



Consolidated Financial Statements
for the Second Quarter of the Fiscal Year Ending March 2011
[Based on Japanese GAAP]

November 11, 2010

Name of Listed Company : Meiji Holdings Co., Ltd.
Listed exchange : 1st Section, Tokyo Stock Exchange
Code Number : 2269
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Scheduled date of submission of the quarterly report: November 12, 2010
Scheduled date of dividend payment commencement: December 9, 2010
Preparation of explanatory material for quarterly financial results: Yes
Holding of a briefing on quarterly financial results: Yes (a briefing for analysts and institutional investors)

(Amounts are rounded to the nearest million yen.)

1. Consolidated Financial Results for the First Half of Fiscal Year 2010 (April 1, 2010 to September 30, 2010)

(1) Consolidated operating results (For the six months ended September 30)

(% of change from previous first half)

	Net Sales		Operating Income		Ordinary Income		Net Income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY2010 First Half	561,308	1.1	17,546	29.3	19,197	42.8	9,378	73.5
FY2009 First Half	555,308	–	13,573	–	13,443	–	5,406	–

	Net Income per Share		Diluted Net Income per Share	
	Yen		Yen	
FY2010 First Half	127.26		–	
FY2009 First Half	73.42		–	

(2) Consolidated financial position

	Total Assets		Net Assets		Equity Ratio		Net Assets per Share	
	Millions of yen		Millions of yen		%		Yen	
FY2010 Second Quarter	729,050		299,203		40.0		3,955.01	
FY2009	730,044		297,771		39.7		3,933.05	

(Reference) Shareholders' equity

FY2010 second quarter: 291,451 million yen

FY2009: 289,886 million yen

2. Dividends

	Annual Dividends				
	End of First Quarter	End of Second Quarter	End of Third Quarter	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
FY2009	–	0.00	–	80.00	80.00
FY2010	–	40.00	–	–	–
FY2010 (Projected)	–	–	–	40.00	80.00

(Note) Amendment to projected dividends during the current quarter: None

3. Forecasts of Consolidated Financial Results for Fiscal Year 2010 (April 1, 2010 to March 31, 2011)

(% of change from FY2009)

	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	
FY2010	1,120,000	1.2	29,500	2.5	30,000	5.9	15,000	14.6	203.55	

(Note) Amendment to forecasts of consolidated financial results during the current quarter: Yes

Please refer to the "Notice Concerning the Revision of the Forecast of Financial Results" announced on November 11, 2010.

4. Other

(1) Changes in significant subsidiaries during the current quarter: None

(Note) Changes in subsidiaries affecting the scope of consolidation.

(2) Application of simplified accounting treatment and specific accounting treatment: Yes

(Note) Application of simplified accounting treatment and accounting treatment specific to preparation of consolidated quarterly financial statements.

(3) Revisions of accounting rules, procedures and presentations

1. Revisions due to changes in accounting standards: Yes

2. Other revisions: None

(Note) Revisions of accounting rules, procedures and presentations concerning preparation of consolidated quarterly financial statements, as described in "revisions of significant items concerning the basis for preparing consolidated quarterly financial statements."

(4) Number of shares outstanding (common stock)

1. Number of shares outstanding at end of period (including treasury stock)	FY2010 Second Quarter	76,341,700 shares	FY2009	76,341,700 shares
2. Number of treasury stock at end of period	FY2010 Second Quarter	2,650,039 shares	FY2009	2,636,540 shares
3. Average number of shares during period	FY2010 First Half	73,694,351 shares	FY2009 First Half	73,637,018 shares

* Indication regarding the implementation of quarterly review procedures

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

*Forward-looking statements and other special notes

1. 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. Actual results could differ materially from forecasts due to various factors.

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), and the two companies were made the holding company's wholly owned subsidiary companies. Since fiscal year 2009 is the first term for the Company, no figures are available for the first half of fiscal year 2009 with regard to percentage of change from the same period of the previous fiscal year.

1. Qualitative Information Concerning Consolidated Financial Results, etc. for the First Half under Review

(1) Qualitative Information Concerning the Consolidated Operating Results

(Millions of yen)

	Net Sales	Operating Income	Ordinary Income	Net Income	Net Income per Share (Yen)
FY2010 First Half	561,308	17,546	19,197	9,378	127.26
FY2009 First Half	555,308	13,573	13,443	5,406	73.42
% of YoY Change	1.1	29.3	42.8	73.5	—

In the first half of the consolidated fiscal year under review, the Japanese economy remained sluggish amid ongoing weak consumer confidence and growing concerns over a further deterioration in economic conditions. This was caused by such factors as concerns over downside risks in overseas economies, the effect of domestic deflation, and the job market slump, as well as the rapid appreciation of the yen and a downturn in exports.

Under such circumstances, the Meiji Group has been proactively undertaking various measures during the current fiscal year, the second year of the “FY2009-2011 Medium-Term Business Plan,” with the aim of “developing core businesses by enhancing competitiveness in the markets,” “promoting measures to create new demand,” and “reviewing all kinds of costs to strengthen the Group’s operational base.” These measures are intended to accelerate our efforts to achieve the main targets specified in the plan, which are to “strengthen and expand existing businesses” and to “expedite integration synergies.”

As a result, for the first half of the consolidated fiscal year under review, the Company recorded net sales of 561,308 million yen (up 1.1% year on year), an operating income of 17,546 million yen (up 29.3% year on year), an ordinary income of 19,197 million yen (up 42.8% year on year), and a net income of 9,378 million yen (up 73.5% year on year).

(2) Outline of Segments (Consolidated)

(Millions of yen)

	Reporting segments				Other	Total	Adjustments	Amount presented in income statement
	Dairy Products	Confectionary and Healthcare	Pharmaceuticals	Subtotal				
Net Sales	319,143	135,070	61,166	515,380	74,963	590,344	(29,036)	561,308
Operating Income	10,058	148	5,212	15,419	2,204	17,624	(78)	17,546

(Note) “Other” includes real estate, feed stuff, transportation, storage, mechanical engineering services, food service producers, insurance agencies, and leasing.

(i) Dairy Products segment

	FY2009 First Half (millions of yen)	FY2010 First Half (millions of yen)	% of YoY Change
Net Sales	316,167	319,143	0.9
Operating Income	10,112	10,058	(0.5)

(Note) The Dairy Products segment includes the manufacturing and sale of the following: fresh dairy (drinking milk, yogurt, etc.), powdered milk (infant formula, etc.), condensed milk, butter, cheese, ice cream, beverages, nutritional products (enteral formula, VAAM, etc.), livestock products, etc. (This segment corresponds to the original “Food” segment of Meiji Dairies and consolidated subsidiaries.)

<Main points regarding financial results>

In the dairy industry, although the exceptionally hot summer weather had a positive impact on the ice cream market, the operating environment continued to be difficult, owing to the persistent low consumption of drinking milk and intensified price competition that led to a rise in sales promotion expenses.

A summary of the circumstances of the Dairy Products segment under these conditions is as follows:

- Sales of “Meiji Oishii Gyunyu” exceeded those of the same period of the previous fiscal year. Sluggish sales of other milk products, powdered milk and beverages were more than offset by brisk sales of ice cream, mainly the “Meiji Essel Super Cup” series, cheese and nutritional products. As a result, net sales for the segment as a whole exceeded those of the same period of the previous fiscal year.
- Although raw material costs decreased, operating income was slightly lower than that of the same period of the previous fiscal year, due primarily to higher sales promotion expenses in the face of intensifying competition.

(ii) Confectionary and Healthcare segment

	FY2009 First Half (millions of yen)	FY2010 First Half (millions of yen)	% of YoY Change
Net Sales	136,924	135,070	(1.4)
Operating Income	109	148	35.8

(Note) The Confectionary and Healthcare segment includes the manufacturing and sale of confectionaries, sugar, corn sweeteners, healthcare products (Amino Collagen, etc), OTC drugs (ISODINE® UGAIGUSURI, etc.), as well as the management of sports clubs. (This segment corresponds to the original “Food & Healthcare” segment of Meiji Seika.)

<Main points regarding financial results>

The climate of the confectionary industry was severe, with the market continuing to shrink compared to the previous year in all five of our mainstay categories (chocolate, chewing gum, candy, biscuits, and snacks), while the hot summer weather also had a significant impact on the industry. Moreover, unstable trends in raw material prices have continued to have a major impact on profits.

A summary of the circumstances of the Confectionary and Healthcare segment under these conditions is as follows:

- In the confectionary business, sales of chocolate bars increased due to efforts to strengthen sales activities, and new chewing gum products contributed to an increase in overall sales of chewing gum. However, net sales for the business as a whole fell below those of the same period of the previous fiscal year. In the healthcare business, although sales of “Amino Collagen” and “Savas” increased and sales of “Perfect Plus” were brisk, they did not compensate for a significant decrease in sales of the “ISODINE® UGAIGUSURI” series, the result of a non-repetition of demand triggered in the previous year by the swine flu pandemic. As a result, net sales of the business fell below those of the same period of the previous fiscal year.
- Despite the effect of a slump in sales and soaring raw material prices, operating income exceeded that of the same period of the previous fiscal year, due to improved production efficiency and reduced selling expenses.

(iii) Pharmaceuticals segment

	FY2009 First Half (millions of yen)	FY2010 First Half (millions of yen)	% of YoY Change
Net Sales	58,077	61,166	5.3
Operating Income	2,186	5,212	138.4

(Note) The Pharmaceuticals segment includes the manufacturing and sale of ethical pharmaceuticals, agricultural chemicals, veterinary drugs, etc. (This segment comprises both the original “Pharmaceuticals” segment of Meiji Seika and the pharmaceutical business included in the “Others” segment of Meiji Dairies.)

<Main points regarding financial results>

The environment surrounding the pharmaceutical industry continued to be difficult. In the ethical pharmaceutical businesses, a new drug pricing system was introduced and measures to curb medical-care costs were promoted. In the agricultural chemicals and veterinary drugs businesses, the government tightened regulations and guidance on standards for application and screening for registration.

A summary of the circumstances of the pharmaceuticals segment under these conditions is as follows:

- Despite the effects of drug price revisions, net sales of the segment exceeded the same period of the previous fiscal year, owing to expanded sales of an antibacterial drug “MEIACT” and the ongoing robust sales of generic drugs, as well as the addition of sales for two new drug products launched in August and September of last year (“ORAPENEM®” and “REFLEX®”).
- Operating income was much higher than that of the same period of the previous fiscal year due primarily to a rise in marginal profit resulting from increased sales, improvement in the product mix, and reduced selling expenses and R&D costs.

(iv) Other

	FY2009 First Half (millions of yen)	FY2010 First Half (millions of yen)	% of YoY Change
Net Sales	72,316	74,963	3.7
Operating Income	1,708	2,204	29.1

(Note) The Other segment includes the following: real estate, feed stuff, transportation, storage, mechanical engineering services, food service producers, insurance agencies, and leasing. (This segment comprises the original

non-pharmaceutical businesses in the “Others” segment of Meiji Dairies and the “Office Building Leasing and Others” segment of Meiji Seika, and it corresponds to the “Services and Other” segment of the previous fiscal year.)

<Main points regarding financial results>

Both net sales and operating income exceeded the same period of the previous fiscal year, due to the inclusion of newly consolidated subsidiaries as well as favorable performances by distribution subsidiaries.