcare” domains, and are targeting growth and advancement as a world-renowned corporate group, while working to continually enhance value for customers, shareholders and other stakeholders.

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) “Meiji Group 2020 Vision”

Our 2020 Vision establishes our vision for the group to strive for in FY2020, ending March 31, 2021: “The Meiji Group aims to become a corporate group that brightens customers’ daily lives by providing customers of all ages, from infants to the elderly, with foods that offer tastiness and enjoyment, as well as products that contribute to customers’ physical and emotional well-being.” Our numerical goals are net sales of 1.5 trillion yen and operating income ratio of 5% or higher.

(3) Medium-Term Business Plan for Fiscal Years 2012-2014 (“TAKE OFF 14”)

TAKE OFF 14 is based on the three core policies of strengthening and expanding existing businesses, fostering growth businesses, and improving profitability. Designed to help us achieve higher profitability and strategic investments for future growth, TAKE OFF 14 is key to realizing the Meiji Group 2020 Vision. In terms of specific numerical targets, we are striving to achieve net sales of 1.19 trillion yen, operating income of 40 billion yen, and ROE of 7%.

In the food segment, we will strengthen and expand existing businesses by securing an overwhelming competitive advantage in the yogurt and probiotics segments, implementing initiatives to enhance product appeal in the chocolate segment, and conducting new investments in the enteral formula segment. We foster businesses that will tie into the provision of new value and expand international business with a particular focus on China, Asia, and the U.S. Through initiatives aimed at achieving structural reforms, including increasing sales productivity and reevaluating our product strategies, we will improve profitability.

In the pharmaceuticals segment, we will continue with initiatives aimed at strengthening our mainstay segments of anti-infection drugs and central nervous system drugs, and the expansion of our generic drugs business. We also will develop growth segments such as anticancer drugs and biomedicines as well as expand our international business, particularly in emerging markets. We will develop a global production system and ensure the effective utilization of R&D budgets as we improve profitability.

Our Group takes a proactive approach to CSR activities, including enhanced compliance education and comprehensive improvements to our quality assurance systems. We will further meet the expectations of our stakeholders as well as further increase our corporate value.

Details of 2020 Vision and TAKE OFF 14 are on the following website.

(Our homepage) <http://www.meiji.com/investor/index.html>

3. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2013	As of March 31, 2014
ASSETS		
Current assets		
Cash and deposits	16,902	19,577
Notes and accounts receivable	175,803	163,135
Goods and products	81,339	80,215
Work in process	2,229	2,505
Raw materials and supplies	37,624	38,941
Deferred tax assets	12,076	11,474
Others	15,485	13,510
Allowance for doubtful accounts	-251	-288
Total current assets	341,211	329,071
Fixed assets		
Property, plants and equipment		
Buildings and structures	275,303	281,355
Less accumulated depreciation	-153,717	-159,524
Buildings and structures (net)	121,585	121,830
Machinery and equipment	436,863	454,747
Less accumulated depreciation	-333,873	-347,934
Machinery and equipment (net)	102,990	106,813
Tools and furniture	56,830	54,579
Less accumulated depreciation	-47,582	-46,068
Tools and furniture (net)	9,248	8,510
Land	68,655	68,247
Lease assets	7,776	7,735
Less accumulated depreciation	-3,630	-4,255
Lease assets (net)	4,145	3,480
Construction in progress	5,499	16,761
Total property, plants and equipment	312,124	325,644
Intangible assets		
Goodwill	161	41
Other	7,585	8,126
Total intangible assets	7,746	8,167
Investments and other fixed assets		
Investment securities	53,931	60,333
Retirement benefit assets	—	22,999
Deferred tax assets	4,398	5,349
Other	66,555	28,182
Allowance for doubtful accounts	-453	-287
Total investments and other fixed assets	124,431	116,578
Total fixed assets	444,302	450,390
Total assets	785,514	779,461

(Millions of yen)

	As of March 31, 2013	As of March 31, 2014
LIABILITIES		
Current liabilities		
Notes and accounts payable	109,460	94,327
Short-term bank loans	42,108	43,745
Current portion of bonds	15,000	—
Commercial paper	40,000	20,000
Accrued expenses	44,924	45,266
Income taxes payable	7,868	11,227
Accrued bonuses for employees	9,242	9,539
Allowance for sales returns	228	245
Allowance for sales rebates	5,263	2,730
Other current liabilities	35,668	34,384
Total current liabilities	309,764	261,466
Long-term liabilities		
Bonds	85,000	100,000
Long-term debt	23,285	34,630
Deferred tax liabilities	18,209	11,409
Accrued employees' retirement benefits	22,338	—
Retirement benefit liabilities	—	38,162
Reserve for directors' retirement benefits	280	220
Other long-term liabilities	6,025	5,449
Total long-term liabilities	155,139	189,872
Total liabilities	464,904	451,339
NET ASSETS		
Shareholders' equity		
Common stock	30,000	30,000
Capital surplus	98,851	98,852
Retained earnings	185,436	198,957
Treasury stock, at cost	-9,299	-9,451
Total shareholders' equity	304,989	318,358
Accumulated other comprehensive income		
Net unrealized holding gains or losses on securities	12,557	15,610
Deferred gains or losses on hedges	-816	-57
Foreign currency translation adjustments	-3,346	1,922
Adjusted cumulative of retirement benefits	—	-15,386
Total accumulated other comprehensive income	8,394	2,089
Minority interests	7,226	7,674
Total net assets	320,609	328,121
Total liabilities and net assets	785,514	779,461

(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income
(Consolidated Statements of Income)

(Millions of yen)

	For the fiscal year ended March 31, 2013 (April 1, 2012 to March 31, 2013)	For the fiscal year ended March 31, 2014 (April 1, 2013 to March 31, 2014)
Net sales	1,126,520	1,148,076
Cost of sales	743,835	754,013
Gross profit	382,684	394,062
Selling, general and administrative expenses	356,825	357,565
Operating income	25,859	36,496
Non-operating income		
Interest income	46	66
Dividend income	872	921
Rent income on fixed assets	2,258	2,321
Compensation income	1,500	750
Foreign exchange gains	909	1,073
Equity in income of affiliates	310	287
Other	1,933	1,682
Total non-operating income	7,831	7,103
Non-operating expenses		
Interest expenses	1,549	1,288
Rent cost of real estate	1,894	1,852
Other	1,115	1,370
Total non-operating expenses	4,559	4,511
Ordinary income	29,131	39,089
Extraordinary income		
Gain on sale of property, plants and equipment	2,154	655
Gain on sales of investment securities	97	547
Gain on sales of subsidiaries and affiliates' stocks	—	256
Other	288	129
Total extraordinary income	2,540	1,589
Extraordinary losses		
Loss on disposal of property, plants and equipment	2,303	2,720
Loss on sales of property, plants and equipment	841	233
Loss on valuation of investment securities	864	25
Impairment loss	76	3,612
Loss on cancellation of leasehold contracts	1,038	—
Other	1,335	408
Total extraordinary losses	6,457	6,991
Income before income taxes	25,214	33,687
Income taxes – current	10,316	15,804
Income taxes – deferred	-1,949	-1,110
Income before minority interests	16,847	18,992
Minority interests	200	-67
Net income	16,646	19,060

(Consolidated Statements of Comprehensive Income)

(Millions of yen)

	For the fiscal year ended March 31, 2013 (April 1, 2012 to March 31, 2013)	For the fiscal year ended March 31, 2014 (April 1, 2013 to March 31, 2014)
Net income before minority interests	16,847	18,992
Other comprehensive income		
Net unrealized holding gains or losses on securities	7,459	3,060
Deferred gains or losses on hedges	1,486	759
Foreign currency translation adjustments	1,978	3,943
Equity in affiliates accounted for by equity method	148	175
Total other comprehensive income	11,072	7,939
Comprehensive income	27,919	26,932
(Breakdown)		
Comprehensive income attributable to shareholders of parent company	27,529	26,715
Comprehensive income attributable to minority shareholders	390	216

(3) Consolidated Statements of Changes in Net Assets

(Millions of yen)

	For the fiscal year ended March 31, 2013 (April 1, 2012 to March 31, 2013)	For the fiscal year ended March 31, 2014 (April 1, 2013 to March 31, 2014)
Shareholders' equity		
Common stock		
Balance at the end of previous period	30,000	30,000
Changes during the period		
Total changes during the period	—	—
Balance at the end of current period	30,000	30,000
Additional paid-in capital		
Balance at the end of previous period	98,852	98,851
Changes during the period		
Disposal of treasury stock	-0	0
Total changes during the period	-0	0
Balance at the end of current period	98,851	98,852
Retained earnings		
Balance at the end of previous period	174,494	185,436
Changes during the period		
Cash dividends	-5,893	-5,892
Net income	16,646	19,060
Change of scope of equity method	—	353
Change due to the merger of non-consolidated subsidiaries	189	—
Others	—	—
Total changes during the period	10,942	13,520
Balance at the end of current period	185,436	198,957
Treasury stock		
Balance at the end of previous period	-9,268	-9,299
Changes during the period		
Acquisition of treasury stock	-35	-154
Disposal of treasury stock	4	2
Total changes during the period	-31	-152
Balance at the end of current period	-9,299	-9,451
Total shareholders' equity		
Balance at the end of previous period	294,078	304,989
Changes during the period		
Cash dividends	-5,893	-5,892
Net income	16,646	19,060
Acquisition of treasury stock	-35	-154
Disposal of treasury stock	4	3
Change of scope of equity method	—	353
Change due to the merger of non-consolidated subsidiaries	189	—
Others	—	—
Total changes during the period	10,911	13,369
Balance at the end of current period	304,989	318,358

(Millions of yen)

	For the fiscal year ended March 31, 2013 (April 1, 2012 to March 31, 2013)	For the fiscal year ended March 31, 2014 (April 1, 2013 to March 31, 2014)
Accumulated other comprehensive income		
Net unrealized holding gains or losses on securities		
Balance at the end of previous period	5,127	12,557
Changes during the period		
Others	7,429	3,053
Total changes during the period	7,429	3,053
Balance at the end of current period	12,557	15,610
Deferred gains or losses on hedges		
Balance at the end of previous period	-2,303	-816
Changes during the period		
Others	1,486	759
Total changes during the period	1,486	759
Balance at the end of current period	-816	-57
Foreign currency translation adjustments		
Balance at the end of previous period	-5,313	-3,346
Changes during the period		
Others	1,967	5,269
Total changes during the period	1,967	5,269
Balance at the end of current period	-3,346	1,922
Total adjusted cumulative of retirement benefits		
Balance at the end of previous period	—	—
Changes during the period		
Others	—	-15,386
Total changes during the period	—	-15,386
Balance at the end of current period	—	-15,386
Total accumulated other comprehensive income		
Balance at the end of previous period	-2,488	-8,394
Changes during the period		
Others	10,882	-6,304
Total changes during the period	10,882	-6,304
Balance at the end of current period	8,394	2,089
Minority interests		
Balance at the end of previous period	6,901	7,226
Changes during the period		
Others	324	448
Total changes during the period	324	448
Balance at the end of current period	7,226	7,674
Total net assets		
Balance at the end of previous period	298,491	320,609
Changes during the period		
Cash dividends	-5,893	-5,892
Net income	16,646	19,060
Acquisition of treasury stock	-35	-154
Disposal of treasury stock	4	3
Change of scope of equity method	—	353
Change due to the merger of non-consolidated subsidiaries	189	—
Others	11,207	-5,856
Total changes during the period	22,118	7,512
Balance at the end of current period	320,609	328,121

(4) Consolidated Statements of Cash Flow

(Millions of yen)

	For the fiscal year ended March 31, 2013 (April 1, 2012 to March 31, 2013)	For the fiscal year ended March 31, 2014 (April 1, 2013 to March 31, 2014)
Cash flows from operating activities		
Income before income taxes	25,214	33,687
Depreciation and amortization	40,821	40,972
Impairment loss	76	3,612
Amortization of goodwill	124	138
Loss on disposal of property, plants or equipment	2,301	2,722
Increase (decrease) in allowance for retirement benefits	17	—
Loss (gain) on valuation of investment securities	864	25
Increase (decrease) in allowance for doubtful accounts	-58	-158
Increase (decrease) in accrued bonuses to employees	-44	303
Increase (decrease) in retirement benefit liabilities	—	2,615
Interest and dividends received	-919	-987
Interest expenses	1,549	1,288
Equity in loss (income) of equity-method affiliates	-310	-287
Loss (gain) on sale of property, plants or equipment	-1,313	-439
Loss (gain) on sale of investment securities	178	-547
Loss on valuation of investments in capital of subsidiaries and affiliates	1,038	—
Decrease (increase) in trade receivables	-6,458	16,633
Decrease (increase) in inventories	-8,393	1,434
Increase (decrease) in trade payables	-2,000	-17,977
Others	4,040	-6,886
Subtotal	56,727	76,149
Interest and dividends received	1,026	1,286
Interest expenses paid	-1,715	-1,314
Income taxes paid	-5,415	-12,273
Net cash provided by operating activities	50,622	63,847
Cash flows from financing activities		
Payments for purchases of property, plants or equipment	-35,275	-44,407
Payments for purchases of intangible fixed assets	-2,393	-2,630
Proceeds from sales of property, plants or equipment and intangible fixed assets	4,264	2,296
Payments for investments in real estate	-41	-9
Proceeds from sales of investments in real estate	—	372
Payments for purchases of investment securities	-1,885	-2,200
Proceeds from sales of investment securities	491	992
Proceeds from sale of subsidiaries due to change in consolidated scope	—	915
Others	-4,665	-2,621
Net cash used in investing activities	-39,504	-47,293

(Millions of yen)

	For the fiscal year ended March 31, 2013 (April 1, 2012 to March 31, 2013)	For the fiscal year ended March 31, 2014 (April 1, 2013 to March 31, 2014)
Cash flows from financing activities		
Increase (decrease) in short-term bank loans	-512	1,386
Increase (decrease) in commercial paper	-7,000	-20,000
Proceeds from long-term loans payable	19,824	11,905
Repayment of long-term loans payable	-22,931	-3,411
Proceeds from issuance of bonds	49,780	14,931
Redemption of bonds	-40,000	-15,000
Decrease (increase) in treasury stock	-31	-151
Cash dividends paid	-5,860	-5,869
Cash dividends paid to minority shareholders	-89	-110
Others	-2,590	-1,875
Net cash used in financing activities	-9,411	-18,194
Translation adjustment on cash and cash equivalents	334	790
Net increase (decrease) in cash and cash equivalents	2,041	-850
Cash and cash equivalents at beginning of year	14,363	16,564
Increase in cash and cash equivalents from newly consolidated subsidiary	—	3,524
Increase in cash and cash equivalents resulting from mergers with unconsolidated subsidiaries	158	—
Cash and cash equivalents at end of period	16,564	19,238

(5) Notes Concerning Financial Statements

(Notes Concerning the Premise of a Going Concern)

Not applicable.

(Changes in Significant Matters That Constitute the Basis for Preparation of Consolidated Financial Statements)

(Important changes to consolidated scope)

(Changes to consolidated scope)

(New)

Four companies included in consolidated scope due to increase in importance

Kanto Seiraku Co., Ltd.

Gunma Gyunyu Kyogyo Kumiai

Meiji-Dairy Trading Shanghai Co., Ltd.

Meiji Dairies (Suzhou) Co., Ltd.

(Exclusions)

Eight companies excluded due to mergers between consolidated companies

Hokkaido Meihan Co., Ltd.

Tohoku Meihan Co., Ltd.

Tokyo Meihan Co., Ltd.

Tokyo Meiji Foods Co., Ltd.

Chubu Meihan Co., Ltd.

Kinki Meihan Co., Ltd.

Chugoku Meihan Co., Ltd.

Kyushu Meinyu Hanbai Co., Ltd.

One company excluded due to sale of stock

Meiji Sports Plaza, Ltd.

One company excluded due to liquidation

Five Stars Dairy Ingredients Pte.Ltd.

(Changes to equity method scope of application)

(Exclusions)

One company excluded due to liquidation

Meiji Sanofi Aventis Pharmaceuticals Co., Ltd.

(Changes in accounting policies)

Application of accounting standards for retirement benefits

As of the end of the current consolidated accounting period, the “Accounting Standards for Retirement Benefits” (ASBJ Guidance No.26 – May 17, 2012, hereinafter “Retirement Benefit Accounting Standards”) and “Guidance on Accounting Standard for Retirement Benefits” (ASBJ Guidance No.25 – May 17, 2012, hereinafter “Retirement Benefit Accounting Standards Guidelines”) have been applied (excludes provisions outlined in the text of Retirement Benefit Accounting Standards No. 35 and Retirement Benefit Accounting Standards Guidelines No. 67). Accordingly, we have changed to the treatment by which the amount calculated by subtracting pension assets from retirement benefit obligation is recorded under retirement benefit liabilities or retirement benefit assets. Furthermore, unrecognized actuarial losses (gains) and unrecognized prior service costs are recorded under retirement benefit liabilities or retirement benefit assets.

The application of Retirement Benefit Accounting Standards is in based on transitional treatments as defined in Retirement Benefit Accounting Standards No. 37. For the current consolidated accounting period, the effect of this accounting change has been reflected in the adjusted cumulative of retirement benefits under accumulated other comprehensive income.

As a result, for the current consolidated accounting period, retirement benefit liabilities and retirement benefit assets were recorded as 38,162 million yen and 22,999 million yen, respectively. Furthermore, accumulated other comprehensive income decreased by 15,386 million yen.

Per share net assets decreased by 208.97 yen.

(Changes in presentation methods)

(Consolidated Statements of Income)

During the previous consolidated accounting period, “Gain on sales of investment securities,” which was included in “Other” under “Extraordinary income,” exceeded 10% of the total amount for extraordinary income. As such, as of the current consolidated accounting period this item is presented separately. To reflect this change in the method of presentation, we have modified the consolidated financial statements from the previous consolidated accounting period.

As a result, the 386 million yen presented in “Other” under “Extraordinary income” on the consolidated income statement from the previous consolidated accounting period has been modified to be shown as 97 million yen for “Gain on sales of investment securities” and 288 million yen for “Other.”

(Segment Information, etc.)

Segment Information

1. Outline of Reporting Segments

The reporting segments of the Meiji Group are the Group’s constituent units for which separate financial information is available and for which the Board of Directors conducts period examinations to determine the allocation of management resources and evaluate business performance.

The Meiji Group has operating subsidiaries organized based on products/services. Operating subsidiaries develop their business activities by formulating comprehensive strategies for Japan and overseas with respect to their products and services.

Consequently, the Meiji Group consists of segments based on operating subsidiaries, with two reporting segments: “Food” and “Pharmaceuticals.”

The “Food” business is handled by Meiji Co., Ltd., and the “Pharmaceuticals” business is handled by Meiji Seika Pharma Co., Ltd.

Each company’s main products are as follows.

Segment	Main Products
Food	Confectioneries, ice cream, sugar and corn sweeteners, fresh dairy, powdered milk, condensed milk, butter, cheese, beverages, nutritional products, healthcare products, OTC drugs, etc.
Pharmaceuticals	Ethical pharmaceuticals, agricultural chemicals, veterinary drugs, etc.

2. Methods of Calculating Net Sales, Income (Loss), Assets, Liabilities and Other Items for Each Reporting Segment

The profit of a reporting segment is the figure for operating income.

Inter-segment sales and transfers are mainly based on the price of third-party transactions, or on manufacturing costs.

3. Information on Amounts of Net Sales, Income (Loss), Assets, Liabilities and Other Items for Each Reporting Segment

The Previous Consolidated Fiscal Year (April 1, 2012 to March 31, 2013)

(Millions of yen)

	Reporting Segments			Adjustments (Note 1)	Amount Presented in Statements of Income (Note 2)
	Food	Pharmaceuticals	Total		
Net Sales					
(1) Sales to Outside Customers	1,000,346	126,174	1,126,520	—	1,126,520
(2) Inter-segment Sales and Transfers	1,205	1,186	2,391	-2,391	—
Total	1,001,551	127,361	1,128,912	-2,391	1,126,520
Income by Segment	19,383	6,461	25,845	14	25,859
Segment assets	580,218	147,310	727,528	57,985	785,514
Other items					
Depreciation	34,237	5,322	39,560	1,261	40,821
Equity in income of affiliates	3,074	332	3,406	—	3,406
Increase in property, plants and equipment/intangible fixed assets	36,935	5,069	42,004	58	42,063

(Notes)

1. Details of Adjustments are as follows:

The segment income adjustment of 14 million yen includes inter-segment eliminations of 188 million yen and a negative 173 million yen in corporate expenses that are not allocated to individual reporting segments. Corporate expenses mainly consist of administrative expenses for the Company (the holding company).

The segment assets adjustment of 57,985 million yen includes inter-segment elimination of a negative 139,623 million yen and corporate assets of 197,609 million yen not assigned to respective reporting segments. Major corporate assets include Company (the holding company) surplus investment assets (cash deposits), long-term investment capital (investment securities), and Company-held assets, etc.

2. Segment income is adjusted to the operating income recorded in the quarterly consolidated statements of income.

The Consolidated Fiscal Year under Review (April 1, 2013 to March 31, 2014)

(Millions of yen)

	Reporting Segments			Adjustments (Note 1)	Amount Presented in Statements of Income (Note 2)
	Food	Pharmaceuticals	Total		
Net Sales					
(1) Sales to Outside Customers	1,014,207	133,868	1,148,076	—	1,148,076
(2) Inter-segment Sales and Transfers	1,057	1,237	2,294	-2,294	—
Total	1,015,265	135,105	1,150,370	-2,294	1,148,076
Income by Segment	28,190	8,356	36,546	-50	36,496
Segment assets	564,168	154,309	718,477	60,984	779,461
Other items					
Depreciation	34,379	5,439	39,818	1,153	40,972
Equity in income of affiliates	3,362	—	3,362	—	3,362
Increase in property, plants and equipment/intangible fixed assets	47,854	4,704	52,558	30	52,589

(Notes)

1. Details of Adjustments are as follows:

The segment income adjustment of a negative 50 million yen includes inter-segment eliminations of 132 million yen and a negative 183 million yen in corporate expenses that are not allocated to individual reporting segments. Corporate expenses mainly consist of administrative expenses for the Company (the holding company).

The segment assets adjustment of 60,984 million yen includes inter-segment elimination of a negative 146,042 million yen and corporate assets of 207,027 million yen not assigned to respective reporting segments. Major corporate assets include Company (the holding company) surplus investment assets (cash deposits), long-term investment capital (investment securities), and Company-held assets, etc.

2. Segment income is adjusted to the operating income recorded in the quarterly consolidated statements of income.

(Per Share Data)

	Previous Fiscal Year (April 1, 2012 to March 31, 2013)	Fiscal Year under Review (April 1, 2013 to March 31, 2014)
Net assets per share	4,254.56 yen	4,351.96 yen
Net income per share	225.98 yen	258.79yen

(Notes)

1. Diluted net income per share is not given because there are no dilutive shares.

2. The basis for calculation of net income per share is as follows.

	Previous Fiscal Year (April 1, 2012 to March 31, 2013)	Fiscal Year under Review (April 1, 2013 to March 31, 2014)
Basis for calculating net income per share		
Net income	16,646 million yen	19,060 million yen
Amount not attributed to common shareholders	— million yen	— million yen
Net income available to shareholders of shares of common stock	16,646 million yen	19,060 million yen
Average number of shares of common stock outstanding during the year	73,663 thousands	73,650 thousands

(Significant Subsequent Events)

Not applicable

Consolidated Financial Results for FYE March 2014 - Supplementary Explanatory Data -

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meiji

Meiji Holdings Co., Ltd.

*This document has been translated from the original Japanese as a guide for non-Japanese investors.

*Unaudited figures are included in these materials for reference.

*The forward-looking statements described in this document, such as business forecasts, are based on information available at the time of the release of this presentation and reasonable assumptions made by the Company, and do not represent a commitment from the Company that they will be achieved.

1. Outline of Consolidated Financial Results for FYE March 2014

(Amounts appearing in the tables below have been rounded down to nearest 100 million yen.)

1. Results of Operations

(Billions of yen)

	FYE March 2013		FYE March 2014			FYE March 2014 (Plan)	
	Full-year	YoY Change	Full-year	YoY Change	vs. Plan	Full-year	YoY Change
Net Sales	1,126.5	+1.6	1,148.0	+1.9	+1.8	1,128.0	+0.1
Cost of Sales	743.8	+0.7	754.0	+1.4	—	—	—
Selling, General and Administrative Expenses	356.8	+1.8	357.5	+0.2	—	—	—
(Carriage and storage charges)	43.4	-2.8	43.1	-0.6	—	—	—
(Sales promotion expenses)	142.4	+4.6	139.9	-1.7	—	—	—
(Labor cost)	72.1	-0.5	73.6	+2.0	—	—	—
Operating Income	25.8	+28.1	36.4	+41.1	+7.3	34.0	+31.5
Ordinary Income	29.1	+33.1	39.0	+34.2	+10.1	35.5	+21.9
Net Income	16.6	+144.6	19.0	+14.5	+0.3	19.0	+14.1

2. Segment Information

(1) Net Sales

(Billions of yen)

	FYE March 2013		FYE March 2014			FYE March 2014 (Plan)		
	Full-year	YoY Change	Full-year	YoY Change	vs. Plan	Full-year	YoY Change	
Food Segment	1,001.5	+1.5	1,015.2	+1.4	+1.9	996.0	-0.6	
Current classification	Dairy	612.4	+4.3	638.7	+4.3	+1.5	629.6	+2.8
	Confectionery	196.5	-1.8	194.4	-1.1	+3.1	188.5	-4.1
	Healthcare and Nutritional	79.5	-1.0	86.5	+8.9	+5.4	82.1	+3.2
	Other	319.5	+2.2	328.4	+2.8	+1.4	323.7	+1.3
	Elimination	-206.4	—	-232.9	—	—	-227.9	—
Pharmaceuticals Segment	127.3	+1.7	135.1	+6.1	+1.1	133.7	+5.0	
Food Segment	1,001.5	+1.5	—	—	—	—	—	
Former classification	Dairy	617.0	+4.6	—	—	—	—	—
	Confectionery	292.4	-0.4	—	—	—	—	—
	Healthcare and Nutritional	115.0	-2.3	—	—	—	—	—
	Other	183.6	+2.1	—	—	—	—	—
	Elimination	-206.4	—	—	—	—	—	—
Pharmaceuticals Segment	127.3	+1.7	—	—	—	—	—	

(2) Operating Income

(Billions of yen)

	FYE March 2013		FYE March 2014			FYE March 2014 (Plan)		
	Full-year	YoY Change	Full-year	YoY Change	vs. Plan	Full-year	YoY Change	
Food Segment	19.3	+68.7	28.1	+45.4	+6.6	26.5	+36.7	
Current classification	Dairy	18.4	+109.6	25.3	+37.3	+17.1	21.6	+17.1
	Confectionery	3.3	-16.2	5.2	+55.8	+6.1	4.9	+46.6
	Healthcare and Nutritional	-0.9	—	2.7	—	+70.1	1.6	—
	Other	2.2	-11.7	-2.0	—	—	1.5	-32.1
	Elimination and Corporate expenses	-3.2	—	-3.0	—	—	-3.1	—
Pharmaceuticals Segment	6.4	-21.1	8.3	+29.3	+10.0	7.6	+17.6	
Food Segment	19.3	+68.7	—	—	—	—	—	
Former classification	Dairy	20.3	+104.2	—	—	—	—	—
	Confectionery	4.6	-10.9	—	—	—	—	—
	Healthcare and Nutritional	-2.1	—	—	—	—	—	—
	Other	0.7	-6.9	—	—	—	—	—
	Elimination and Corporate expenses	-3.7	—	—	—	—	—	—
Pharmaceuticals Segment	6.4	-21.1	—	—	—	—	—	

Note1: As reference information for the Food segment, we have included results for each business category (simple calculation figures prior to elimination).

Note2: Eliminations within the Food segment include eliminations within each business category and between business categories.

Also, general corporate expenses refer to expenses not allocated to any specific business.

Note3: From the fiscal year ending March 31, 2014, the partial reclassifications of the business divisions within the Food segment are effective.

In the disclosure materials for the current fiscal year, actual operating results for the previous fiscal year are presented by applying the new classification.

3. Analysis of Operating Income

		(Billions of yen)		
		by segment		
		Food	Pharma	Other
FYE March 2013	25.8	19.3	6.4	0.0
Due to increased/decreased sales	+12.9	+9.1	+3.8	—
Cost reduction	+7.9 ^(*1)	+7.5	+0.4	—
Change in selling overheads	+0.1	+1.7	-1.6	—
Procurement costs of raw materials	-6.7	-6.7	0.0	—
Change in results of subsidiaries	-1.4 ^(*2)	-1.4	0.0	—
Other	-2.2 ^(*3)	-1.4	-0.7	-0.1
FYE March 2014	36.4	28.1	8.3	-0.1

(Breakdown)

- *1: [Food] Cost reduction in production of dairy products: +1.5
 Cost reduction in Dairy business: +1.9
 Cost reduction in production of confectioneries: +1.3
 Cost reduction in Confectionery business: +1.1
 Cost reduction in Healthcare and Nutritionals business: +1.6
- *2: [Food] Consolidation of overseas subsidiaries: -1.7
- *3: [Food] Loss on valuation of real estate for sale: -1.5
 [Pharma] Decrease in R&D expenses: +0.5
 Increase in general expenses: -1.2

2. Forecasts for FYE March 2015

1. Consolidated Forecasts of Operations

(Billions of yen)

	FYE March 2014 (Results)						FYE March 2015 (Plan)					
	1st Half	YoY Change	2nd Half	YoY Change	Full-year	YoY Change	1st Half	YoY Change	2nd Half	YoY Change	Full-year	YoY Change
Net Sales	562.9	+0.3%	585.1	+3.5%	1,148.0	+1.9%	555.0	-1.4%	585.0	-0.0%	1,140.0	-0.7%
Operating Income	15.8	+58.2	20.5	+30.3	36.4	+41.1	14.4	-9.4	23.1	+12.1	37.5	+2.7
Ordinary Income	17.9	+51.8	21.1	+22.2	39.0	+34.2	14.6	-18.5	22.9	+8.1	37.5	-4.1
Net Income	9.7	+85.9	9.2	-18.6	19.0	+14.5	7.6	-22.4	13.9	+50.0	21.5	+12.8

2. Forecasts by Business Segment

(1) Net Sales

(Billions of yen)

	FYE March 2014 (Results)						FYE March 2015 (Plan)					
	1st Half	YoY Change	2nd Half	YoY Change	Full-year	YoY Change	1st Half	YoY Change	2nd Half	YoY Change	Full-year	YoY Change
Food Segment	504.1	+0.1%	511.0	+2.7%	1,015.2	+1.4%	497.3	-1.4%	508.7	-0.5%	1,006.0	-0.9%
Dairy	321.2	+3.5	317.4	+5.1	638.7	+4.3	313.0	-2.6	311.6	-1.8	624.6	-2.2
Confectionery	92.8	-4.6	101.6	+2.3	194.4	-1.1	96.6	+4.1	100.8	-0.8	197.4	+1.5
Healthcare and Nutritionals	43.0	+4.9	43.4	+13.2	86.5	+8.9	42.0	-2.3	43.4	+0.1	85.5	-1.1
Other	163.2	+3.6	165.2	+2.1	328.4	+2.8	162.5	-0.4	166.4	+0.8	329.0	+0.2
Elimination	-116.2	—	-116.7	—	-232.9	—	-116.9	—	-113.7	—	-230.6	—
Pharmaceuticals Segment	59.6	+2.0	75.4	+9.5	135.1	+6.1	58.5	-1.9	78.0	+3.4	136.5	+1.0

(2) Operating Income

(Billions of yen)

	FYE March 2014 (Results)						FYE March 2015 (Plan)					
	1st Half	YoY Change	2nd Half	YoY Change	Full-year	YoY Change	1st Half	YoY Change	2nd Half	YoY Change	Full-year	YoY Change
Food Segment	13.3	+103.3%	14.8	+15.7%	28.1	+45.4%	13.4	+0.2%	16.6	+12.0%	30.0	+6.4%
Dairy	12.1	+46.6	13.1	+29.4	25.3	+37.3	12.6	+4.1	13.5	+2.8	26.2	+3.5
Confectionery	1.2	+302.1	3.9	+31.3	5.2	+55.8	2.2	+87.7	4.5	+14.6	6.8	+31.7
Healthcare and Nutritionals	1.2	—	1.4	—	2.7	—	1.6	+26.8	1.4	+1.6	3.1	+13.4
Other	0.3	+2.2	-2.3	—	-2.0	—	-0.4	—	0.2	—	-0.1	—
Elimination	-1.5	—	-1.4	—	-3.0	—	-2.8	—	-3.2	—	-6.0	—
Pharmaceuticals Segment	2.4	-26.4	5.9	+87.8	8.3	+29.3	1.0	-59.0	6.6	+11.5	7.6	-9.0

Note1: As reference information for the Food segment, we have included results for each business category (simple calculation figures prior to elimination).

Note2: Eliminations within the Food segment include eliminations within each business category and between business categories.

Also, general corporate expenses refer to expenses not allocated to any specific business.

3. Analysis of Operating Income

(1) 1st Half

(Billions of yen)

	Consolidated Total	Food	Pharma	Other
FYE March 2014 (Results)	15.8	13.3	2.4	0.1
Due to increased/decreased sales	+4.4	+2.6	+1.8	—
NHI drug price revision	-4.3	—	-4.3	—
Procurement costs of raw materials	-7.0	-7.0	0.0	—
Cost increase	-2.2	-1.3	-0.9	—
Structural reforms and cost reduction	+8.5	+7.0	+1.5	—
Other (incl. change in results of subsidiaries)	-0.8	-1.2	+0.5	-0.1
Total change	-1.4	+0.1	-1.4	-0.1
FYE March 2015 (Plan)	14.4	13.4	1.0	0.0

(2) 2nd Half

(Billions of yen)

	Consolidated Total	Food	Pharma	Other
FYE March 2014 (Results)	20.6	14.8	5.9	-0.1
Due to increased/decreased sales	+7.0	+1.2	+5.8	—
NHI drug price revision	-4.9	—	-4.9	—
Procurement costs of raw materials	-4.1	-4.1	0.0	—
Cost increase	-2.2	-1.6	-0.6	—
Structural reforms and cost reduction	+5.1	+5.0	+0.1	—
Other (incl. change in results of subsidiaries)	+1.5	+1.2	+0.2	—
Total change	+2.4	+1.7	+0.7	+0.0
FYE March 2015 (Plan)	23.1	16.6	6.6	-0.1

(3) Full-year

(Billions of yen)

	Consolidated Total	Food	Pharma	Other
FYE March 2014 (Results)	36.4	28.1	8.3	0.0
Due to increased/decreased sales	+11.4	+3.8	+7.6	—
NHI drug price revision	-9.2	—	-9.2	—
Procurement costs of raw materials	-11.1	-11.1	0.0	—
Cost increase	-4.4	-2.9	-1.5	—
Structural reforms and cost reduction	+13.6	+12.0	+1.6	—
Other (incl. change in results of subsidiaries)	+0.7	0.0	+0.7	-0.1
Total change	+1.0	+1.8	-0.7	-0.1
FYE March 2015 (Plan)	37.5	30.0	7.6	-1.0

3. Other

1. Capital Expenditures, Depreciation, R&D Expenses

(Billions of yen)

	FYE March 2012			FYE March 2013			FYE March 2014			FYE March 2015 (Plan)	
	Full-year			Full-year			Full-year			1st Half	Full-year
Capital Expenditures	38.3			37.6			47.0			31.5	55.0
Food Segment	33.4			33.1			41.5			27.0	46.8
Pharmaceutical Segment	4.8			4.4			5.4			4.5	8.2
Corporate or Elimination	0.0			0.0			0.0			0.0	0.0
Depreciation	40.8			40.8			40.9			20.2	42.1
Food Segment	34.4			34.2			34.3			17.1	35.7
Pharmaceutical Segment	5.1			5.3			5.4			2.5	5.3
Corporate or Elimination	1.2			1.2			1.1			0.5	1.0
R&D Expenses	23.8			26.2			26.0			10.9	24.7
Food Segment	10.6			11.1			11.3			5.6	11.3
Pharmaceutical Segment	13.2			15.0			14.7			5.3	13.4
Corporate or Elimination	0.0			0.0			0.0			0.0	0.0

Note: From FYE March 2013, the figures for depreciation includes amortization.

2. Financial Indicators

	FYE March 2012		FYE March 2013		FYE March 2014	
	Full-year		Full-year		Full-year	
Consolidated Net Sales	1,109.2	billion yen	1,126.5	billion yen	1,148.0	billion yen
Consolidated Operating Income	20.1	billion yen	25.8	billion yen	36.4	billion yen
Operating Income Ratio	1.8	%	2.3	%	3.2	%
Return on Equity	2.3	%	5.5	%	6.0	%
Ordinary Income/Total Assets	3.0	%	3.8	%	5.0	%
Total Assets	749.9	billion yen	785.5	billion yen	779.4	billion yen
Net Assets	298.4	billion yen	320.6	billion yen	328.1	billion yen
Cash Flows from Operating Activities	30.5	billion yen	50.6	billion yen	63.8	billion yen
Cash Flows from Investing Activities	-44.3	billion yen	-39.5	billion yen	-47.2	billion yen
Free Cash Flows	-13.7	billion yen	11.1	billion yen	16.5	billion yen
Net Income per Share	92.38	yen	225.98	yen	258.79	yen
Net Assets per Share	3,958.24	yen	4,254.56	yen	4,351.96	yen
Cash Dividends per Share	80.00	yen	80.00	yen	80.00	yen

Note1: Free cash flows = Cash flows from operating activities + Cash flows from investing activities

Note2: Net assets per share = (Total net assets - Minority interests) / (Number of shares outstanding - Number of treasury stock)

4. Operating Company Information

1. Meiji Co., Ltd. [Food Segment]

(1) Sales by business (Non-consolidated)

(Billions of yen)

	FYE March 2013		FYE March 2014		FYE March 2015 (Plan)			
	Full-year	YoY change	Full-year	YoY Change	Full-year	YoY Change		
Current classification		%		%		%		
	Dairy	447.0	+5.9	454.2	+1.6	451.8	-0.5	
	Fresh dairy	297.2	+9.0	304.8	+2.6	305.6	+0.3	Yogurt, drinking milk, beverages, etc.
	Processed food	149.7	+0.7	149.4	-0.3	146.2	-2.1	Cheese, butter, frozen food, processed food products for professional use business, etc.
	Confectionery	167.9	-2.2	164.3	-2.2	168.8	+2.7	
	Confectioneries	128.3	-4.1	126.3	-1.6	126.8	+0.4	Chocolate, chewing gum, candy, etc.
	Ice cream	39.6	+4.6	37.9	-4.2	42.0	+10.6	Ice cream, etc.
Healthcare & Nutritionals	71.3	-1.8	77.0	+7.9	77.3	+0.4	Sports nutrition, functional healthcare products, OTC drugs, infant formula, enteral formula, food products for the elderly, etc.	
Former classification		%		%		%		
	Dairy	402.9	+6.5	—	—	—	—	
	Fresh dairy	297.2	+9.0	—	—	—	—	Yogurt, drinking milk, beverages, etc.
	Processed dairy foodproducts	105.6	+0.9	—	—	—	—	Cheese, butter, dairy products for professional use business, etc.
	Confectionery	189.5	-1.0	—	—	—	—	
	Confectioneries	127.8	-4.3	—	—	—	—	Chocolate, chewing gum, candy, etc.
	Dessert products	40.1	+5.1	—	—	—	—	Ice cream, sweets, etc.
	Institutional foodproducts	21.5	+8.8	—	—	—	—	Institutional products (confectionery and foodstuffs)
	Healthcare & Nutritionals	93.8	-3.0	—	—	—	—	
	Healthcare products	55.0	-6.9	—	—	—	—	Sports nutrition, functional healthcare products, frozen food, OTC drugs, etc.
Nutritional products	44.5	+2.8	—	—	—	—	Infant formula, enteral formula, food products for the elderly, etc.	

Note: From the fiscal year ending March 31, 2014, the partial reclassifications of the business divisions within the Food segment are effective.

In the disclosure materials for the current fiscal year, actual operating results for the previous fiscal year are presented by applying the new classification.

2. Meiji Seika Pharma Co., Ltd. [Pharmaceuticals Segment]

(1) Sales by business (Consolidated)

(Billions of yen)

	FYE March 2013		FYE March 2014		
	Full-year	YoY change	Full-year	YoY change	
Consolidated Total	127.3	+1.7	135.1	+6.1	%
Ethical pharmaceuticals	105.6	+1.5	113.5	+7.5	Infectious diseases and disorders, central nervous system (CNS) disorders, generic drugs
Agricultural chemicals and veterinary drugs	21.7	+2.4	21.5	-0.9	Agricultural chemicals, veterinary drugs

(2) List of New Products Under Development

Stage	Name	Type	Efficacy Classification	Notes
Approval	LASERPHYRIN® (Talaporfin)	Injection	Malignant brain tumor treatment (Additional indications)	Approved on Sept. 20, 2013.
Phase III	ME2136 (Asenapine)	Oral	Antipsychotic	In-license: Merck Sharp&Dohme B.V. (Netherland)
	SME3110 (Fluvoxamine)	Oral	Selective serotonin reuptake inhibitor (SSRI) (Pediatric OCD) (Additional indications)	Co-development: AbbVie G.K.
Phase II	ME3113 (Udenafil)	Oral	Benign prostatic hyperplasia treatment	In-license: Dong-A ST Co., Ltd. (Korea)
	REFLEX® (Mirtazapine)	Oral	Fibromyalgia treatment (Additional indications)	In-license: MSD K.K.
	ME2112 (Ziprasidone)	Oral	Antipsychotic	In-license: RaQualia Pharma Inc.
Phase II (Overseas)	ME1111	Topical	Antionychomycosis	Meiji Seika Pharma Co., Ltd.
Phase I	ME2125 (Safinamide)	Oral	Anti-Parkinson's Disease	In-license: Newron Pharmaceutical S.p.A. (Italy)
	DMB-3111	Injection	Breast Cancer/Gastric Cancer (Biosimilar)	Co-development: Dong-A Socio Holdings Co., Ltd. (Korea)
Phase I (Overseas)	ME1100 (Arbekacin)	Inhalation	Hospital Acquired Bacterial Pneumonia / Ventilator Associated Bacterial Pneumonia treatment (HABP/VABP)	Meiji Seika Pharma Co., Ltd.
	OP0595	Injection	β-lactamase inhibitor	Meiji Seika Pharma Co., Ltd.

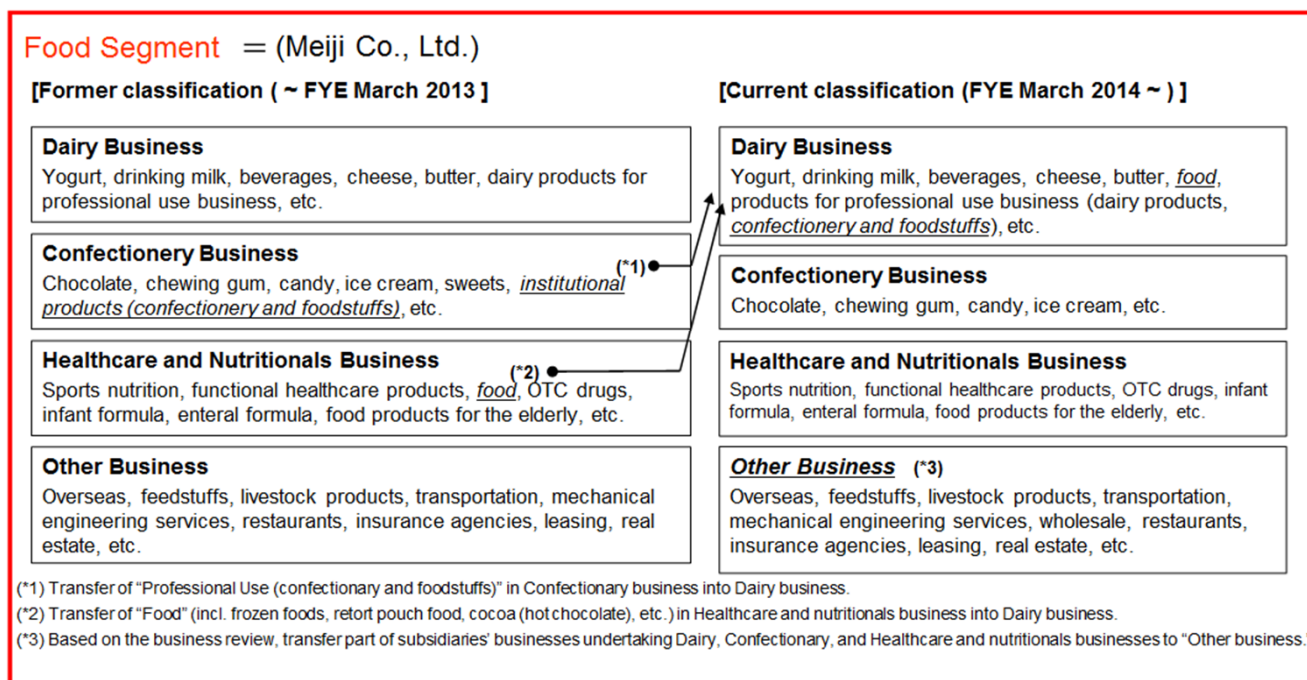
5. Partial reclassification of the business divisions within the Food segment

The reclassifications occurred due to the re-organization at Meiji Co., Ltd., which was implemented in April 2013, and they are effective from the fiscal year ended March 31, 2014.

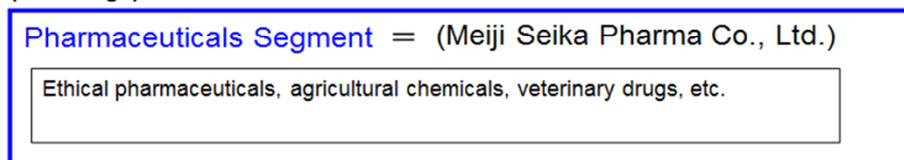
Along with these changes, figures to be presented in business plans and actual operating results for the fiscal period ended March 31, 2014 and after are on the basis of the new classification.

Also, in the disclosure materials for the fiscal year ended March 31, 2014, actual operating results for the fiscal year ended March 31, 2013 are presented by applying the new classification.

Please note that there were no changes in the pharmaceuticals segment.



(No change)



* From this material, the business classification up to the fiscal year ended March 31, 2013 is described as "Former Classification", while the business classification beginning from the fiscal year ended March 31, 2014 is described as the "Current Classification".