

Consolidated Financial Statements

for the Third Quarter of the Fiscal Year Ending March 2010

February 10, 2010

Name of Listed Company: Meiji Holdings Co., Ltd. Listed exchange: 1st Section, Tokyo Stock Exchange
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Scheduled date of submission of the quarterly report: February 12, 2010

Scheduled date of dividend payment commencement: –

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

1. Consolidated Financial Results for the Third Quarter of the Fiscal Year Ending March 2010

(April 1, 2009 to December 31, 2009)

(1) Consolidated operating results (cumulative)

(Percentages represent changes from the same period of the previous fiscal year.)

	Net Sales		Operating Income		Ordinary Income		Net Income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Third Quarter of Fiscal Year Ending March 2010	841,467	–	28,643	–	28,585	–	13,519	–
Third Quarter of Fiscal Year Ending March 2009	–	–	–	–	–	–	–	–

	Net Income per Share		Diluted Net Income per Share	
	Yen		Yen	
Third Quarter of Fiscal Year Ending March 2010	183.61		–	
Third Quarter of 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
Third Quarter of Fiscal Year Ending March 2010	751,250	296,304	38.4	3,917.97
Fiscal Year Ending March 2009	–	–	–	–

(Reference) Shareholders' equity: Third quarter of the fiscal year ending March 2010: 288,489 million yen
 Fiscal year ending March 2009: –

2. Dividends

(Basic date)	Cash Dividends per Share				
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Total
	Yen	Yen	Yen	Yen	Yen
Year Ending March 2009	–	–	–	–	–
Year Ending March 2010	–	0.00	–	–	–
Year Ending March 2010 (Projected)	–	–	–	80.00	80.00

(Note) Amendment to projected dividends during the third quarter of the fiscal year: None

For the year ending March 2010, the first fiscal year in which the integration took place, we plan 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 2010
(April 1, 2009 to March 31, 2010)**

(Percentages represent changes from the previous period.)

	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
Full year	1,124,000	–	26,000	–	26,000	–	12,000	–	162.97

(Note) Amendment to forecasts of consolidated financial results during the third quarter of the fiscal year: None

4. Other

(1) Changes in significant subsidiaries during the third quarter of the fiscal year
(Changes in subsidiaries affecting the scope of consolidation): None

(2) Application of simplified accounting treatment and accounting treatment specific to preparation of consolidated quarterly financial statements: Yes

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

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

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

(4) Number of shares outstanding (common stock)

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

Third quarter of fiscal year ending March 2010: 76,341,700 shares

Fiscal year ending March 2009: – shares

2. Number of treasury stock at end of year

Third quarter of fiscal year ending March 2010: 2,709,391 shares

Fiscal year ending March 2009: – shares

3. Average number of shares during period (quarterly consolidated cumulative period)

Third quarter of fiscal year ending March 2010: 73,635,603 shares

Third quarter of fiscal year ending March 2009: – shares

*** 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, there have been no changes in the content since the reporting on November 12, 2009.

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 term or the same quarter of the previous fiscal year.

Quantitative Information, Financial Statements, etc.

1. Quantitative Information concerning the Consolidated Operating Results

(1) Overall Operating Results

(Millions of yen)

	Net Sales	Operating Income	Ordinary Income	Net Income	Net Income per Share (Yen)
Third quarter of the consolidated cumulative period	841,467	28,643	28,585	13,519	183.61
Forecasts of financial results for the full fiscal year	1,124,000	26,000	26,000	12,000	162.97
Degree of progress against forecasts of financial results for the full fiscal year (%)	74.9	110.2	109.9	112.7	–

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

In the third quarter of the consolidated cumulative period, although movements of picking up are seen in some areas, the situation surrounding the Japanese economy has remained severe, marked by deteriorating employment conditions, continued sluggish consumer spending, etc.

Under such circumstances, the Meiji Group vigorously promoted efforts to strengthen and expand its existing businesses and expedite integrated synergies in the first year of “FY2009-2011 Mid-Term Business Plan.” For customers, the Group took such measures as proactively launching unique products with a unified new brandmark to raise the profile of new brands and make them well-established in the market. At the same time, the Group promoted various measures, including cost reduction, to strengthen its competitiveness.

As a result, in the third quarter of the consolidated cumulative period, the Company recorded net sales of 841.467 billion yen, operating income of 28.643 billion yen, ordinary income of 28.585 billion yen and net income of 13.519 billion yen. The degree of progress against forecasts of financial results for the full fiscal year showed a favorable performance (net sales: 74.9%, operating income: 110.2%, ordinary income: 109.9%, and net income: 112.7%).

Outline of segments by business type are as follows:

(2) Outline of Segments (Consolidated)

(Millions of yen)

	Dairy products	Confectionary and healthcare	Pharmaceuticals	Services and other	Total
Net Sales	466,315	215,155	94,634	107,701	883,807
Operating Income	14,739	3,625	8,270	2,681	29,317

(Note) Net sales and operating income are presented as the amount before the elimination of inter-segment transactions.

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 term or the same quarter of the previous fiscal year. Therefore, an outline of the degree of progress of each segment against forecasts of financial results for the full fiscal year is provided below.

(i) Dairy products

	Third quarter of the consolidated cumulative period (Millions of yen)	Degree of progress against forecasts of financial results for the full fiscal year (%)
Net Sales	466,315	78.0
Operating Income	14,739	133.1

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

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

- Overall segment sales were firm due to brisk sales of such products as yogurt, powdered milk, cheese, nutraceuticals and margarine.
- Operating income was firm due to expanded sales of high-value-added products and cost reduction in imported raw materials.

(ii) Confectionary and Healthcare

	Third quarter of the consolidated cumulative period (Millions of yen)	Degree of progress against forecasts of financial results for the full fiscal year (%)
Net Sales	215,155	69.0
Operating Income	3,625	72.5

(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>

In the confectionary industry, the market worsened due to such factors as further stagnation of consumer spending and progressive deflation. Moreover, the 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 chocolate products were firm in the confectionary business, whereas other categories did not fare so favorably. In the healthcare business, sales of major products, including “ISODINE® UGAIGUSURI,” were steady.
- Even though the price of cacao beans, the raw material for chocolate, still remains at a high level, operating income went nearly as planned due to cost ratio improvement, resulting from changes in variety composition, and improved profit structures of confectionary.

(iii) Pharmaceuticals

	Third quarter of the consolidated cumulative period (Millions of yen)	Degree of progress against forecasts of financial results for the full fiscal year (%)
Net Sales	94,634	74.7
Operating Income	8,270	99.0

(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 (“ORAPENEM®” and “REFLEX®”), generic drugs and influenza-related products contributed to the steady business performance of the segment, compensating for unfavorable sales of major products of agricultural chemicals and overseas business affected by foreign exchange rates.
- Operating income was firm due to the effect of the launch of new drugs and increased sales of generic drugs.

(iv) Services and other

	Third quarter of the consolidated cumulative period (Millions of yen)	Degree of progress against forecasts of financial results for the full fiscal year (%)
Net Sales	107,701	76.9
Operating Income	2,681	95.0

(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 the lowering of assorted feed prices.
- Operating income was firm due to stable feed grain rates in the feed business and a reduction of fuel costs in the distribution business.