



Consolidated Financial Results
for the Second Quarter of the Fiscal Year Ending March 31, 2013
[Based on Japanese GAAP]

November 13, 2012

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: November 14, 2012

Scheduled date of dividend payment commencement: December 06, 2012

Preparation of explanatory material for quarterly financial results: Yes

Holding of a briefing on quarterly financial results: Yes (intended for securities analyst, institutional investors)

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

1. Consolidated Financial Results for the First Six Months of FYE 2013/3 (April 1, 2012 to September 30, 2012)

(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	%
FYE 2013/3 First Six Months	561,249	2.4	10,049	35.5	11,795	36.1	5,265	123.2
FYE 2012/3 First Six Months	548,121	-2.1	7,413	-58.9	8,668	-54.8	2,359	-74.8

(Note) Comprehensive income: FYE 2013/3 first six months: 5,433 million yen (109.0%)

FYE 2012/3 first six months: 2,599 million yen (-54.5%)

	Net Income per Share	Diluted Net Income per Share
	Yen	Yen
FYE 2013/3 First Six Months	71.48	—
FYE 2012/3 First Six Months	32.03	—

(2) Consolidated financial position

	Total Assets	Net Assets	Equity Ratio
	Millions of yen	Millions of yen	%
FYE 2013/3 Second Quarter	765,515	301,089	38.4
FYE 2012/3	749,985	298,491	38.9

(Reference) Shareholders' equity: FYE 2013/3 Second Quarter: 294,183 million yen

FYE 2012/3: 291,589 million yen

2. Dividends

	Cash Dividends Per Share				
	End of First Quarter	End of Second Quarter	End of Third Quarter	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
FYE 2012/3	—	40.00	—	40.00	80.00
FYE 2013/3	—	40.00	—	—	—
FYE 2014/3 (Projected)	—	—	—	40.00	80.00

(Note) Amendment to projected dividends recently announced: None

3. Forecasts of Consolidated Financial Results for FYE 2013/3 (April 1, 2012 to March 31, 2013)

(% 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
FYE 2013/3 Full Year	1,125,000	1.4	24,000	18.9	24,000	9.7	11,800	73.4	160.19

(Note) Amendment to forecasts of consolidated financial results recently announced: None

*Notes

(1) Changes in significant subsidiaries during the current quarter under review

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

(2) Application of specific accounting treatment in the preparation of quarterly consolidated financial statements: Yes

(Note) For details, please refer to “2. Summary Information (Notes) (2) Adoption of Special Accounting Methods for Preparation of Quarterly Consolidated Financial Statements” on page 5.

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

1. Changes in accounting policy due to revisions of accounting standards: None
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)	FYE 2013/3 Second Quarter	76,341,700 shares	FYE 2012/3	76,341,700 shares
2. Number of treasury stock at end of period	FYE 2013/3 Second Quarter	2,677,202 shares	FYE 2012/3	2,675,306 shares
3. Average number of shares during period	FYE 2013/3 Second Quarter	73,665,436 shares	FYE 2012/3 Second Quarter	73,669,071 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 these quarterly financial statements, the quarterly 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 this presentation 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, please refer to “1. Qualitative Information on the First Quarter Consolidated Results, (3) Qualitative Information about Consolidated Earning Forecasts” (page 4).

(Explanatory material for quarterly financial results)

The explanatory material for quarterly financial results are disclosed through TDnet together with these financial statements. It is also posted on our website on the same day.

1. Qualitative Information on the Second Quarter Consolidated Results

(1) Qualitative information concerning consolidated operating results

(Millions of yen)

	Net Sales	Operating Income	Ordinary Income	Net Income	Net Income per Share (Yen)
FYE 2013/3 First Six Months	561,249	10,049	11,795	5,265	71.48
FYE 2012/3 First Six Months	548,121	7,413	8,668	2,359	32.03
% of YoY Change	2.4	35.5	36.1	123.2	–

In the six-month reporting period under review, despite demand on the recovery from the Great East Japan Earthquake and other factors, the Japanese economy was affected by the European debt crisis, the slowdown of China's economic growth, the prolonged appreciation of the yen, deflation, and other factors. As a result, the prospects for the economy remain uncertain.

Under these circumstances, the Meiji Group is actively implementing initiatives in the food and pharmaceuticals business segments in line with the FY2012-2014 Group Medium-Term Business Plan, "TAKE OFF 14." In the food segment, robust sales in the dairy business boosted overall business results. In the pharmaceuticals segment, we mainly enhanced scientific and academic promotion activities for ethical pharmaceuticals in Japan to offset the impact of National Health Insurance (NHI) drug price revisions.

As a result, the Company reported net sales of 561,249 million yen (up 2.4% year on year), operating income of 10,049 million yen (up 35.5% year on year), ordinary income of 11,795 million yen (up 36.1% year on year), and net income of 5,265 million yen (up 123.2% year on year) with an increase in extraordinary income.

Below is an overview by segment.

(Millions of yen)

	Reporting Segments		Total	Adjustments	Amount Presented in Statements of Income
	Food	Pharmaceuticals			
Net Sales	503,916	58,447	562,363	-1,114	561,249
Operating Income	6,578	3,308	9,887	161	10,049

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

(Millions of yen)

	FYE 2012/3 First Six Months	FYE 2013/3 First Six Months	% of YoY Change
Net Sales	490,589	503,916	2.7
Operating Income	2,663	6,578	147.0

The overall sales of the food segment exceeded the results of the same period of the previous year due to continued brisk sales in the dairy business, mainly of fresh dairy products, which offset declines in sales in the healthcare and nutritional business.

Operating income significantly exceeded the results of the same period of the previous year due to growth in net sales and an improved product mix, both from the dairy business.

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

- Dairy business (Fresh dairy: Drinking milk, yogurt, beverages, etc.; Processed dairy food products: cheese, butter, dairy products for professional use, etc.)

Sales of fresh dairy products increased due to the recovery of market share since the second half of the previous fiscal year and growth in sales of yogurt. As for processed dairy food products, sales of mainstay products steadily increased. As a result, the overall sales of the dairy business rose compared to the same period of the previous year.

Fresh Dairy

- Amid growing health consciousness, sales of yogurt products such as “Meiji Yogurt R-1” and “Meiji Probio Yogurt LG21” as well as “Meiji Bulgaria Yogurt” continued to increase as a result of vigorous sales promotion activities. Consequently, overall sales of yogurt registered a significant year-on-year increase.
- Sales of drinking milk increased year on year because of in-store marketing and the 10th anniversary campaign for the milk brand “Meiji Oishii Gyunyu.”

Processed dairy food products

- Sales of natural cheese for the fresh dairy market surpassed the results of the same period of the previous year due to steady growth in sales of the mainstay product “Meiji Hokkaido Tokachi Camembert Cheese” and “Meiji Buono Cheese.”
- Sales of margarine for the fresh dairy market showed a year-on-year increase due to continued robust sales of “Meiji Healthy Soft Offstyle” and the launch of “Meiji Hunwarimoothsoft Creamy Smooth” in March 2012.
- Sales of fresh cream for professional use also posted year-on-year growth as a result of increased sales due to sales to new customers and quality improvement.

- Confectionery business (Confectioneries: Chocolate, chewing gum, candy, imported confectioneries, etc.; Desserts: Ice cream, sweets, etc.; Institutional food products: Confectioneries, other food products, etc.)

Although sales of confectioneries declined year on year, sales of desserts and institutional food products steadily increased. As a result, the confectionery business recorded a year-on-year increase in overall sales.

Confectionery

- As for chocolate, nut chocolate products such as “Meiji Almond Chocolate,” which reached its 50th anniversary, sold well. However, as a result of the impact of the lingering summer heat wave, overall chocolate sales posted a year-on-year decline.
- Although chewing gum sales registered a year-on-year drop amid a market slump, sales of gummy products remained steady.

Desserts

- As for ice cream, sales of our mainstay “Meiji Essel Super Cup” posted a significant year-on-year increase. In addition, “Meiji Crispy’s Choco & Vanilla,” which was launched in March 2012, also sold well.

Institutional Food Products

- In this sector, sales of both confectioneries and other food products rose year on year due to growth in mainstay products as a result of efforts to strengthen the supply of products that precisely meet customer needs.

- Healthcare and Nutritionals business (Healthcare: Sports nutrition, functional healthcare products, food, OTC drugs, etc.); Nutritionals: (Infant formula, enteral formula, nursing care foods, etc.)

Sales of healthcare products declined year on year due to sluggish market conditions and intensified competition, while sales of nutritionals remained roughly flat. As a result, the overall sales of the healthcare and nutritionals business posted a year-on-year decline.

Healthcare

- Sales of sports protein “SAVAS” increased steadily year on year due to an increase in the number of users resulting from sales promotions, growing popularity among runners and junior users, and so on. However, sales of the basic beauty food “Amino Collagen” declined year on year, and overall sales for this sector registered a year-on-year drop.

Nutritionals

- Sales of enteral formula recorded a year-on-year rise due to an increase in the number of new institutional customers and the launch of new products.
- Sales of infant formula declined year on year. In September 2012, we changed the nutritional ingredients of “Meiji Hohoemi” and “Meiji Step” to make them closer to breast milk and we have since then conducted extensive promotion activities.

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

(Millions of yen)

	FYE 2012/3 First Six Months	FYE 2013/3 First Six Months	% of YoY Change
Net Sales	58,568	58,447	-0.2
Operating Income	4,320	3,308	-23.4

Domestic sales of ethical pharmaceuticals remained roughly flat compared with the same period a year earlier due to growth in sales of antidepressant drugs and generic drugs, which offset the severe negative impact of the NHI drug price revisions in April 2012. In the meantime, overseas sales in the ethical pharmaceuticals business and the agricultural chemicals and veterinary drugs business were sluggish. Consequently, the overall sales of the pharmaceuticals segment registered a year-on-year drop.

Operating income exceeded the forecast for the first half but posted a year-on-year drop due mainly to the impact of the NHI drug price revisions.

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

■ Ethical Pharmaceuticals

- Sales of the antibacterial drug “MEIACT” declined year on year due to the impact of NHI drug price revisions, while sales of “ORAPENEM” increased year on year.
- Sales of the antidepressant drug “DEPROMEL” registered a year-on-year decline, while “REFLEX” rose year on year as a result of active promotion in scientific and academic fields.
- As for generic drugs, sales of the calcium channel blocker “AMLODIPINE MEIJI” recorded a year-on-year rise. Furthermore, “DONEPEZIL MEIJI,” a remedy for Alzheimer-type dementia launched in November 2011, and the antidepressant drug “PAROXETINE MEIJI,” launched in June 2012, contributed to sales.

■ Agricultural Chemicals (Agricultural chemicals and veterinary drugs)

- Sales of agricultural chemicals declined year on year due to decreased sales of “ORYZEMATE,” a rice blast preventative, and “ZAXA,” a liquid formula foliage herbicide (launched in April 2011).
- Sales of veterinary drugs declined year on year, as rises in sales of drugs for both companion animals and fishery veterinary drugs were not strong enough to offset the fall in sales of livestock drugs.

(2) Qualitative Information Concerning Consolidated Financial Position

(i) Assets, Liabilities and Net Assets

[Assets]

Total assets at the end of the second quarter of the consolidated fiscal year under review increased by 15,529 million yen compared to the end of the previous fiscal year, to 765,515 million yen. This was mainly because notes and accounts receivable increased by 6,325 million, goods and products increased by 5,086 million yen.

[Liabilities]

Total liabilities at the end of the second quarter of the consolidated fiscal year under review increased by 12,931 million yen compared to the end of the previous fiscal year, to 464,426 million yen. This was mainly because, despite the redemption of 20 billion yen in bonds with a year or less to maturity, an 11 billion yen decrease in commercial paper, and a 8,501 million yen fall in short-term bank loans, bonds outstanding increased on a 30 billion yen bond issuance, long-term debt increased by 8,328 million yen, and notes and accounts payable increased by 8,175 million yen.

[Net Assets]

Total net assets at the end of the second quarter of the consolidated fiscal year under review increased by 2,598 million yen compared to the end of the previous fiscal year, to 301,089 million yen. This was mainly because retained earnings increased by 2,508 million yen.

The equity ratio was 38.4% (compared to 38.9% at the end of the previous consolidated fiscal year).

(ii) Cash Flows

(Millions of yen)

	FYE 2012/3 First Six Months	FYE 2013/3 First Six Months	Change
Net cash provided by operating activities	6,269	19,889	13,620
Net cash used in investing activities	-22,754	-14,643	8,110
Net cash used in (provided by) financing activities	4,590	-5,938	-10,529
Effect of exchange rate changes on cash and cash equivalents	70	15	-55
Net increase (decrease) in cash and cash equivalents	-11,823	-676	11,146
Cash and cash equivalents at beginning of the year	21,741	14,363	-7,377
Increase in cash and cash equivalents from newly consolidated subsidiary	1,281	–	-1,281
Increase in cash and cash equivalents associated with mergers with non-consolidated subsidiaries	–	158	158
Cash and cash equivalents at end of period	11,200	13,846	2,645

Net cash flows provided by operating activities increased by 13,620 million yen from the same period of the previous consolidated fiscal year to 19,889 million yen, due primarily to an increase in income before income taxes, and an increase in accrued employees' retirement benefits.

Net cash flows used in investing activities declined by 8,110 million yen from the same period of the previous consolidated fiscal year to 14,643 million yen, due primarily to a decrease in payments for purchases of property, plants, and equipment.

As a result, free cash flow (total of cash flows provided by operating activities and cash flows used in investing activities) increased by 21,731 million yen from the same period of the previous consolidated fiscal year to 5,246 million yen.

Net cash flows used in financing activities increased by 10,529 million yen from the same period of the previous consolidated fiscal year to 5,938 million yen because of a decrease in financial debt.

These resulted in 13,846 million yen of cash and cash equivalents at the end of the first half of the consolidated fiscal year, ended September 30, 2012.

(3) Qualitative Information about Consolidated Earning Forecasts

No amendments have been made to the forecasts in "Consolidated Financial Statements for the Fiscal Year Ended March 2012," released on May 14, 2012.

2. Summary Information (Notes)

(1) Transfer of Significant Subsidiaries during the Current Quarter under Review

Not applicable.

(2) Adoption of Special Accounting Methods for Preparation of Quarterly Consolidated Financial Statements

Tax expenses are calculated by rationally estimating the effective tax rate after application of tax effect accounting to income before income taxes for the consolidated fiscal year which includes the current quarter under review, then multiplying income before income taxes by the estimated effective tax rate.

Income taxes-deferred are shown included in income taxes.

(3) Changes in Accounting Policy, Changes in Accounting Estimates, Retrospective Restatements

Not applicable.

3. Quarterly Consolidated Financial Statements

(1) Quarterly Consolidated Balance Sheets

(Millions of yen)

	FYE 2012/3 (As of March 31, 2012)	FYE 2013/3 Second Quarter (As of September 30, 2012)
ASSETS		
Current assets		
Cash and deposits	14,662	14,209
Notes and accounts receivable	168,699	175,025
Goods and products	77,292	82,379
Work in process	2,240	2,797
Raw materials and supplies	32,480	35,323
Others	27,438	30,411
Allowance for doubtful accounts	-282	-262
Total current assets	322,531	339,884
Fixed assets		
Property, plants and equipment		
Buildings and structures	270,604	274,629
Less accumulated depreciation	-149,088	-151,451
Buildings and structures (net)	121,515	123,177
Machinery and equipment	423,885	426,999
Less accumulated depreciation	-322,356	-327,702
Machinery and equipment (net)	101,528	99,296
Tools and furniture	56,671	56,489
Less accumulated depreciation	-47,235	-46,925
Tools and furniture (net)	9,435	9,563
Land	65,255	65,180
Lease assets	7,041	7,494
Less accumulated depreciation	-2,559	-3,139
Lease assets (net)	4,482	4,355
Construction in progress	8,966	8,093
Total property, plants and equipment	311,184	309,667
Intangible assets		
Goodwill	270	212
Other	7,770	7,434
Total intangible assets	8,040	7,646
Investments and other fixed assets		
Investment securities	42,212	41,350
Other	66,484	67,426
Allowance for doubtful accounts	-469	-460
Total investments and other fixed assets	108,228	108,316
Total fixed assets	427,453	425,630
Total assets	749,985	765,515

(Millions of yen)

	FYE 2012/3 (As of March 31, 2012)	FYE 2013/3 Second Quarter (As of September 30, 2012)
LIABILITIES		
Current liabilities		
Notes and accounts payable	109,136	117,311
Short-term bank loans	61,860	53,358
Current portion of bonds	40,000	20,000
Commercial paper	47,000	36,000
Income taxes payable	2,888	5,384
Accrued bonuses to employees	9,286	9,324
Allowance for sales returns	212	201
Allowance for sales rebates	5,772	4,409
Other current liabilities	76,342	79,632
Total current liabilities	352,500	325,621
Long-term liabilities		
Bonds	50,000	80,000
Long-term debt	6,401	14,729
Accrued employees' retirement benefits	18,590	20,186
Reserve for directors' retirement benefits	417	289
Other long-term liabilities	23,584	23,598
Total long-term liabilities	98,994	138,804
Total liabilities	451,494	464,426
NET ASSETS		
Shareholders' equity		
Common stock	30,000	30,000
Capital surplus	98,852	98,851
Retained earnings	174,494	177,002
Treasury stock, at cost	-9,268	-9,274
Total shareholders' equity	294,078	296,579
Accumulated other comprehensive income		
Net unrealized holding gains or losses on securities	5,127	5,317
Deferred gains or losses on hedges	-2,303	-2,395
Foreign currency translation adjustments	-5,313	-5,316
Total accumulated other comprehensive income	-2,488	-2,395
Minority interests	6,901	6,905
Total net assets	298,491	301,089
Total liabilities and net assets	749,985	765,515

(2) Quarterly Consolidated Statements of Income and Consolidated Statements of Comprehensive Income
(Quarterly Consolidated Statements of Income)
(First Six Months Ended September 30, 2012)

(Millions of yen)

	FYE 2012/3 First Six Months (April 1, 2011 to September 30, 2011)	FYE 2013/3 First Six Months (April 1, 2012 to September 30, 2012)
Net sales	548,121	561,249
Cost of sales	369,120	373,744
Gross profit	179,000	187,504
Selling, general and administrative expenses	171,586	177,455
Operating income	7,413	10,049
Non-operating income		
Interest income	28	29
Dividend income	563	556
Rent income on fixed assets	1,346	1,200
Compensation income	1,500	1,500
Equity in income of affiliates	128	210
Other	596	919
Total non-operating income	4,163	4,416
Non-operating expenses		
Interest expenses	1,001	868
Foreign exchange losses	477	220
Rent cost of real estate	959	948
Other	470	632
Total non-operating expenses	2,909	2,669
Ordinary income	8,668	11,795
Extraordinary income		
Gain on sale of property, plants and equipment	272	1,457
Other	34	164
Total extraordinary income	306	1,622
Extraordinary losses		
Loss on disposal of property, plants and equipment	599	1,084
Loss on disaster	789	–
Loss on valuation of investment securities	417	1,372
Cost of corporate reorganization	715	–
Other	233	150
Total extraordinary losses	2,754	2,608
Income before income taxes	6,220	10,809
Income taxes	3,724	5,471
Income before minority interests	2,496	5,337
Minority interests	136	72
Net income	2,359	5,265

(Quarterly Consolidated Statements of Comprehensive Income)
(First Six Months Ended September 30, 2012)

(Millions of yen)

	FYE 2012/3 First Six Months (April 1, 2011 to September 30, 2011)	FYE 2013/3 First Six Months (April 1, 2012 to September 30, 2012)
Net income before minority interests	2,496	5,337
Other comprehensive income		
Net unrealized holding gains or losses on securities	271	204
Deferred gains or losses on hedges	-578	-92
Foreign currency translation adjustments	409	-16
Equity in affiliates accounted for by equity method	1	-0
Total other comprehensive income	103	95
Comprehensive income	2,599	5,433
(Breakdown)		
Comprehensive income attributable to shareholders of parent company	2,398	5,359
Comprehensive income attributable to minority shareholders	200	73

(3) Quarterly Consolidated Statements of Cash Flow

(Millions of yen)

	FYE 2012/3 First Six Months (April 1, 2011 to September 30, 2011)	FYE 2013/3 First Six Months (April 1, 2012 to September 30, 2012)
Cash flows from operating activities		
Income before income taxes and minority interests	6,220	10,809
Depreciation and amortization	19,798	19,376
Amortization of goodwill	127	63
Loss on disposal of property, plants and equipment	599	1,086
Loss (gain) on valuation of investment securities	417	1,372
Increase (decrease) in allowance for doubtful accounts	-395	-32
Increase (decrease) in accrued bonuses to employees	501	37
Increase (decrease) in accrued employees' retirement allowance	-2,024	172
Interest and dividends received	-591	-586
Interest expenses	1,001	868
Equity in loss (income) of affiliates	-128	-210
Loss (gain) on sale of property, plants and equipment	-251	-1,405
Decrease (increase) in trade receivables	-2,432	-5,351
Decrease (increase) in inventories	-9,682	-8,514
Increase (decrease) in trade payables	8,503	6,248
Other	-11,354	-1,331
Subtotal	10,308	22,602
Interest and dividends received	599	676
Interest paid	-1,043	-944
Income taxes paid	-3,594	-2,444
Net cash provided by operating activities	6,269	19,889
Cash flows from investing activities		
Payments for purchases of property, plants and equipment	-19,889	-14,570
Payments for purchases of intangible fixed assets	-1,138	-990
Proceeds from sales of property, plants and equipment and intangible fixed assets	268	1,711
Payments for investments in real estates	-5	-19
Proceeds from sales of investments in real estates	520	-
Payments for purchases of investment securities	-117	-627
Proceeds from sales of investment securities	14	158
Other	-2,405	-305
Net cash used in investing activities	-22,754	-14,643

(Millions of yen)

	FYE 2012/3 First Six Months (April 1, 2011 to September 30, 2011)	FYE 2013/3 First Six Months (April 1, 2012 to September 30, 2012)
Cash flows from financing activities		
Increase (decrease) in short-term bank loans	-44,247	-616
Increase (decrease) in commercial paper	20,000	-11,000
Proceeds from long-term loans payable	–	10,000
Repayment of long-term loans payable	-2,249	-9,985
Proceeds from issuance of bonds	34,838	29,867
Redemption of bonds	–	-20,000
Decrease (increase) in treasury stock	-6	-6
Cash dividends paid	-2,928	-2,926
Cash dividends paid to minority shareholders	-119	-89
Other	-695	-1,180
Net cash used in (provided by) financing activities	4,590	-5,938
Effect of exchange rate changes on cash and cash equivalents	70	15
Net increase (decrease) in cash and cash equivalents	-11,823	-676
Cash and cash equivalents at beginning of the year	21,741	14,363
Increase in cash and cash equivalents from newly consolidated subsidiary	1,281	–
Increase in cash and cash equivalents associated with mergers with non-consolidated subsidiaries	–	158
Cash and cash equivalents at end of period	11,200	13,846

(4) Notes Concerning the Premise of a Going Concern

Not applicable.

(5) Notes Concerning Significant Changes in Shareholders' Equity (if any)

Not applicable.

(6) Segment Information, etc.

(Segment Information)

I The First Six Months of the Previous Consolidated Fiscal Year (April 1, 2011 to September 30, 2011)

1. Information on amounts of sales and income/losses for each reporting segment

(Millions of yen)

	Reporting Segments		Total	Adjustments (Note 1)	Amount Presented in Statements of Income (Note 2)
	Food	Pharmaceuticals			
Net Sales					
(1) Sales to Outside Customers	490,038	58,083	548,121	–	548,121
(2) Inter-segment Sales and Transfers	551	485	1,037	-1,037	–
Total	490,589	58,568	549,158	-1,037	548,121
Income by Segment	2,663	4,320	6,984	429	7,413

(Notes)

1. Details of “Adjustments” are as follows:

The segment income adjustment of 429 million yen includes inter-segment eliminations of 34 million yen and 395 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).

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

2. Information on impairment loss on fixed assets or good will, etc., for each reporting segment

(Significant impairment loss on fixed assets)

There was no significant impairment loss on fixed assets.

(Significant changes in the amount of goodwill)

There were no significant changes in the amount of goodwill.

(Significant gain on negative goodwill)

No significant negative goodwill was generated.

II The First Six Months of the Consolidated Fiscal Year under Review (April 1, 2012 to September 30, 2012)

1. Information on amounts of sales and income/losses for each reporting segment

(Millions of yen)

	Reporting Segments		Total	Adjustments (Note 1)	Amount Presented in Statements of Income (Note 2)
	Food	Pharmaceuticals			
Net Sales					
(1) Sales to Outside Customers	503,354	57,894	561,249	–	561,249
(2) Inter-segment Sales and Transfers	561	552	1,114	-1,114	–
Total	503,916	58,447	562,363	-1,114	561,249
Income by Segment	6,578	3,308	9,887	161	10,049

(Notes)

1. Details of “Adjustments” are as follows:

The segment income adjustment of 161 million yen includes inter-segment eliminations of 72 million yen and 88 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).

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

2. Information on impairment loss on fixed assets or good will, etc., for each reporting segment

(Significant impairment loss on fixed assets)

There was no significant impairment loss on fixed assets.

(Significant changes in the amount of goodwill)

There were no significant changes in the amount of goodwill.

(Significant gain on negative goodwill)

No significant negative goodwill was generated.

Consolidated Financial Results for 1st Half of FYE 2013/3 - 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

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

1. Results of Operations

(Billions of yen)

	FYE 2012/3		FYE 2013/3			FYE 2013/3 (Plan)	
	1st Half	YoY Change	1st Half	YoY Change	vs. Plan	1st Half	YoY Change
Net Sales	548.1	-2.1%	561.2	+2.4%	+0.2%	560.0	+2.2%
Cost of Sales	369.1	-0.3	373.7	+1.3	—	—	—
Selling, General and Administrative Expenses	171.5	-1.2	177.4	+3.4	—	—	—
(Carriage and storage charges)	22.9	-0.7	22.8	-0.5	—	—	—
(Sales promotion expenses)	63.8	-5.4	70.4	+10.4	—	—	—
(Labor cost)	36.5	+2.8	36.3	-0.7	—	—	—
Operating Income	7.4	-58.9	10.0	+35.5	+25.6	8.0	+7.9
Ordinary Income	8.6	-54.8	11.7	+36.1	+31.1	9.0	+3.8
Net Income	2.3	-74.8	5.2	+123.2	+22.5	4.3	+82.2

2. Segment Information

(1) Net Sales

(Billions of yen)

	FYE 2012/3		FYE 2013/3			FYE 2013/3 (Plan)	
	1st Half	YoY Change	1st Half	YoY Change	vs. Plan	1st Half	YoY Change
Food Segment	490.5	-2.4%	503.9	+2.7%	+0.2%	503.1	+2.6%
Dairy	292.4	—	314.8	+7.7	+2.9	306.0	+4.7
Confectionery	142.5	—	144.5	+1.4	+0.7	143.5	+0.7
Healthcare and Nutritionals	59.5	—	57.6	-3.3	-4.8	60.4	+1.6
Other	90.4	—	89.3	-1.2	+0.6	88.8	-1.8
Adjustments	—	—	—	—	—	—	—
Pharmaceuticals Segment	58.5	+1.0	58.4	-0.2	-0.4	58.7	+0.2

(2) Operating Income

(Billions of yen)

	FYE 2012/3		FYE 2013/3			FYE 2013/3 (Plan)	
	1st Half	YoY Change	1st Half	YoY Change	vs. Plan	1st Half	YoY Change
Food Segment	2.6	-79.6%	6.5	+147.0%	+2.8%	6.4	+140.3%
Dairy	2.5	—	9.2	+256.7	+39.9	6.6	+154.9
Confectionery	1.3	—	0.6	-50.7	-31.4	0.9	-28.1
Healthcare and Nutritionals	-0.1	—	-1.0	—	—	0.0	—
Other	0.5	—	-0.2	—	—	-0.2	—
Adjustments	-1.7	—	-2.0	—	—	-0.9	—
Pharmaceuticals Segment	4.3	-10.6	3.3	-23.4	+136.4	1.4	-67.6

Note1: Results for each business in Food segment shown are simply the combined totals before eliminations.

Note2: There will be a partial revision of the expense allocation rules, which serve as the basis for determining the allocation of expenses for each business in the Food segment, effective from the fiscal year ending March 31, 2013.

Also, the segmentation of Dairy business and Confectionery business will be partly revised.

The percentage figures appearing as the percentage of year-on-year change were calculated using previous-year figures retroactively adjusted following the revision in expense allocation rules.

Note3: Food segment adjustments not allocated to individual reporting segments are treated as corporate expenses for Meiji Co., Ltd.

Note4: YoY changes for FYE 2012/3 are not calculated because our reporting segments have been changed since FYE 2012/3.

3. Forecasts for FYE 2013/3

With changes

1) Consolidated Forecasts of Operations

(Billions of yen)

	FYE 2013/3			2nd Half (Revised Plan on Nov.13)			Full-year (Plan) *No change		
	1st Half (Results)			2nd Half (Revised Plan on Nov.13)			Full-year (Plan) *No change		
		YoY Change (Amounts)	YoY Change %		YoY Change (Amounts)	YoY Change %		YoY Change (Amounts)	YoY Change %
Net Sales	561.2	+13.1	+2.4	563.7	+2.6	+0.5	1,125.0	+15.7	+1.4
Operating Income	10.0	+2.6	+35.5	14.0	+1.2	+9.8	24.0	+3.8	+18.9
Ordinary Income	11.7	+3.1	+36.1	12.2	-0.9	-7.5	24.0	+2.1	+9.7
Net Income	5.2	+2.9	+123.2	6.5	+2.1	+47.4	11.8	+5.0	+73.4

2) Forecasts by Business Segment

(1) Net Sales

(Billions of yen)

	FYE 2013/3			2nd Half (Revised Plan on Nov.13)			Full-year (Revised Plan on Nov.13)		
	1st Half (Results)			2nd Half (Revised Plan on Nov.13)			Full-year (Revised Plan on Nov.13)		
		YoY Change (Amounts)	YoY Change %		YoY Change (Amounts)	YoY Change %		YoY Change (Amounts)	YoY Change %
Food Segment	503.9	+13.3	+2.7	496.8	+1.1	+0.2	1,000.8	+14.4	+1.5
Dairy	314.8	+22.4	+7.7	292.0	-5.2	-1.8	606.9	+17.2	+2.9
Confectionery	144.5	+1.9	+1.4	152.8	+1.9	+1.3	297.3	+3.8	+1.3
Healthcare and Nutritionals	57.6	-1.9	-3.3	62.1	+4.0	+6.9	119.7	+2.0	+1.7
Others	89.3	-1.1	-1.2	92.3	+3.0	+3.4	181.7	+1.9	+1.1
Adjustments	—	—	—	—	—	—	—	—	—
Pharmaceuticals Segment	58.4	-0.1	-0.2	68.3	+1.6	+2.5	126.8	+1.5	+1.3

(2) Operating Income

(Billions of yen)

	FYE 2013/3			2nd Half (Revised Plan on Nov.13)			Full-year (Revised Plan on Nov.13)		
	1st Half (Results)			2nd Half (Revised Plan on Nov.13)			Full-year (Revised Plan on Nov.13)		
		YoY Change (Amounts)	YoY Change %		YoY Change (Amounts)	YoY Change %		YoY Change (Amounts)	YoY Change %
Food Segment	6.5	+3.9	+147.0	12.0	+3.1	+36.2	18.6	+7.1	+61.9
Dairy	9.2	+6.6	+256.7	6.5	-0.8	-11.0	15.8	+5.8	+58.7
Confectionery	0.6	-0.6	-50.7	4.6	+0.7	+20.4	5.2	0	+1.8
Healthcare and Nutritionals	-1.0	-0.9	—	1.4	+2.3	—	0.3	+1.4	—
Others	-0.2	-0.8	—	0.5	+0.3	+197.9	0.2	-0.4	-62.4
Adjustments	-2.0	-0.3	—	-1.0	+0.4	—	-3.1	+0.1	—
Pharmaceuticals Segment	3.3	-1.0	-23.4	2.0	-1.7	-46.0	5.3	-2.7	-34.1

Note1: Results for each business in Food segment shown are simply the combined totals before eliminations.

Note2: There will be a partial revision of the expense allocation rules, which serve as the basis for determining the allocation of expenses for each business in the Food segment, effective from the fiscal year ending March 31, 2013.

Also, the segmentation of Dairy business and Confectionery business will be partly revised.

The percentage figures appearing as the percentage of year-on-year change were calculated using previous-year figures retroactively adjusted following the revision in expense allocation rules.

Note3: Food segment adjustments not allocated to individual reporting segments are treated as corporate expenses for Meiji Co., Ltd.

4. Analysis of Operating Income

1) Results for 1st Half

(Billions of yen)

		by segment		
		Food	Pharma	Other
FYE 2012/3 (1st Half)	7.4	2.6	4.3	0.5
Due to increased/decreased sales	+10.9 (*1)	+8.5	+2.4	—
Cost reduction	+1.4 (*2)	+1.0	+0.4	—
Sales promotion and advertising expenses	-5.1	-5.3	+0.2	—
National Health Insurance drug price revision	-3.5	—	-3.5	—
Procurement costs of raw materials	-0.3	-0.3	0.0	—
Other	-0.7 (*3)	0.0	-0.4	-0.3
Consolidated subsidiaries	-0.1	0.0	-0.1	—
FYE 2013/3 (1st Half)	10.0	6.5	3.3	0.2

*1: (Breakdown) [Food] Increase in income due to increased sales: +6.1 Improvement of the product mix: +2.4

*2: (Breakdown) [Food] Cost reduction in distribution: +0.9 Cost reduction in production of confectioneries: +0.4
Increase in general expenses and other: -0.3

*3: (Breakdown) [Food] Depreciation: +0.3 Other expenses: -0.3
[Pharma] Increase in general expenses: -0.3 Depreciation: -0.1 Increase in R&D expenses: -0.1

2) Plan for FYE 2013/3

With changes

(1) 1st Half (Results)

(Billions of yen)

	Consolidated Total	Food	Phama	Other
FYE 2012/3	7.4	2.6	4.3	0.5
Due to increased/decreased sales	+10.9	+8.5	+2.4	—
NHI drug price revision	-3.5	—	-3.5	—
Procurement costs of raw materials	-0.3	-0.3	0.0	—
Cost reduction	+1.4	+1.0	+0.4	—
Sales promotion and advertising expenses	-5.1	-5.3	+0.2	—
Other	-0.7	0.0	-0.4	-0.3
Consolidated subsidiaries	-0.1	0.0	-0.1	—
Total change	+2.6	+3.9	-1.0	-0.3
FYE 2013/3	10.0	6.5	3.3	0.2

(2) 2nd Half (Revised Plan on Nov. 13)

(Billions of yen)

	Consolidated Total	Food	Phama	Other
FYE 2012/3	12.7	8.8	3.8	0.1
Due to increased/decreased sales	+7.0	+3.5	+3.5	—
NHI drug price revision	-3.7	—	-3.7	—
Procurement costs of raw materials	-0.2	-0.2	0.0	—
Cost reduction	+1.9	+0.5	+1.4	—
Sales promotion and advertising expenses	-1.9	-1.3	-0.6	—
Other	-2.7	+0.3	-2.7	-0.3
Consolidated subsidiaries	+0.8	+0.5	+0.3	—
Total change	+1.2	+3.3	-1.8	-0.3
FYE 2013/3 (Revised Plan)	14.0	12.0	2.0	-0.2

(3) Full-year (Revised Plan on Nov. 13)

(Billions of yen)

	Consolidated Total	Food	Phama	Other
FYE 2012/3	20.1	11.4	8.1	0.6
Due to increased/decreased sales	+17.9	+12.0	+5.9	—
NHI drug price revision	-7.2	—	-7.2	—
Procurement costs of raw materials	-0.5	-0.5	0.0	—
Cost reduction	+3.3	+1.5	+1.8	—
Sales promotion and advertising expenses	-7.0	-6.6	-0.4	—
Other	-3.4	+0.3	-3.1	-0.6
Consolidated subsidiaries	+0.7	+0.5	+0.2	—
Total change	+3.8	+7.2	-2.8	-0.6
FYE 2013/3 (Revised Plan)	24.0	18.6	5.3	0.0

5. Capital Expenditures, Depreciation, R&D Expenses With changes

(Billions of yen)

	<u>FYE 2011/3</u> Full-year	<u>FYE 2012/3</u> Full-year	<u>FYE 2013/3</u> 1st Half (Results)	<u>FYE 2013/3</u> Full-year (Revised Plan on Nov. 13)
Capital Expenditures	38.5	35.9	14.5	43.7
Food Segment	—	31.2	12.8	37.8
Pharmaceutical Segment	—	4.6	1.7	5.9
Corporate or Elimination	—	0.0	0.0	0.0
Depreciation	39.0	37.9	18.0	38.2
Food Segment	—	31.8	14.9	31.6
Pharmaceutical Segment	—	4.9	2.4	5.3
Corporate or Elimination	—	1.2	0.6	1.3
R&D Expenses	23.4	23.8	11.6	25.4
Food Segment	—	10.6	5.5	11.0
Pharmaceutical Segment	—	13.2	6.1	14.4
Corporate or Elimination	—	0.0	0.0	0.0

Note: Capital expenditures and depreciation are figures for property, plants and equipment (including leases) based on cash.

However, planned figures of capital expenditures for FYE 2013/3 are for property, plants and equipment and intangible assets (including leases) based on cash.

6. Financial Indicators No change

	<u>FYE 2011/3</u> Full-year	<u>FYE 2012/3</u> Full-year
Consolidated Net Sales	1,111.0 billion yen	1,109.2 billion yen
Consolidated Operating Income	29.9 billion yen	20.1 billion yen
Operating Income Ratio	2.7 %	1.8 %
Return on Equity	3.3 %	2.3 %
Ordinary Income/Total Assets	4.2 %	3.0 %
Total Assets	716.3 billion yen	749.9 billion yen
Net Assets	293.5 billion yen	298.4 billion yen
Cash Flows from Operating Activities	57.9 billion yen	30.5 billion yen
Cash Flows from Investing Activities	-32.4 billion yen	-44.3 billion yen
Free Cash Flows	25.5 billion yen	-13.7 billion yen
Net Income per Share	129.63 yen	92.38 yen
Net Assets per Share	3,906.36 yen	3,958.24 yen
Cash Dividends per Share	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)

2. Operating Company Information

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

(1) Sales by business (Non-consolidated)

(Billions of yen)

	FYE 2012/3		FYE 2013/3		
	1st Half	YoY Change	1st Half	YoY Change	
Dairy	183.9	—	203.0	+10.4%	
Fresh dairy	133.6	—	152.1	+13.9%	Drinking milk, yogurt, beverages, etc.
Processed dairy food products	49.9	—	50.9	+1.9%	Cheese, butter, dairy products for professional use business, etc.
Confectionery	93.5	—	94.5	+1.1%	
Confectioneries	59.4	—	57.3	-3.5%	Chocolate, chewing gum, candy, imported confectioneries, etc.
Dessert products	24.9	—	26.8	+7.7%	Ice cream, sweets, etc.
Institutional food products	9.1	—	10.2	+12.8%	Institutional products (confectionery and foodstuffs)
Healthcare & Nutritional	49.0	—	46.9	-4.3%	
Healthcare products	29.6	—	27.2	-8.0%	Sports nutrition, functional healthcare products, food, OTC drugs, etc.
Nutritional products	22.3	—	22.5	+1.2%	Nursing care foods, enteral formula, infant formula, etc.

Note1: The segmentation of Dairy business and Confectionery business will be partly revised since FYE 2013/3.

The percentage figures for year-on-year change were calculated using previous-year figures retroactively adjusted following this revision.

Note2: YoY changes for FYE 2012/3 are not calculated because our reporting segments have been changed since FYE 2012/3.

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

(1) Sales by business (Consolidated)

(Billions of yen)

	FYE 2012/3		FYE 2013/3		
	1st Half	YoY Change	1st Half	YoY Change	
Consolidated Total	58.5	+1.9%	58.4	-0.2%	
Ethical pharmaceuticals	50.2	+2.7%	50.3	+0.2%	Infectious diseases and disorders, central nervous system (CNS) disorders, generic drugs
Agricultural chemicals and veterinary drugs	8.3	-2.4%	8.1	-2.6%	Agricultural chemicals, veterinary drugs

(2) List of New Products Under Development

Stage	Name	Type	Efficacy Classification	Notes
Approved	ME2080 (Stiripentol)	Oral	Antiepileptic	In-license: Biocodex (France)
Phase II	ME3113 (Udenafil)	Oral	Benign prostatic hyperplasia treatment	In-license: Dong-A Pharmaceutical Co.,Ltd. (Korea)
	REFLEX® (Mirtazapine)	Oral	Fibromyalgia treatment (Additional indications)	In-license: MSD K.K.
	ME2112 (Ziprasidone)	Oral	Antipsychotic	In-license: RaQualia Pharma Inc.