



**Consolidated Financial Results**  
**for the First Quarter of the Fiscal Year Ending March 31, 2020**  
**[Based on Japanese GAAP]**

August 6, 2019

Name of Listed Company: Meiji Holdings Co., Ltd.                      Listed exchange: 1st Section, Tokyo Stock Exchange  
Code Number: 2269    URL: [www.meiji.com](http://www.meiji.com)  
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Submission of quarterly report: August 7, 2019

Dividend payment commencement: —

Preparation of explanatory materials for quarterly financial results: Yes

Holding of a briefing on quarterly financial results: Yes

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

**1. Consolidated Financial Results for the First Three Months of the Fiscal Year Ending March 31, 2020**  
**(April 1, 2019 to June 30, 2019)**

(1) Consolidated operating results (% of change from the previous fiscal year)

|                          | Net Sales       |      | Operating Income |       | Ordinary Income |       | Net income attributable to shareholders of parent company |       |
|--------------------------|-----------------|------|------------------|-------|-----------------|-------|---|-------|
|                          | Millions of yen | %    | Millions of yen  | %     | Millions of yen | %     | Millions of yen   | %     |
| First three months ended |                 |      |                  |       |                 |       |   |       |
| June 30, 2019            | 298,935         | 0.9  | 20,636           | 4.4   | 22,374          | 10.2  | 14,500  | -15.2 |
| June 30, 2018            | 296,394         | -1.6 | 19,774           | -19.0 | 20,311          | -19.3 | 17,090  | 0.5   |

(Note) Comprehensive income: First three months ended June 30, 2019: JPY 12,430 million (-32.4%)  
First three months ended June 30, 2018: JPY 18,398 million (-6.9%)

|                          | Net Income per Share | Diluted Net Income per Share |
|--------------------------|----------------------|------------------------------|
| First three months ended | Yen                  | Yen                          |
| June 30, 2019            | 99.98                | —                            |
| June 30, 2018            | 117.86               | —                            |

(2) Consolidated financial position

|                      | Total Assets    | Net Assets      | Equity Ratio | Net Assets per Share |
|----------------------|-----------------|-----------------|--------------|----------------------|
|                      | Millions of yen | Millions of yen | %            | Yen                  |
| As of June 30, 2019  | 1,006,341       | 561,435         | 52.5         | 3,645.11             |
| As of March 31, 2019 | 1,004,143       | 560,630         | 52.5         | 3,635.79             |

(Reference) Shareholders' equity: As of June 30, 2019: JPY 528,659 million  
As of March 31, 2019: JPY 527,310 million

Disclaimer: These financial statements have been prepared in accordance with generally accepted accounting principles in Japan.  
This English translation is prepared for the reader's convenience. When there are any discrepancies between the original Japanese version and English translation version, the original Japanese version always prevails.

## 2. Dividends

|                               | Cash Dividends Per Share |       |     |                    |        |
|-------------------------------|--------------------------|-------|-----|--------------------|--------|
|                               | 1Q                       | 2Q    | 3Q  | Financial year end | Annual |
| For the fiscal year ended     | Yen                      | Yen   | Yen | Yen                | Yen    |
| March 31, 2019                | –                        | 65.00 | –   | 75.00              | 140.00 |
| March 31, 2020                | –                        |       |     |                    |        |
| March 31, 2020<br>(Projected) |                          | 70.00 | –   | 70.00              | 140.00 |

(Note) Amendment to projected dividends recently announced: None

## 3. Forecasts of Consolidated Financial Results for the Fiscal Year Ending March 31, 2020

(April 1, 2019 to March 31, 2020)

(% of change from the previous fiscal year)

|           | Net Sales       |     | Operating Income |     | Ordinary Income |     | Net Income attributable to shareholders of parent company |       | Net Income per Share |
|-----------|-----------------|-----|------------------|-----|-----------------|-----|---|-------|----------------------|
|           | Millions of yen | %   | Millions of yen  | %   | Millions of yen | %   | Millions of yen   | %     | Yen                  |
| 1st half  | 625,000         | 2.1 | 44,000           | 0.4 | 45,000          | 2.6 | 28,500  | -25.6 | 196.51               |
| Full year | 1,309,000       | 4.4 | 108,000          | 9.8 | 109,000         | 9.3 | 67,500  | 9.1   | 465.41               |

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

### Notes

(1) Changes in significant subsidiaries during the current fiscal year under review: None

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

For details, refer to page 13 of “2. Quarterly Consolidated Financial Statements (3) Notes Concerning Quarterly Financial Statements (Adoption of Special Accounting Methods for Preparation of Quarterly Consolidated Financial Statements)”

(3) 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 Jun. 30, 2019 | 152,683,400 shares | As of Mar. 31, 2019 | 152,683,400 shares |
| 2. Number of treasury stock at end of period                                | As of Jun. 30, 2019 | 7,651,119 shares   | As of Mar. 31, 2019 | 7,650,137 shares   |
| 3. Average number of shares during period                                   | As of Jun. 30, 2019 | 145,032,588 shares | As of Jun. 30, 2018 | 145,001,668 shares |

\* The earnings summary is not subject to audit.

\* 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 8 of “1. Qualitative Information (3) Forecasts for the Fiscal Year ending March 31, 2020”

(Explanatory material for financial results)

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

(Presentation material for phone conference)

The phone conference for analysts and institutional investors has been scheduled on August 6, 2019. An audio recording (Japanese only) and presentation materials of the conference will be posted on our website.

## 1. Qualitative Information

### (1) Explanation Concerning Operating Results

Meiji group entered the second year of Medium-Term Business Plan for FYE March 2019-2021. Based on our basic concept of *Address strategic issues continuously* and *Challenge for the further growth*, we promote our growth strategy for *Expand share and achieve high revenues in core businesses*, *Expand aggressively in overseas markets and establish growth platform*, *Propose new value in health care domain*, *Continue structural reforms and resolve specific business issues in each business*, and *Enhance Meiji Group management platform and promote CSR*.

During FYE March 2020, the food segment faces concerns about consumer spending trends and NHI pricing revisions are planned for the pharmaceutical segment in October 2019 and April 2020, creating difficult environment for both segments. Amid such conditions, we concentrated management resources on core areas and growth areas to promote the steady advancement of plans.

These factors resulted in net sales of JPY 298.935 billion (up 0.9%, year on year), operating income of JPY 20.636 billion (up 4.4%, year on year), and ordinary income of JPY 22.374 billion (up 10.2%, year on year) during the first three months of fiscal year ending March 2020. Net income attributable to shareholders of parent company was JPY 14.5 billion (down 15.2%, year on year).

(Billions of yen)

|   | First three months of FYE March 2019<br>(from Apr.1, 2018 to Jun. 30, 2018) | First three months of FYE March 2020<br>(from Apr.1, 2019 to Jun. 30, 2019) | Change | Main factors for Change   |
|---|---|---|--------|---|
| Net sales   | 296.3   | 298.9   | 2.5    | Details indicated on segment-specific overview  |
| Operating income  | 19.7  | 20.6  | 0.8    | Details indicated on segment-specific overview  |
| Non-operating income                                      | 1.1   | 2.4   | 1.2    | Insurance income (+1.2)   |
| Non-operating expenses                                    | 0.6   | 0.6   | 0.0    | —   |
| Ordinary income   | 20.3  | 22.3  | 2.0    | —   |
| Extraordinary income                                      | 5.0   | 0.5   | -4.4   | -Gain on sale of property, plants and equipment (-4.4)  |
| Extraordinary losses                                      | 0.9   | 1.0   | 0.1    | -Loss on disposal of property, plants and equipment (+0.4)<br>-Loss on business of subsidiaries and associates (-0.2) |
| Income before income taxes                                | 24.4  | 21.8  | -2.5   | —   |
| Income taxes-total  | 7.1   | 7.5   | 0.4    | —   |
| Net income attributable to non-controlling shareholders   | 0.2   | -0.1  | -0.4   | —   |
| Net income attributable to shareholders of parent company | 17.0  | 14.5  | -2.5   | —   |

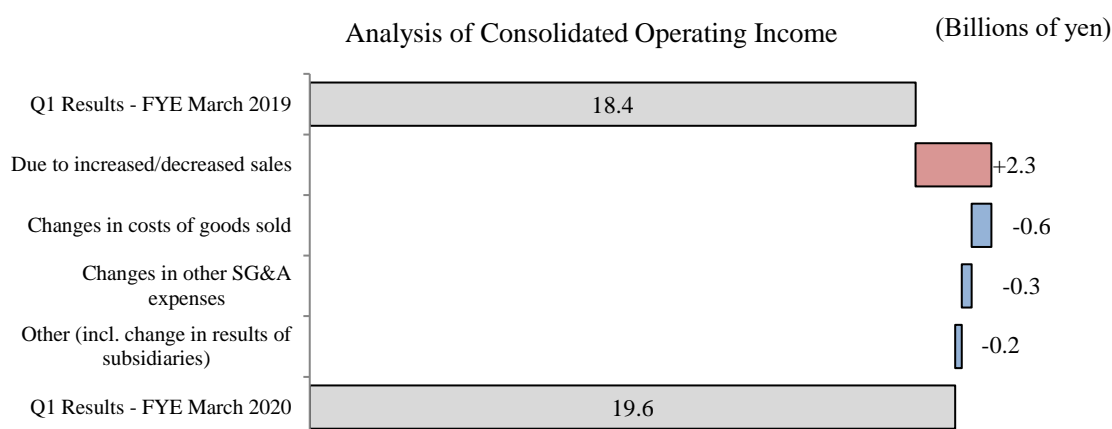
Below is an overview by segment.

1) Food segment

- Net sales were largely unchanged year on year. Net sales of confectionery business, nutrition business, and overseas business increased year on year. Net sales of processed food business were largely unchanged year on year. Net sales of fresh and fermented dairy business decreased year on year due to decrease in sales of functional yogurt and plain yogurt.
- Overall operating income increased year on year thanks to contributions from chocolate and infant formula, also price increases contributed.

(Billions of yen)

|                  | First three months of FYE<br>March 2019 | First three months of FYE<br>March 2020 | % Change |
|------------------|---|---|----------|
| Net sales        | 258.6                                   | 259.0                                   | 0.2%     |
| Operating income | 18.4                                    | 19.6                                    | 6.6%     |



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

(Billions of yen)

|                             |                  | First three months of<br>FYE March 2019 | First three months of<br>FYE March 2020 | % Change |
|-----------------------------|------------------|---|---|----------|
| Fresh and Fermented Dairy   | Net sales        | 83.0                                    | 81.1                                    | -2.3%    |
|                             | Operating income | 11.3                                    | 10.4                                    | -8.1%    |
| Processed Food              | Net sales        | 44.0                                    | 44.1                                    | 0.2%     |
|                             | Operating income | 1.6                                     | 1.8                                     | 11.5%    |
| Confectionery               | Net sales        | 24.8                                    | 26.7                                    | 7.3%     |
|                             | Operating income | 3.1                                     | 4.0                                     | 27.7%    |
| Nutrition                   | Net sales        | 21.6                                    | 22.5                                    | 3.9%     |
|                             | Operating income | 3.1                                     | 4.1                                     | 34.5%    |
| Overseas                    | Net sales        | 9.9                                     | 11.0                                    | 11.6%    |
|                             | Operating income | -0.0                                    | 0.2                                     | —        |
| Other Domestic Subsidiaries | Net sales        | 75.0                                    | 73.4                                    | -2.2%    |
|                             | Operating income | 1.2                                     | 0.8                                     | -30.9%   |
| Corporate Expenses          | Net sales        | —                                       | —                                       | —        |
|                             | Operating income | -2.1                                    | -2.0                                    | —        |

■ Fresh and Fermented Dairy business (Yogurt, drinking milk, beverages, etc.)

- Net sales decreased year on year due to the decrease in sales of functional yogurt and plain yogurt, although SAVAS Milk Protein series grew favorably thanks to contributions from new flavors.
- Operating income decreased year on year due to decreased revenues of functional yogurt and increased raw material cost.

- Processed Food business (Cheese, butter and margarine, cream, ice cream, frozen food, etc.)
  - Net sales were largely unchanged year on year. Net sales of *Meiji Essel Super Cup* series and *Meiji Hokkaido Tokachi Cheese* series were favorable.
  - Operating income increased significantly year on year on the benefits of ice cream pricing revisions implemented in March 2019.
- Confectionery business (Chocolate, gummy, chewing gum, etc.)
  - Net sales increased year on year thanks to the favorable growth of *Chocolate Kouka* and chocolate snack *Kinoko no Yama* and *Takenoko no Sato*.
  - Operating income increased year on year thanks to increase in sales of *Chocolate Kouka*.
- Nutrition business (Sports nutrition, infant formula, enteral formula, beauty supplement, OTC drugs, etc.)
  - Net sales increased year on year thanks to the favorable growth of infant formula and *Meiji Mei Balance* series.
  - Operating income increased significantly year on year thanks to increased revenues and a reduction in sales promotion expenses.
- Overseas (Overseas subsidiaries, exports)
  - Net sales increased significantly year on year. The export business saw favorable sales of mainstay chocolate-covered nut products. Among overseas subsidiaries, subsidiaries in China recorded a significant increase in net sales.
  - Operating income increased year on year thanks to subsidiaries in China.
- Other domestic subsidiaries (Feedstuffs, livestock products, sugar and corn sweeteners, logistics, etc.)
  - Net sales decreased year on year due to decrease in sales of our logistics subsidiary and sugar trade subsidiary.
  - Operating income decreased significantly year on year due to lower revenues from our logistics subsidiary and livestock subsidiary.

## 2) Pharmaceutical segment

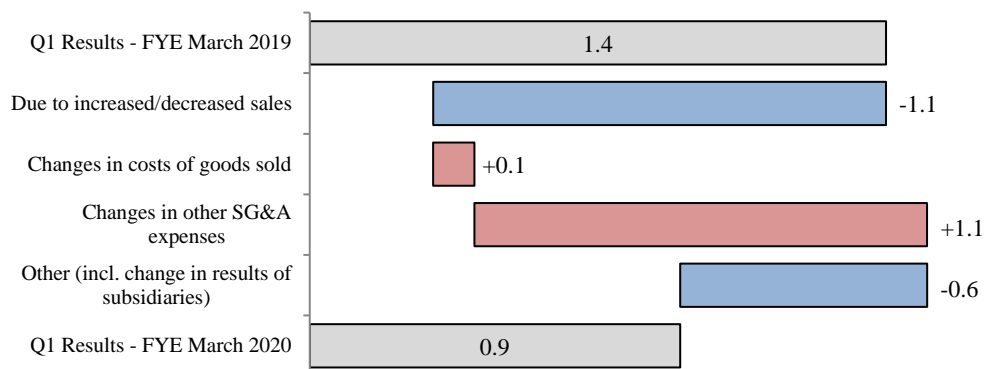
- Net sales increased year on year. This is thanks to increased revenues at overseas subsidiaries and contributions from KM Biologics, which was added to the scope of consolidation in the second quarter of FYE March 2019.
- Operating income decreased significantly year on year due to operating losses recorded by KM Biologics.

(Billions of yen)

|                  | First three months of FYE<br>March 2019 | First three months of FYE<br>March 2020 | % Change |
|------------------|---|---|----------|
| Net sales        | 37.8                                    | 40.0                                    | 5.8%     |
| Operating income | 1.4                                     | 0.9                                     | -34.3%   |

(Billions of yen)

## Analysis of Consolidated Operating Income



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

(Billions of yen)

|                  |                                 | First three months of FYE<br>March 2019 | First three months of FYE<br>March 2020 | % Change |
|------------------|---------------------------------|---|---|----------|
| Japan            | Net sales                       | 27.6                                    | 26.4                                    | -4.2%    |
|                  | Operating income                | 1.2                                     | 1.3                                     | 5.3%     |
| Overseas         | Net sales                       | 10.2                                    | 11.4                                    | 11.7%    |
|                  | Operating income                | 0.2                                     | 0.9                                     | 384.8%   |
| KM Biologics     | Net sales                       | —                                       | 4.0                                     | —        |
|                  | Operating income                | —                                       | -1.5                                    | —        |
| Net Sales        | Eliminations                    | —                                       | -1.8                                    | —        |
| Operating income | Adjustments and<br>Eliminations | —                                       | 0.1                                     | —        |

■ Japan

- Net sales decreased year on year. Sales of the schizophrenia drug *SYCREST* and the antibacterial drug *Tazopipe Combination for I.V. Infusion Meiji* increased significantly but sales of the antidepressant drug *Reflex* decreased significantly due to the expiration of its patent.
- Operating income increased year on year. Although income was impacted by reduced sales of *Reflex*, we reduced R&D expenses and marketing expenses.

■ Overseas

- Net sales increased significantly year on year thanks to the favorable growth of subsidiaries in India and China.
- Operating income increased significantly year on year on increased revenues from various subsidiaries and thanks to a reduction in goodwill depreciation for our subsidiary in India.

■ KM Biologics

- Net sales were favorable for the 4-way vaccine *Quattrovac* and Hepatitis B Vaccine *Bimmugen*.
- We recorded an operating loss due to seasonal factors.

## (2) Financial status

### 1) Assets, Liabilities, and Net Assets

(Billions of yen)

|  | As of March 31,<br>2019 | As of June 30,<br>2019 | Change | Main Factors for Change  |
|--|-------------------------|------------------------|--------|--|
| Current assets                         | 421.4                   | 420.8                  | -0.6   | -Notes and accounts receivable (-7.9)<br>-Goods and products (+5.9)<br>-Cash and deposits (+0.6)   |
| Fixed assets                           | 582.6                   | 585.5                  | 2.8    | -Buildings and structures (net) (+6.7)<br>-Construction in progress (+0.9)<br>-Investment securities (-4.1)  |
| Total assets                           | 1,004.1                 | 1,006.3                | 2.1    | —  |
| Current liabilities                    | 291.5                   | 297.3                  | 5.8    | -Commercial paper (+18.0)<br>-Short-term loans payable (+10.4)<br>-Income taxes payable (-13.3)<br>-Accrued expenses (-5.8)<br>-Accrued bonuses for employees (-5.1) |
| Long-term liabilities                  | 152.0                   | 147.5                  | -4.4   | -Long-term loans payable (-3.6)  |
| Total liabilities                      | 443.5                   | 444.9                  | 1.3    | —  |
| Shareholders' equity                   | 507.5                   | 510.8                  | 3.2    | -Retained earnings (+3.2)  |
| Accumulated other comprehensive income | 19.7                    | 17.8                   | -1.8   | -Net unrealized holding gain or losses on securities (-2.5)<br>-Adjusted cumulative of retirement benefit (+0.5)   |
| Minority interests                     | 33.3                    | 32.7                   | -0.5   | —  |
| Total net assets                       | 560.6                   | 561.4                  | 0.8    | —  |
| Total liabilities and net assets       | 1,004.1                 | 1,006.3                | 2.1    | —  |
| Interest bearing debt                  | 116.3                   | 141.2                  | 24.8   | -Commercial paper (+18.0)  |
| Equity Ratio (%)                       | 52.5%                   | 52.5%                  | —      | —  |

### (3) Forecasts for the Fiscal Year ending March 31, 2020

There are no changes to the consolidated earnings forecasts for FYE March 2020 indicated in the Consolidated Financial Results for the Fiscal Year Ended March 31, 2019 published on May 13, 2019.



## 2. Quarterly Consolidated Financial Statements

### (1) Quarterly Consolidated Balance Sheets

(Millions of yen)

|  | As of March 31, 2019 | As of June 30, 2019 |
|--|----------------------|---------------------|
| <b>ASSETS</b>                            |                      |                     |
| Current assets                           |                      |                     |
| Cash and deposits                        | 25,356               | 26,035              |
| Notes and accounts receivable            | 202,193              | 194,243             |
| Goods and products                       | 105,757              | 111,675             |
| Work in process                          | 4,578                | 4,526               |
| Raw materials and supplies               | 55,589               | 55,487              |
| Others                                   | 28,149               | 29,046              |
| Allowance for doubtful accounts          | -176                 | -188                |
| Total current assets                     | 421,447              | 420,826             |
| Fixed assets                             |                      |                     |
| Property, plants and equipment           |                      |                     |
| Buildings and structures                 | 334,729              | 341,752             |
| Less accumulated depreciation            | -169,035             | -169,354            |
| Buildings and structures (net)           | 165,693              | 172,397             |
| Machinery and equipment                  | 533,595              | 532,967             |
| Less accumulated depreciation            | -381,789             | -382,282            |
| Machinery and equipment (net)            | 151,806              | 150,685             |
| Tools and furniture                      | 54,826               | 55,276              |
| Less accumulated depreciation            | -42,237              | -42,320             |
| Tools and furniture (net)                | 12,589               | 12,956              |
| Land                                     | 70,765               | 70,606              |
| Lease assets                             | 2,891                | 2,907               |
| Less accumulated depreciation            | -2,243               | -2,272              |
| Lease assets (net)                       | 648                  | 635                 |
| Construction in progress                 | 31,988               | 32,935              |
| Total property, plants and equipment     | 433,491              | 440,216             |
| Intangible assets                        |                      |                     |
| Goodwill                                 | 73                   | 69                  |
| Other                                    | 13,480               | 13,412              |
| Total intangible assets                  | 13,553               | 13,481              |
| Investments and other fixed assets       |                      |                     |
| Investment securities                    | 93,504               | 89,373              |
| Net defined benefit asset                | 20,274               | 20,633              |
| Deferred tax assets                      | 14,409               | 14,422              |
| Other                                    | 7,557                | 7,481               |
| Allowance for doubtful accounts          | -94                  | -95                 |
| Total investments and other fixed assets | 135,651              | 131,816             |
| Total fixed assets                       | 582,696              | 585,515             |
| Total assets                             | 1,004,143            | 1,006,341           |

(Millions of yen)

|  | As of March 31, 2019 | As of June 30, 2019 |
|--|----------------------|---------------------|
| <b>LIABILITIES</b>                                   |                      |                     |
| Current liabilities                                  |                      |                     |
| Notes and accounts payable                           | 125,479              | 121,048             |
| Short-term loans payable                             | 33,597               | 44,060              |
| Commercial paper                                     | —                    | 18,000              |
| Accrued expenses                                     | 46,286               | 40,433              |
| Income taxes payable                                 | 21,023               | 7,678               |
| Accrued bonuses for employees                        | 11,895               | 6,763               |
| Allowance for sales returns                          | 757                  | 273                 |
| Allowance for sales rebates                          | 2,443                | 1,765               |
| Other current liabilities                            | 50,021               | 57,355              |
| Total current liabilities                            | 291,504              | 297,377             |
| Long-term liabilities                                |                      |                     |
| Bonds  | 20,000               | 20,000              |
| Long-term loans payable                              | 62,788               | 59,179              |
| Deferred tax liabilities                             | 10,650               | 9,152               |
| Retirement benefit liabilities                       | 53,830               | 54,021              |
| Reserve for directors' retirement benefits           | 106                  | 111                 |
| Other long-term liabilities                          | 4,632                | 5,065               |
| Total long-term liabilities                          | 152,008              | 147,529             |
| Total liabilities                                    | 443,512              | 444,906             |
| <b>NET ASSETS</b>                                    |                      |                     |
| Shareholders' equity                                 |                      |                     |
| Common stock   | 30,000               | 30,000              |
| Capital surplus                                      | 100,061              | 100,061             |
| Retained earnings                                    | 407,943              | 411,198             |
| Treasury stock, at cost                              | -30,422              | -30,430             |
| Total shareholders' equity                           | 507,582              | 510,829             |
| Accumulated other comprehensive income               |                      |                     |
| Net unrealized holding gains or losses on securities | 33,261               | 30,738              |
| Deferred gains or losses on hedges                   | 3                    | -15                 |
| Foreign currency translation adjustments             | -1,751               | -1,679              |
| Adjusted cumulative of retirement benefits           | -11,785              | -11,213             |
| Total accumulated other comprehensive income         | 19,728               | 17,829              |
| Minority interests                                   | 33,320               | 32,775              |
| Total net assets                                     | 560,630              | 561,435             |
| Total liabilities and net assets                     | 1,004,143            | 1,006,341           |

(2) Quarterly Consolidated Statements of Income and Consolidated Statements of Comprehensive Income  
(Quarterly Consolidated Statements of Income)  
(For the Three Months Ended June 30, 2019)

(Millions of yen)

|   | First three months of FYE<br>March 2019<br>(from Apr. 1, 2018<br>to Jun. 30, 2018) | First three months of FYE<br>March 2020<br>(from Apr. 1, 2019<br>to Jun. 30, 2019) |
|---|--|--|
| Net sales   | 296,394  | 298,935  |
| Cost of sales   | 191,814  | 189,937  |
| Gross profit  | 104,580  | 108,998  |
| Selling, general and administrative expenses                          | 84,805   | 88,361   |
| Operating income  | 19,774   | 20,636   |
| Non-operating income  |  |  |
| Interest income   | 31   | 51   |
| Dividend income   | 603  | 674  |
| Equity in income of affiliates  | 189  | —  |
| Insurance income  | —  | 1,207  |
| Other   | 341  | 489  |
| Total non-operating income  | 1,166  | 2,421  |
| Non-operating expenses  |  |  |
| Interest expenses   | 165  | 202  |
| Share of loss of entities accounted for using equity method           | —  | 98   |
| Foreign exchange losses   | 256  | 104  |
| Other   | 205  | 278  |
| Total non-operating expenses  | 628  | 683  |
| Ordinary income   | 20,311   | 22,374   |
| Extraordinary income  |  |  |
| Gain on sale of property, plants and equipment                        | 5,002  | 532  |
| Other   | 10   | 0  |
| Total extraordinary income  | 5,013  | 532  |
| Extraordinary losses  |  |  |
| Loss on disposal of property, plants and equipment                    | 496  | 923  |
| Loss on business of subsidiaries and associates                       | 282  | —  |
| Other   | 127  | 93   |
| Total extraordinary losses  | 905  | 1,016  |
| Income before income taxes  | 24,419   | 21,890   |
| Income taxes  | 7,105  | 7,569  |
| Net income  | 17,313   | 14,321   |
| Net income or net losses attributable to non-controlling shareholders | 223  | -179   |
| Net income attributable to shareholders of parent company             | 17,090   | 14,500   |

(Quarterly Consolidated Statements of Comprehensive Income)  
(For the First Three Months Ended June 30, 2019)

(Millions of yen)

|   | First three months of FYE<br>March 2019<br>(from Apr. 1, 2018<br>to Jun. 30, 2018) | First three months of FYE<br>March 2020<br>(from Apr. 1, 2019<br>to Jun. 30, 2019) |
|---|--|--|
| Net income  | 17,313   | 14,321   |
| Other comprehensive income  |  |  |
| Net unrealized holding gains or losses on securities                | 2,251  | -2,530   |
| Deferred gains or losses on hedges                                  | 90   | -19  |
| Foreign currency translation adjustments                            | -1,356   | 83   |
| Adjustments related to retirement benefits                          | 513  | 564  |
| Equity in affiliates accounted for by equity method                 | -414   | 10   |
| Total other comprehensive income                                    | 1,084  | -1,890   |
| Comprehensive income  | 18,398   | 12,430   |
| (Breakdown)   |  |  |
| Comprehensive income attributable to shareholders of parent company | 18,227   | 12,602   |
| Comprehensive income attributable to minority shareholders          | 171  | -171   |

(3) Notes Concerning Quarterly Financial Statements

(Notes Concerning the Premise of a Going Concern)

Not applicable.

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

Not applicable.

(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.

(Changes in Accounting Policies)

Some of our consolidated subsidiaries have implemented IFRS 16, Leases, from the first quarter of the consolidated fiscal period under review. The impact of these changes on the Consolidated Quarterly Statements of Income for the first quarter of the consolidated fiscal year is minor.

(Segment Information, etc.)

1. The First Three Months of the Previous Consolidated Fiscal Year (April 1, 2018 to June 30, 2018)

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

(Millions of yen)

|                                       | Reporting Segments |                | Total   | Adjustments<br>(Note 1) | Amount<br>Presented in<br>Consolidated<br>Statements of<br>Income (Note 2) |
|---------------------------------------|--------------------|----------------|---------|-------------------------|--|
|                                       | Food               | Pharmaceutical |         |                         |  |
| Net Sales                             |                    |                |         |                         |  |
| (1) Sales to Outside Customers        | 258,597            | 37,796         | 296,394 | —                       | 296,394  |
| (2) Inter-segment Sales and Transfers | 88                 | 61             | 149     | -149                    | —  |
| Total                                 | 258,685            | 37,858         | 296,543 | -149                    | 296,394  |
| Income by Segment                     | 18,470             | 1,486          | 19,957  | -183                    | 19,774   |

(Notes)

1. Details of Adjustments are as follows:

The segment income adjustment of a negative JPY 183 million includes inter-segment eliminations of JPY 9 million and a negative JPY 193 million 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. 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.

2. The First Three Months of the Consolidated Fiscal Year (April 1, 2019 to June 30, 2019)

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

(Millions of yen)

|                                       | Reporting Segments |                | Total   | Adjustments<br>(Note 1) | Amount<br>Presented in<br>Consolidated<br>Statements of<br>Income(Note 2) |
|---------------------------------------|--------------------|----------------|---------|-------------------------|---|
|                                       | Food               | Pharmaceutical |         |                         |   |
| Net Sales                             |                    |                |         |                         |   |
| (1) Sales to Outside Customers        | 258,972            | 39,963         | 298,935 | —                       | 298,935   |
| (2) Inter-segment Sales and Transfers | 121                | 73             | 195     | -195                    | —   |
| Total                                 | 259,094            | 40,036         | 299,131 | -195                    | 298,935   |
| Income by Segment                     | 19,682             | 977            | 20,659  | -23                     | 20,636  |

(Notes)

1. Details of Adjustments are as follows:

The segment income adjustment of a negative JPY 23 million includes inter-segment eliminations of JPY 6 million and a negative JPY 30 million 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. 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 goodwill, 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 the First Quarter of the Fiscal Year Ending March 31, 2020 - Supplementary Explanatory Data -

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The logo for Meiji, featuring the word "meiji" in a bold, red, lowercase sans-serif font.

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.



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

## 1. Consolidated Financial Results

### 1. Consolidated Operating Results

(Billions of yen)

| FYE March 2020                               | Q1         |                          | Q1-Q2      |             | Q1-Q3      |                                 | Full-year  |                    |  |  |  |
|--|------------|--------------------------|------------|-------------|------------|---------------------------------|------------|--------------------|--|--|--|
|  | YoY change | H1 plan achievement rate | YoY change | vs. H1 plan | YoY change | Full-year plan achievement rate | YoY change | vs. Full-year plan |  |  |  |
|  | %          | %                        | %          | %           | %          | %                               | %          | %                  |  |  |  |
| Net sales                                    | 298.9      | +0.9                     | 47.8       |             |            |                                 |            |                    |  |  |  |
| Cost of sales                                | 189.9      | -1.0                     | —          |             |            |                                 |            |                    |  |  |  |
| Gross profit                                 | 108.9      | +4.2                     | —          |             |            |                                 |            |                    |  |  |  |
| Selling, general and administrative expenses | 88.3       | +4.2                     | —          |             |            |                                 |            |                    |  |  |  |
| Carriage and storage charges                 | 11.8       | +0.2                     | —          |             |            |                                 |            |                    |  |  |  |
| Sales promotion expenses                     | 30.3       | +4.2                     | —          |             |            |                                 |            |                    |  |  |  |
| Labor cost                                   | 20.7       | +4.2                     | —          |             |            |                                 |            |                    |  |  |  |
| Operating income                             | 20.6       | +4.4                     | 46.9       |             |            |                                 |            |                    |  |  |  |
| Ordinary income                              | 22.3       | +10.2                    | 49.7       |             |            |                                 |            |                    |  |  |  |
| Net income attributable to owners of parent  | 14.5       | -15.2                    | 50.9       |             |            |                                 |            |                    |  |  |  |

| Plan -- FYE March 2020 |            |            |            |           |            |
|------------------------|------------|------------|------------|-----------|------------|
| H1 (Q1-Q2)             | YoY change | H2 (Q3-Q4) | YoY change | Full-year | YoY change |
| %                      | %          | %          | %          | %         | %          |
| 625.0                  | +2.1       | 684.0      | +6.5       | 1,309.0   | +4.4       |
| —                      | —          | —          | —          | —         | —          |
| —                      | —          | —          | —          | —         | —          |
| —                      | —          | —          | —          | —         | —          |
| —                      | —          | —          | —          | —         | —          |
| —                      | —          | —          | —          | —         | —          |
| 44.0                   | +0.4       | 64.0       | +17.3      | 108.0     | +9.8       |
| 45.0                   | +2.6       | 64.0       | +14.6      | 109.0     | +9.3       |
| 28.5                   | -25.6      | 39.0       | +65.6      | 67.5      | +9.1       |

| FYE March 2019                               | Q1         |                          | Q1-Q2      |             | Q1-Q3      |                                 | Full-year  |                    |      |         |      |       |
|--|------------|--------------------------|------------|-------------|------------|---------------------------------|------------|--------------------|------|---------|------|-------|
|  | YoY change | H1 plan achievement rate | YoY change | vs. H1 plan | YoY change | Full-year plan achievement rate | YoY change | vs. Full-year plan |      |         |      |       |
|  | %          | %                        | %          | %           | %          | %                               | %          | %                  |      |         |      |       |
| Net sales                                    | 296.3      | -1.6                     | 48.8       | 611.9       | +0.1       | +0.8                            | 950.6      | +1.5               | 75.1 | 1,254.3 | +1.1 | -0.9  |
| Cost of sales                                | 191.8      | +0.1                     | —          | 393.7       | +0.5       | —                               | 605.1      | +1.5               | —    | 797.8   | +1.5 | —     |
| Gross profit                                 | 104.5      | -4.6                     | —          | 218.2       | -0.6       | —                               | 345.5      | +1.5               | —    | 456.5   | +0.4 | —     |
| Selling, general and administrative expenses | 84.8       | -0.5                     | —          | 174.4       | -0.0       | —                               | 265.8      | -0.8               | —    | 358.1   | -0.6 | —     |
| Carriage and storage charges                 | 11.8       | -5.3                     | —          | 24.0        | -0.7       | —                               | 36.2       | +2.7               | —    | 48.1    | +4.2 | —     |
| Sales promotion expenses                     | 29.1       | -3.6                     | —          | 58.4        | -6.3       | —                               | 91.1       | -7.8               | —    | 122.0   | -8.7 | —     |
| Labor cost                                   | 19.8       | +1.4                     | —          | 40.3        | +2.8       | —                               | 60.9       | +3.5               | —    | 81.8    | +3.8 | —     |
| Operating income                             | 19.7       | -19.0                    | 48.2       | 43.8        | -2.9       | +6.9                            | 79.6       | +10.3              | 78.8 | 98.3    | +3.9 | -2.6  |
| Ordinary income                              | 20.3       | -19.3                    | 48.9       | 43.8        | -4.9       | +5.7                            | 80.9       | +8.9               | 80.1 | 99.7    | +4.0 | -1.3  |
| Net income attributable to owners of parent  | 17.0       | +0.5                     | 53.4       | 38.3        | +21.9      | +19.7                           | 61.8       | +22.0              | 87.2 | 61.8    | +1.0 | -12.9 |

| H1 (Q1-Q2) | YoY change | H2 (Q3-Q4) | YoY change | Full-year | YoY change |
|------------|------------|------------|------------|-----------|------------|
| %          | %          | %          | %          | %         | %          |
| 611.9      | +0.1       | 642.4      | +2.1       | 1,254.3   | +1.1       |
| 393.7      | +0.5       | 404.1      | +2.5       | 797.8     | +1.5       |
| 218.2      | -0.6       | 238.3      | +1.3       | 456.5     | +0.4       |
| 174.4      | -0.0       | 183.7      | -1.1       | 358.1     | -0.6       |
| 24.0       | -0.7       | 24.0       | +9.5       | 48.1      | +4.2       |
| 58.4       | -6.3       | 63.5       | -10.7      | 122.0     | -8.7       |
| 40.3       | +2.8       | 41.5       | +4.8       | 81.8      | +3.8       |
| 43.8       | -2.9       | 54.5       | +10.1      | 98.3      | +3.9       |
| 43.8       | -4.9       | 55.8       | +12.2      | 99.7      | +4.0       |
| 38.3       | +21.9      | 23.5       | -21.1      | 61.8      | +1.0       |

Note: KM Biologics earnings included beginning from the second quarter of FYE March 2019.

**1. Consolidated Financial Results**
**2. Operating Results of Food Segment**

(Billions of yen)

| FYE March 2020                               | Q1         |                          | Q1-Q2      |             |            | Q1-Q3                           |            |                    | Full-year |   |  |
|--|------------|--------------------------|------------|-------------|------------|---------------------------------|------------|--------------------|-----------|---|--|
|  | YoY change | H1 plan achievement rate | YoY change | vs. H1 plan | YoY change | Full-year plan achievement rate | YoY change | vs. Full-year plan |           |   |  |
| Net sales                                    | 259.0      | +0.2                     | 48.5       | %           | %          | %                               | %          | %                  | %         | % |  |
| Cost of sales                                | 170.5      | -1.2                     | —          | —           | —          | —                               | —          | —                  | —         | — |  |
| Gross profit                                 | 88.5       | +3.0                     | —          | —           | —          | —                               | —          | —                  | —         | — |  |
| Selling, general and administrative expenses | 68.8       | +2.0                     | —          | —           | —          | —                               | —          | —                  | —         | — |  |
| Carriage and storage charges                 | 11.2       | -0.1                     | —          | —           | —          | —                               | —          | —                  | —         | — |  |
| Sales promotion expenses                     | 27.4       | +6.4                     | —          | —           | —          | —                               | —          | —                  | —         | — |  |
| Labor cost                                   | 14.2       | +0.2                     | —          | —           | —          | —                               | —          | —                  | —         | — |  |
| Operating income                             | 19.6       | +6.6                     | 50.5       | —           | —          | —                               | —          | —                  | —         | — |  |
| Ordinary income                              | 20.3       | +7.6                     | 51.2       | —           | —          | —                               | —          | —                  | —         | — |  |
| Net income attributable to owners of parent  | 13.3       | -20.1                    | 50.5       | —           | —          | —                               | —          | —                  | —         | — |  |

| Plan -- FYE March 2020 |            |            |            |           |            |
|------------------------|------------|------------|------------|-----------|------------|
| H1 (Q1-Q2)             | YoY change | H2 (Q3-Q4) | YoY change | Full-year | YoY change |
| 534.0                  | +1.7       | 556.0      | +4.5       | 1,090.0   | +3.2       |
| —                      | —          | —          | —          | —         | —          |
| —                      | —          | —          | —          | —         | —          |
| —                      | —          | —          | —          | —         | —          |
| —                      | —          | —          | —          | —         | —          |
| —                      | —          | —          | —          | —         | —          |
| 39.0                   | +0.0       | 50.9       | +11.2      | 90.0      | +6.2       |
| 39.7                   | +0.0       | 51.6       | +10.1      | 91.4      | +5.5       |
| 26.4                   | -13.6      | 33.6       | +7.1       | 60.0      | -3.1       |

| FYE March 2019                               | Q1         |                          | Q1-Q2      |             |            | Q1-Q3                           |            |                    | Full-year |      |      |      |
|--|------------|--------------------------|------------|-------------|------------|---------------------------------|------------|--------------------|-----------|------|------|------|
|  | YoY change | H1 plan achievement rate | YoY change | vs. H1 plan | YoY change | Full-year plan achievement rate | YoY change | vs. Full-year plan |           |      |      |      |
| Net sales                                    | 258.6      | -2.6                     | 48.8       | %           | %          | %                               | %          | %                  | %         | %    |      |      |
| Cost of sales                                | 172.6      | -0.8                     | —          | —           | —          | —                               | —          | —                  | —         | —    |      |      |
| Gross profit                                 | 85.9       | -6.0                     | —          | —           | —          | —                               | —          | —                  | —         | —    |      |      |
| Selling, general and administrative expenses | 67.5       | -2.2                     | —          | —           | —          | —                               | —          | —                  | —         | —    |      |      |
| Carriage and storage charges                 | 11.2       | -5.6                     | —          | —           | —          | —                               | —          | —                  | —         | —    |      |      |
| Sales promotion expenses                     | 25.8       | -4.7                     | —          | —           | —          | —                               | —          | —                  | —         | —    |      |      |
| Labor cost                                   | 14.2       | +2.1                     | —          | —           | —          | —                               | —          | —                  | —         | —    |      |      |
| Operating income                             | 18.4       | -17.8                    | 47.5       | 39.0        | -4.6       | +0.3                            | 64.9       | -0.0               | 73.7      | 84.7 | +0.7 | -3.8 |
| Ordinary income                              | 18.9       | -17.3                    | 48.0       | 39.7        | -4.3       | +1.1                            | 66.5       | +0.1               | 74.6      | 86.6 | +0.7 | -2.9 |
| Net income attributable to owners of parent  | 16.6       | +6.6                     | 52.8       | 30.5        | +4.0       | -3.2                            | 48.9       | +5.1               | 79.9      | 61.9 | +6.7 | +1.0 |

| H1 (Q1-Q2) | YoY change | H2 (Q3-Q4) | YoY change | Full-year | YoY change |
|------------|------------|------------|------------|-----------|------------|
| 524.8      | -1.8       | 531.8      | -1.4       | 1,056.6   | -1.6       |
| 351.0      | -0.7       | 347.8      | -0.5       | 698.9     | -0.6       |
| 173.7      | -3.8       | 183.9      | -3.0       | 357.7     | -3.4       |
| 134.7      | -3.6       | 138.1      | -5.6       | 272.9     | -4.6       |
| 22.9       | -0.6       | 22.8       | +9.4       | 45.7      | +4.1       |
| 51.4       | -7.3       | 54.1       | -12.6      | 105.6     | -10.1      |
| 28.2       | +2.0       | 28.7       | +1.1       | 57.0      | +1.5       |
| 39.0       | -4.6       | 45.7       | +5.7       | 84.7      | +0.7       |
| 39.7       | -4.3       | 46.8       | +5.3       | 86.6      | +0.7       |
| 30.5       | +4.0       | 31.3       | +9.4       | 61.9      | +6.7       |

### 1. Consolidated Financial Results

#### 3. Operating Results of Pharmaceutical Segment

(Billions of yen)

| FYE March 2020                               | Q1         |                          | Q1-Q2      |             | Q1-Q3      |                                 | Full-year  |                    |
|--|------------|--------------------------|------------|-------------|------------|---------------------------------|------------|--------------------|
|  | YoY change | H1 plan achievement rate | YoY change | vs. H1 plan | YoY change | Full-year plan achievement rate | YoY change | vs. Full-year plan |
| Net sales                                    | 40.0       | %<br>+5.8                | %<br>43.5  | %           | %          | %                               | %          | %                  |
| Cost of sales                                | 20.0       | +4.1                     | —          |             |            |                                 |            |                    |
| Gross profit                                 | 19.9       | +7.5                     | —          |             |            |                                 |            |                    |
| Selling, general and administrative expenses | 19.0       | +11.1                    | —          |             |            |                                 |            |                    |
| Operating income                             | 0.9        | -34.3                    | 19.2       |             |            |                                 |            |                    |
| Ordinary income                              | 1.6        | +30.8                    | 32.3       |             |            |                                 |            |                    |
| Net income attributable to owners of parent  | 0.8        | +185.1                   | 41.2       |             |            |                                 |            |                    |

| Plan -- FYE March 2020 |            |            |            |           |            |
|------------------------|------------|------------|------------|-----------|------------|
| H1 (Q1-Q2)             | YoY change | H2 (Q3-Q4) | YoY change | Full-year | YoY change |
| 92.1                   | %<br>+5.1  | %<br>128.4 | %<br>+15.6 | 220.5     | %<br>+11.0 |
| —                      | —          | —          | —          | —         | —          |
| —                      | —          | —          | —          | —         | —          |
| 5.1                    | +0.0       | 13.4       | +46.8      | 18.5      | +29.9      |
| 5.0                    | +23.6      | 12.4       | +36.6      | 17.4      | +32.6      |
| 2.1                    | -73.2      | 5.6        | —          | 7.7       | +5,607.3   |

| FYE March 2019                               | Q1         |                          | Q1-Q2      |             | Q1-Q3      |                                 | Full-year  |                    |
|--|------------|--------------------------|------------|-------------|------------|---------------------------------|------------|--------------------|
|  | YoY change | H1 plan achievement rate | YoY change | vs. H1 plan | YoY change | Full-year plan achievement rate | YoY change | vs. Full-year plan |
| Net sales                                    | 37.8       | %<br>+5.4                | %<br>48.6  | %<br>+12.6  | %<br>+12.4 | %<br>148.2                      | %<br>+21.2 | %<br>74.1          |
| Cost of sales                                | 19.2       | +8.7                     | —          | 43.0        | +11.1      | —                               | 73.2       | +20.5              |
| Gross profit                                 | 18.5       | +2.3                     | —          | 44.5        | +14.2      | —                               | 75.0       | +21.9              |
| Selling, general and administrative expenses | 17.1       | +5.4                     | —          | 39.4        | +13.8      | —                               | 59.8       | +11.0              |
| Operating income                             | 1.4        | -23.6                    | 57.0       | 5.1         | +17.5      | +96.2                           | 15.1       | +100.2             |
| Ordinary income                              | 1.2        | -36.7                    | 48.4       | 4.0         | -8.3       | +58.8                           | 14.2       | +86.4              |
| Net income attributable to owners of parent  | 0.3        | -72.5                    | 45.0       | 7.8         | +302.3     | +1,064.4                        | 13.0       | +222.3             |

| H1 (Q1-Q2) | YoY change | H2 (Q3-Q4) | YoY change | Full-year | YoY change |
|------------|------------|------------|------------|-----------|------------|
| 87.6       | %<br>+12.6 | %<br>111.0 | %<br>+22.5 | 198.6     | %<br>+17.9 |
| 43.0       | +11.1      | 56.5       | +26.1      | 99.5      | +19.1      |
| 44.5       | +14.2      | 54.5       | +19.0      | 99.1      | +16.8      |
| 39.4       | +13.8      | 45.4       | +16.0      | 84.8      | +14.9      |
| 5.1        | +17.5      | 9.1        | +36.8      | 14.2      | +29.2      |
| 4.0        | -8.3       | 9.0        | +66.8      | 13.1      | +33.2      |
| 7.8        | +302.3     | -7.7       | —          | 0.1       | -95.9      |

Note: KM Biologics earnings included beginning from the second quarter of FYE March 2019.

## 2. Segment Information

### 1. Food Segment

#### A. Net Sales

(Billions of yen)

| FYE March 2020              | Q1         |                          |      | Q1-Q2      |             |            | Q1-Q3                           |   |            | Full-year          |   |  |
|-----------------------------|------------|--------------------------|------|------------|-------------|------------|---------------------------------|---|------------|--------------------|---|--|
|                             | YoY change | H1 plan achievement rate |      | YoY change | vs. H1 plan | YoY change | Full-year plan achievement rate |   | YoY change | vs. Full-year plan |   |  |
|                             |            | %                        | %    |            |             |            | %                               | % |            | %                  | % |  |
| Fresh and Fermented Dairy   | 81.1       | -2.3                     | 48.8 |            |             |            |                                 |   |            |                    |   |  |
| Processed Food              | 44.1       | +0.2                     | 48.6 |            |             |            |                                 |   |            |                    |   |  |
| Confectionery               | 26.7       | +7.3                     | 51.3 |            |             |            |                                 |   |            |                    |   |  |
| Nutrition                   | 22.5       | +3.9                     | 49.3 |            |             |            |                                 |   |            |                    |   |  |
| Overseas                    | 11.0       | +11.6                    | 44.8 |            |             |            |                                 |   |            |                    |   |  |
| Other Domestic Subsidiaries | 73.4       | -2.2                     | 47.6 |            |             |            |                                 |   |            |                    |   |  |

| Plan -- FYE March 2020 |            |            |            |           |            |
|------------------------|------------|------------|------------|-----------|------------|
| H1 (Q1-Q2)             | YoY change | H2 (Q3-Q4) | YoY change | Full-year | YoY change |
| 166.2                  | +0.4       | 165.5      | +0.6       | 331.8     | +0.5       |
| 90.8                   | -0.6       | 87.2       | +2.4       | 178.0     | +0.9       |
| 52.1                   | +3.4       | 79.1       | +10.1      | 131.2     | +7.3       |
| 45.7                   | +2.7       | 42.6       | +4.9       | 88.3      | +3.8       |
| 24.6                   | +13.5      | 28.7       | +13.0      | 53.4      | +13.2      |
| 154.3                  | +2.1       | 152.7      | +6.0       | 307.0     | +4.0       |

| FYE March 2019              | Q1         |                          |      | Q1-Q2      |             |            | Q1-Q3                           |       |            | Full-year          |      |      |
|-----------------------------|------------|--------------------------|------|------------|-------------|------------|---------------------------------|-------|------------|--------------------|------|------|
|                             | YoY change | H1 plan achievement rate |      | YoY change | vs. H1 plan | YoY change | Full-year plan achievement rate |       | YoY change | vs. Full-year plan |      |      |
|                             |            | %                        | %    |            |             |            | %                               | %     |            | %                  | %    |      |
| Fresh and Fermented Dairy   | 83.0       | -3.1                     | 49.7 | 165.5      | -3.0        | -1.0       | 248.0                           | -2.5  | 74.6       | 330.1              | -2.5 | -0.7 |
| Processed Food              | 44.0       | +2.1                     | 48.5 | 91.4       | +2.8        | +0.7       | 137.5                           | +1.9  | 78.0       | 176.5              | +1.4 | +0.1 |
| Confectionery               | 24.8       | -19.6                    | 48.8 | 50.4       | -15.1       | -1.1       | 87.6                            | -12.1 | 70.4       | 122.2              | -9.8 | -1.8 |
| Nutrition                   | 21.6       | +1.8                     | 48.7 | 44.5       | +2.4        | +0.1       | 67.6                            | +1.3  | 78.9       | 85.1               | +1.3 | -0.6 |
| Overseas                    | 9.9        | +7.4                     | 39.6 | 21.7       | +5.8        | -13.1      | 35.4                            | +11.1 | 72.2       | 47.1               | +8.5 | -3.8 |
| Other Domestic Subsidiaries | 75.0       | -0.2                     | 49.6 | 151.1      | -0.1        | -0.2       | 226.7                           | -0.4  | 75.9       | 295.3              | -0.8 | -1.2 |

| H1 (Q1-Q2) | YoY change | H2 (Q3-Q4) | YoY change | Full-year | YoY change |
|------------|------------|------------|------------|-----------|------------|
| 165.5      | -3.0       | 164.6      | -1.9       | 330.1     | -2.5       |
| 91.4       | +2.8       | 85.1       | -0.2       | 176.5     | +1.4       |
| 50.4       | -15.1      | 71.8       | -5.7       | 122.2     | -9.8       |
| 44.5       | +2.4       | 40.6       | +0.1       | 85.1      | +1.3       |
| 21.7       | +5.8       | 25.4       | +11.0      | 47.1      | +8.5       |
| 151.1      | -0.1       | 144.1      | -1.6       | 295.3     | -0.8       |

#### B. Operating Income

(Billions of yen)

| FYE March 2020              | Q1         |                          |      | Q1-Q2      |             |            | Q1-Q3                           |   |            | Full-year          |   |  |
|-----------------------------|------------|--------------------------|------|------------|-------------|------------|---------------------------------|---|------------|--------------------|---|--|
|                             | YoY change | H1 plan achievement rate |      | YoY change | vs. H1 plan | YoY change | Full-year plan achievement rate |   | YoY change | vs. Full-year plan |   |  |
|                             |            | %                        | %    |            |             |            | %                               | % |            | %                  | % |  |
| Fresh and Fermented Dairy   | 10.4       | -8.1                     | 47.3 |            |             |            |                                 |   |            |                    |   |  |
| Processed Food              | 1.8        | +11.5                    | 38.0 |            |             |            |                                 |   |            |                    |   |  |
| Confectionery               | 4.0        | +27.7                    | 67.3 |            |             |            |                                 |   |            |                    |   |  |
| Nutrition                   | 4.1        | +34.5                    | 55.7 |            |             |            |                                 |   |            |                    |   |  |
| Overseas                    | 0.2        | —                        | 39.5 |            |             |            |                                 |   |            |                    |   |  |
| Other Domestic Subsidiaries | 0.8        | -30.9                    | 40.6 |            |             |            |                                 |   |            |                    |   |  |
| Corporate expenses          | -2.0       | —                        | —    |            |             |            |                                 |   |            |                    |   |  |

| Plan -- FYE March 2020 |            |      |            |           |            |
|------------------------|------------|------|------------|-----------|------------|
| H1                     | YoY change | H2   | YoY change | Full-year | YoY change |
| 22.1                   | -1.3       | 26.7 | +5.0       | 48.8      | +2.1       |
| 4.9                    | +13.5      | 4.2  | +10.6      | 9.2       | +12.1      |
| 6.0                    | -3.7       | 15.8 | +12.1      | 21.9      | +7.3       |
| 7.5                    | +3.9       | 5.7  | +0.4       | 13.3      | +2.4       |
| 0.5                    | +0.5       | 0.7  | +4.3       | 1.2       | +2.8       |
| 2.1                    | -7.7       | 2.1  | +46.8      | 4.3       | +13.2      |
| -4.3                   | —          | -4.5 | —          | -8.8      | —          |

| FYE March 2019              | Q1         |                          |      | Q1-Q2      |             |            | Q1-Q3                           |       |            | Full-year          |       |       |
|-----------------------------|------------|--------------------------|------|------------|-------------|------------|---------------------------------|-------|------------|--------------------|-------|-------|
|                             | YoY change | H1 plan achievement rate |      | YoY change | vs. H1 plan | YoY change | Full-year plan achievement rate |       | YoY change | vs. Full-year plan |       |       |
|                             |            | %                        | %    |            |             |            | %                               | %     |            | %                  | %     |       |
| Fresh and Fermented Dairy   | 11.3       | -14.1                    | 49.3 | 22.4       | -9.0        | -2.9       | 34.1                            | -6.5  | 69.8       | 47.8               | -8.1  | -2.2  |
| Processed Food              | 1.6        | -7.8                     | 40.9 | 4.3        | +9.1        | +5.7       | 7.0                             | +13.1 | 84.7       | 8.2                | +10.9 | -1.5  |
| Confectionery               | 3.1        | -29.7                    | 49.3 | 6.2        | -13.7       | -2.8       | 14.8                            | -2.2  | 68.7       | 20.4               | +3.7  | -5.5  |
| Nutrition                   | 3.1        | -18.2                    | 47.4 | 7.2        | +0.3        | +10.1      | 11.3                            | +0.3  | 85.1       | 12.9               | +4.6  | -2.5  |
| Overseas                    | -0.0       | —                        | —    | 0.5        | +48.3       | +40.2      | 1.0                             | +60.3 | 102.9      | 1.2                | +76.2 | +21.7 |
| Other Domestic Subsidiaries | 1.2        | -3.8                     | 50.0 | 2.3        | -10.5       | -7.7       | 3.4                             | -14.5 | 82.3       | 3.8                | -11.5 | -8.2  |
| Corporate expenses          | -2.1       | —                        | —    | -4.1       | —           | —          | -6.9                            | —     | —          | -9.8               | —     | —     |

| H1 (Q1-Q2) | YoY change | H2 (Q3-Q4) | YoY change | Full-year | YoY change |
|------------|------------|------------|------------|-----------|------------|
| 22.4       | -9.0       | 25.4       | -7.3       | 47.8      | -8.1       |
| 4.3        | +9.1       | 3.8        | +13.1      | 8.2       | +10.9      |
| 6.2        | -13.7      | 14.1       | +13.9      | 20.4      | +3.7       |
| 7.2        | +0.3       | 5.7        | +10.6      | 12.9      | +4.6       |
| 0.5        | +48.3      | 0.7        | +102.5     | 1.2       | +76.2      |
| 2.3        | -10.5      | 1.4        | -12.9      | 3.8       | -11.5      |
| -4.1       | —          | -5.6       | —          | -9.8      | —          |

Note: Under this current classification, the post-elimination figure is indicated. Corporate expenses are not allocated to each business.

## 2. Segment Information

### 2. Pharmaceutical Segment

#### A. Net Sales

(Billions of yen)

| FYE March 2020 | Q1         |                          | Q1-Q2      |             | Q1-Q3      |                                 | Full-year  |                    |  |
|----------------|------------|--------------------------|------------|-------------|------------|---------------------------------|------------|--------------------|--|
|                | YoY change | H1 plan achievement rate | YoY change | vs. H1 plan | YoY change | Full-year plan achievement rate | YoY change | vs. Full-year plan |  |
|                | %          | %                        | %          | %           | %          | %                               | %          | %                  |  |
| Japan          | 26.4       | -4.2                     | 41.3       |             |            |                                 |            |                    |  |
| Overseas       | 11.4       | +11.7                    | 53.7       |             |            |                                 |            |                    |  |
| KM Biologics   | 4.0        | —                        | 27.6       |             |            |                                 |            |                    |  |
| Eliminations   | -1.8       | —                        | —          |             |            |                                 |            |                    |  |

| Plan -- FYE March 2020 |            |            |            |           |            |
|------------------------|------------|------------|------------|-----------|------------|
| H1 (Q1-Q2)             | YoY change | H2 (Q3-Q4) | YoY change | Full-year | YoY change |
| %                      | %          | %          | %          | %         | %          |
| 64.1                   | +10.2      | 93.2       | +28.7      | 157.3     | +20.4      |
| 21.2                   | +3.3       | 23.2       | +14.1      | 44.5      | +8.7       |
| 14.6                   | +46.3      | 24.9       | +17.0      | 39.5      | +26.4      |
| -7.8                   | —          | -13.1      | —          | -20.9     | —          |

| FYE March 2019 | Q1         |                          | Q1-Q2      |             | Q1-Q3      |                                 | Full-year  |                    |      |       |      |      |
|----------------|------------|--------------------------|------------|-------------|------------|---------------------------------|------------|--------------------|------|-------|------|------|
|                | YoY change | H1 plan achievement rate | YoY change | vs. H1 plan | YoY change | Full-year plan achievement rate | YoY change | vs. Full-year plan |      |       |      |      |
|                | %          | %                        | %          | %           | %          | %                               | %          | %                  |      |       |      |      |
| Japan          | 27.6       | +2.3                     | 47.4       | 58.2        | +0.0       | +0.0                            | 96.4       | +3.5               | 74.5 | 130.6 | +1.3 | +1.0 |
| Overseas       | 10.2       | +15.0                    | 52.5       | 20.6        | +6.0       | +6.0                            | 30.5       | +4.9               | 71.5 | 41.0  | +4.1 | -3.9 |
| KM Biologics   | —          | —                        | —          | 9.9         | —          | —                               | 24.0       | —                  | 80.2 | 31.2  | —    | +4.2 |
| Eliminations   | —          | —                        | —          | -1.3        | —          | —                               | -2.7       | —                  | —    | -4.2  | —    | —    |

| H1 (Q1-Q2) | YoY change | H2 (Q3-Q4) | YoY change | Full-year | YoY change |
|------------|------------|------------|------------|-----------|------------|
| %          | %          | %          | %          | %         | %          |
| 58.2       | +0.0       | 72.4       | +2.4       | 130.6     | +1.3       |
| 20.6       | +6.0       | 20.4       | +2.6       | 41.0      | +4.1       |
| 9.9        | —          | 21.2       | —          | 31.2      | —          |
| -1.3       | —          | -2.9       | —          | -4.2      | —          |

#### B. Operating Income

(Billions of yen)

| FYE March 2020               | Q1         |                          | Q1-Q2      |             | Q1-Q3      |                                 | Full-year  |                    |  |
|------------------------------|------------|--------------------------|------------|-------------|------------|---------------------------------|------------|--------------------|--|
|                              | YoY change | H1 plan achievement rate | YoY change | vs. H1 plan | YoY change | Full-year plan achievement rate | YoY change | vs. Full-year plan |  |
|                              | %          | %                        | %          | %           | %          | %                               | %          | %                  |  |
| Japan                        | 1.3        | +5.3                     | 30.1       |             |            |                                 |            |                    |  |
| Overseas                     | 0.9        | +384.8                   | 192.4      |             |            |                                 |            |                    |  |
| KM Biologics                 | -1.5       | —                        | —          |             |            |                                 |            |                    |  |
| Adjustments and Eliminations | 0.1        | —                        | —          |             |            |                                 |            |                    |  |

| Plan -- FYE March 2020 |            |            |            |           |            |
|------------------------|------------|------------|------------|-----------|------------|
| H1 (Q1-Q2)             | YoY change | H2 (Q3-Q4) | YoY change | Full-year | YoY change |
| %                      | %          | %          | %          | %         | %          |
| 4.4                    | +7.3       | 6.8        | +18.8      | 11.3      | +13.9      |
| 0.5                    | -33.2      | 1.6        | +21.7      | 2.1       | +2.3       |
| -0.4                   | —          | 3.9        | +113.2     | 3.5       | +1.2       |
| 0.5                    | —          | 0.9        | —          | 1.5       | —          |

| FYE March 2019               | Q1         |                          | Q1-Q2      |             | Q1-Q3      |                                 | Full-year  |                    |       |      |       |       |
|------------------------------|------------|--------------------------|------------|-------------|------------|---------------------------------|------------|--------------------|-------|------|-------|-------|
|                              | YoY change | H1 plan achievement rate | YoY change | vs. H1 plan | YoY change | Full-year plan achievement rate | YoY change | vs. Full-year plan |       |      |       |       |
|                              | %          | %                        | %          | %           | %          | %                               | %          | %                  |       |      |       |       |
| Japan                        | 1.2        | -11.1                    | 55.8       | 4.1         | +78.0      | +81.7                           | 10.0       | +141.4             | 107.1 | 9.9  | +50.0 | +5.7  |
| Overseas                     | 0.2        | -60.0                    | 66.7       | 0.7         | -62.3      | +151.5                          | 1.5        | -53.5              | 143.9 | 2.1  | -51.5 | +94.0 |
| KM Biologics                 | —          | —                        | —          | 1.6         | —          | —                               | 4.3        | —                  | 123.4 | 3.4  | —     | -1.2  |
| Adjustments and Eliminations | —          | —                        | —          | -1.4        | —          | —                               | -0.8       | —                  | —     | -1.2 | —     | —     |

| H1 (Q1-Q2) | YoY change | H2 (Q3-Q4) | YoY change | Full-year | YoY change |
|------------|------------|------------|------------|-----------|------------|
| %          | %          | %          | %          | %         | %          |
| 4.1        | +78.0      | 5.7        | +34.5      | 9.9       | +50.0      |
| 0.7        | -62.3      | 1.3        | -42.5      | 2.1       | -51.5      |
| 1.6        | —          | 1.8        | —          | 3.4       | —          |
| -1.4       | —          | 0.1        | —          | -1.2      | —          |

Note: "Eliminations" and "Adjustments and eliminations" indicate "the amount eliminated" and "amounts adjusted and eliminated" in relation to transactions within the pharmaceutical segment.

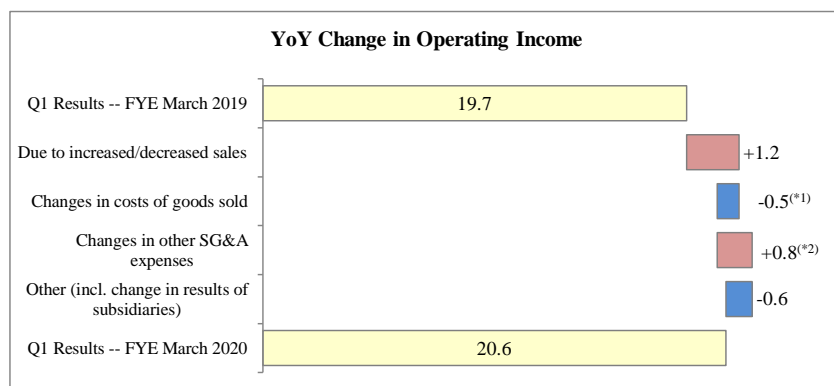
Note: As of second quarter FYE March 2019, domestic business "net sales" and "operating income" include "sales" and "operating income incidental to sales" of human vaccines purchased from KM Biologics.

### 3. Analysis of Operating Income

#### 1. Results-- FYE March 2020

(Billions of yen)

|   | Q1                 |      |        |       | Q1-Q2              |      |        |       | Q1-Q3              |      |        |       | Full-year          |      |        |       |
|---|--------------------|------|--------|-------|--------------------|------|--------|-------|--------------------|------|--------|-------|--------------------|------|--------|-------|
|   | Consolidated Total | Food | Pharma | Other | Consolidated Total | Food | Pharma | Other | Consolidated Total | Food | Pharma | Other | Consolidated Total | Food | Pharma | Other |
| Results -- FYE March 2019                       | 19.7               | 18.4 | 1.4    | -0.1  |                    |      |        |       |                    |      |        |       |                    |      |        |       |
| Due to increased/decreased sales                | +1.2               | +2.3 | -1.1   | —     |                    |      |        |       |                    |      |        |       |                    |      |        |       |
| Changes in costs of goods sold                  | -0.5               | -0.6 | +0.1   | —     |                    |      |        |       |                    |      |        |       |                    |      |        |       |
| Changes in other SG&A expenses                  | +0.8               | -0.3 | +1.1   | —     |                    |      |        |       |                    |      |        |       |                    |      |        |       |
| Other (incl. change in results of subsidiaries) | -0.6               | -0.2 | -0.6   | +0.2  |                    |      |        |       |                    |      |        |       |                    |      |        |       |
| Total change                                    | +0.8               | +1.2 | -0.5   | +0.2  |                    |      |        |       |                    |      |        |       |                    |      |        |       |
| Results -- FYE March 2020                       | 20.6               | 19.6 | 0.9    | 0.1   |                    |      |        |       |                    |      |        |       |                    |      |        |       |



(Breakdown)

\*1: [Food] Increase in domestic raw milk costs: -0.5, Increase in packaging costs: -0.1  
[Pharma] Cost reductions: +0.1

\*2: [Food] Increase in promotion expenses: -0.4, Other: +0.1  
[Pharma] Decrease in R&D expenses: +0.2, Decrease in promotion expenses: +0.2, Other: +0.7

#### 2. Plan -- FYE March 2020

(Billions of yen)

|   | H1 (Q1-Q2)         |      |        |       | H2 (Q3-Q4)         |      |        |       | Full-year          |       |        |       |
|---|--------------------|------|--------|-------|--------------------|------|--------|-------|--------------------|-------|--------|-------|
|   | Consolidated Total | Food | Pharma | Other | Consolidated Total | Food | Pharma | Other | Consolidated Total | Food  | Pharma | Other |
| Results -- FYE March 2019                       | 43.8               | 39.0 | 5.1    | -0.3  | 54.5               | 45.7 | 9.1    | -0.3  | 98.3               | 84.7  | 14.2   | -0.6  |
| Due to increased/decreased sales                | +4.1               | +3.9 | +0.2   | —     | +10.1              | +6.5 | +3.6   | —     | +14.2              | +10.4 | +3.8   | —     |
| Changes in costs of goods sold                  | -0.5               | -1.2 | +0.7   | —     | -5.0               | -1.1 | -3.9   | —     | -5.5               | -2.3  | -3.2   | —     |
| Changes in other SG&A expenses                  | -4.6               | -3.4 | -1.2   | —     | -1.5               | -1.6 | +0.1   | —     | -6.1               | -5.0  | -1.1   | —     |
| Other (incl. change in results of subsidiaries) | +1.2               | +0.7 | +0.3   | +0.2  | +5.9               | +1.5 | +4.5   | -0.1  | +7.1               | +2.2  | +4.8   | +1.0  |
| Total change                                    | +0.2               | +0.0 | +0.0   | +0.2  | +9.5               | +5.3 | +4.3   | -0.1  | +9.7               | +5.3  | +4.3   | +1.0  |
| Plan -- FYE March 2020                          | 44.0               | 39.0 | 5.1    | -0.1  | 64.0               | 50.9 | 13.4   | -0.4  | 108.0              | 90.0  | 18.5   | -0.5  |

Note: KM Biologics earnings included in "Other (incl. change in results of subsidiaries)" of Pharma.

#### 4. Consolidated Financial Positions

(Billions of yen)

| FYE March 2020                     | As of Jun. 30 |  | As of Sep. 30 |  | As of Dec. 31 |  | As of Mar. 31 |  |
|------------------------------------|---------------|--|---------------|--|---------------|--|---------------|--|
|                                    |               | Change from the previous fiscal year end |               | Change from the previous fiscal year end |               | Change from the previous fiscal year end |               | Change from the previous fiscal year end |
| Total assets                       | 1,006.3       | +0.2                                     |               | %  |               | %  |               | %  |
| Current assets                     | 420.8         | -0.1                                     |               |  |               |  |               |  |
| Fixed assets                       | 585.5         | +0.5                                     |               |  |               |  |               |  |
| Total liabilities                  | 444.9         | +0.3                                     |               |  |               |  |               |  |
| Current liabilities                | 297.3         | +2.0                                     |               |  |               |  |               |  |
| Long-term liabilities              | 147.5         | -2.9                                     |               |  |               |  |               |  |
| Total net assets                   | 561.4         | +0.1                                     |               |  |               |  |               |  |
| Shareholders' equity               | 510.8         | +0.6                                     |               |  |               |  |               |  |
| Reference                          |               |  |               |  |               |  |               |  |
| Consolidated interest bearing debt | 141.2         | +21.4                                    |               |  |               |  |               |  |
| Food segment assets                | 685.6         | -0.8                                     |               |  |               |  |               |  |
| Pharmaceuticals segment assets     | 266.4         | -5.8                                     |               |  |               |  |               |  |

| FYE March 2019                     | As of Jun. 30 |  | As of Sep. 30 |  | As of Dec. 31 |  | As of Mar. 31 |  |
|------------------------------------|---------------|--|---------------|--|---------------|--|---------------|--|
|                                    |               | Change from the previous fiscal year end |               | Change from the previous fiscal year end |               | Change from the previous fiscal year end |               | Change from the previous fiscal year end |
| Total assets                       | 943.1         | +1.9                                     | 1,003.9       | +8.5                                     | 1,025.0       | +10.8                                    | 1,004.1       | +8.5                                     |
| Current assets                     | 393.9         | +2.9                                     | 415.8         | +8.6                                     | 438.7         | +14.6                                    | 421.4         | +10.0                                    |
| Fixed assets                       | 549.1         | +1.3                                     | 588.0         | +8.4                                     | 586.2         | +8.1                                     | 582.6         | +7.5                                     |
| Total liabilities                  | 440.4         | +2.4                                     | 451.0         | +4.9                                     | 462.3         | +7.5                                     | 443.5         | +3.1                                     |
| Current liabilities                | 303.3         | +3.0                                     | 293.4         | -0.3                                     | 307.1         | +4.3                                     | 291.5         | -1.0                                     |
| Long-term liabilities              | 137.0         | +1.1                                     | 157.5         | +16.2                                    | 155.1         | +14.4                                    | 152.0         | +12.1                                    |
| Total net assets                   | 502.7         | +1.5                                     | 552.8         | +11.6                                    | 562.7         | +13.6                                    | 560.6         | +13.2                                    |
| Shareholders' equity               | 471.8         | +1.4                                     | 493.4         | +6.0                                     | 507.6         | +9.0                                     | 507.5         | +9.0                                     |
| Reference                          |               |  |               |  |               |  |               |  |
| Consolidated interest bearing debt | 147.1         | +23.5                                    | 136.7         | +14.8                                    | 147.6         | +24.0                                    | 116.3         | -2.3                                     |
| Food segment assets                | 658.2         | -0.1                                     | 664.2         | +0.8                                     | 674.4         | +2.3                                     | 690.9         | +4.8                                     |
| Pharmaceuticals segment assets     | 206.4         | -2.9                                     | 277.9         | +30.7                                    | 293.3         | +37.9                                    | 282.8         | 33.0                                     |

Note: Incidental to the Partial Revisions to Accounting Standards for Tax Effect Accounting, the change indicated above is calculated relative to full-year figures for the previous fiscal year after the retroactive application of these revisions.

Note: KM Biologics earnings included beginning from the second quarter of FYE March 2019.

## 5. Capital Expenditures, Depreciation, R&D Expenses

(Billions of yen)

|                               | FYE March 2017 |           | FYE March 2018 |           | FYE March 2019 |           | FYE March 2020 |           |
|-------------------------------|----------------|-----------|----------------|-----------|----------------|-----------|----------------|-----------|
|                               | H1<br>(Q1-Q2)  | Full-year | H1<br>(Q1-Q2)  | Full-year | H1<br>(Q1-Q2)  | Full-year | H1<br>(Q1-Q2)  | Full-year |
| Capital expenditures          | 23.3           | 50.4      | 34.8           | 71.7      | 34.3           | 71.2      | 47.0           | 99.1      |
| Food segment                  | 20.3           | 44.3      | 30.6           | 63.8      | 30.5           | 61.3      | 40.4           | 86.1      |
| Pharmaceutical segment        | 2.9            | 6.0       | 4.1            | 7.8       | 3.7            | 9.7       | 6.6            | 12.8      |
| Corporate or elimination      | 0.0            | 0.0       | 0.0            | 0.0       | 0.0            | 0.1       | 0.0            | 0.1       |
| Depreciation and amortization | 22.1           | 45.8      | 22.3           | 46.5      | 20.6           | 43.0      | 22.8           | 48.8      |
| Food segment                  | 19.2           | 39.9      | 19.3           | 40.1      | 16.7           | 34.5      | 18.2           | 39.5      |
| Pharmaceutical segment        | 2.8            | 5.7       | 2.9            | 6.0       | 3.6            | 9.0       | 5.1            | 10.2      |
| Corporate or elimination      | 0.1            | 0.2       | 0.1            | 0.3       | 0.2            | -0.5      | -0.4           | -0.9      |
| R&D expenses                  | 12.5           | 26.1      | 12.5           | 26.5      | 13.2           | 29.1      | 15.4           | 33.1      |
| Food segment                  | 6.1            | 12.4      | 5.9            | 13.2      | 6.1            | 12.7      | 6.5            | 13.8      |
| Pharmaceutical segment        | 6.4            | 13.7      | 6.5            | 13.2      | 7.0            | 16.4      | 8.7            | 18.9      |
| Corporate or elimination      | 0.0            | 0.0       | 0.0            | 0.0       | 0.0            | 0.0       | 0.1            | 0.3       |

Note: The figures of "Capital expenditures" and "Depreciation and amortization" include "Intangible fixed assets."

Note: KM Biologics earnings included in the results of first half and full year plan of FYE March 2019.

## 6. Financial Indicators, consolidated

|   | FYE March 2016      | FYE March 2017      | FYE March 2018      | FYE March 2019      |  |
|---|---------------------|---------------------|---------------------|---------------------|--|
|   | Full-year           | Full-year           | Full-year           | Full-year           |  |
| Net sales   | 1,223.7 billion yen | 1,242.4 billion yen | 1,240.8 billion yen | 1,254.3 billion yen |  |
| Operating income  | 77.7 billion yen    | 88.3 billion yen    | 94.6 billion yen    | 98.3 billion yen    |  |
| Operating income ratio                                    | 6.4 %               | 7.1 %               | 7.6 %               | 7.8 %               |  |
| EBITDA  | 121.6 billion yen   | 135.8 billion yen   | 142.8 billion yen   | 143.0 billion yen   | (Note) Op. income + Depreciation and amortization  |
| EBITDA margin   | 9.9 %               | 10.9 %              | 11.5 %              | 11.4 %              |  |
| Net income attributable to shareholders of parent company | 62.5 billion yen    | 60.7 billion yen    | 61.2 billion yen    | 61.8 billion yen    |  |
| Net income ratio  | 5.1 %               | 4.9 %               | 4.9 %               | 4.9 %               |  |
| Total assets  | 856.1 billion yen   | 883.8 billion yen   | 927.5 billion yen   | 1,004.1 billion yen |  |
| Interest bearing debt                                     | 147.8 billion yen   | 129.4 billion yen   | 119.1 billion yen   | 116.3 billion yen   |  |
| Shareholders' equity                                      | 408.8 billion yen   | 448.9 billion yen   | 487.3 billion yen   | 527.3 billion yen   |  |
| Shareholders' equity ratio                                | 47.8 %              | 50.8 %              | 52.7 %              | 52.5 %              |  |
| Debt/Equity ratio   | 0.36 %              | 0.28 %              | 0.24 %              | 0.22 %              |  |
| ROA   | 9.4 %               | 10.2 %              | 10.6 %              | 10.3 %              | (Note) Ordinary income/Average net assets  |
| ROE   | 16.1 %              | 14.2 %              | 13.1 %              | 12.2 %              | (Note) Net income attributable to shareholders of parent company/Average shareholders' equity  |
| Cash flows from operating activities                      | 105.1 billion yen   | 81.8 billion yen    | 108.7 billion yen   | 112.1 billion yen   |  |
| Cash flows from investing activities                      | -9.8 billion yen    | -44.2 billion yen   | -64.3 billion yen   | -100.2 billion yen  |  |
| Free cash flows   | 95.3 billion yen    | 37.5 billion yen    | 44.3 billion yen    | 11.8 billion yen    | (Note) Cash flows from operating activities + Cash flows from investing activities   |
| Net income per share                                      | 425.06 yen          | 413.11 yen          | 422.15 yen          | 426.61 yen          | (Note) Net income attributable to shareholders of parent company / (Number of shares outstanding - Number of treasury stock)                                   |
| Net assets per share                                      | 2,777.28 yen        | 3,064.91 yen        | 3,360.70 yen        | 3,635.79 yen        | (Note) (Total net assets - Noncontrolling interests) / (Number of shares outstanding - Number of treasury stock)   |
| Cash flow per share                                       | 710.89 yen          | 728.21 yen          | 743.35 yen          | 723.29 yen          | (Note) (Net income attributable to shareholders of parent company + Depreciation and Amortization) / (Number of shares outstanding - Number of treasury stock) |
| Cash dividends per share                                  | 90.00 yen           | 110.00 yen          | 130.00 yen          | 140.00 yen          |  |
| Dividend payout ratio                                     | 21.2 %              | 26.6 %              | 30.8 %              | 32.8 %              |  |
| Price/Earnings ratio--PER                                 | 21.3 times          | 22.4 times          | 19.1 times          | 21.2 times          | (Note) Year-end stock price/Net income per share   |
| Price/Book value ratio--PBR                               | 3.3 times           | 3.0 times           | 2.4 times           | 2.4 times           | (Note) Year-end stock price/Net assets per share   |
| Price/Cash flow ratio--PCFR                               | 12.7 times          | 12.7 times          | 10.8 times          | 12.4 times          | (Note) Year-end stock price/Cash flow per share  |

Note: The above figures per share are calculated by retroactively applying the number of shares resulting from the stock split conducted on October 1, 2015.



## 7. Sales by Main Products

### 1. Food Segment (Non-consolidated)

(Billions of yen)

| FYE March 2020                | Q1         |                          | Q1-Q2      |             | Q1-Q3      |                                 | Full-year  |                    |  |  |  |
|-------------------------------|------------|--------------------------|------------|-------------|------------|---------------------------------|------------|--------------------|--|--|--|
|                               | YoY Change | H1 Plan Achievement Rate | YoY Change | vs. H1 Plan | YoY Change | Full-year Plan Achievement Rate | YoY Change | vs. Full-year Plan |  |  |  |
|                               | %          | %                        | %          | %           | %          | %                               | %          | %                  |  |  |  |
| Yogurt                        | 21.7       | -3.8                     | 45.8       |             |            |                                 |            |                    |  |  |  |
| Meiji Bulgaria Yogurt         | 19.8       | -5.6                     | 47.8       |             |            |                                 |            |                    |  |  |  |
| Probiotic yogurts             | 25.8       | -4.7                     | 49.6       |             |            |                                 |            |                    |  |  |  |
| Drinking milk                 | 28.1       | +4.5                     | 51.7       |             |            |                                 |            |                    |  |  |  |
| Meiji Oishii Gyunyu           | 14.3       | +0.6                     | 48.2       |             |            |                                 |            |                    |  |  |  |
| Cheese                        | 9.2        | +0.1                     | 51.3       |             |            |                                 |            |                    |  |  |  |
| Meiji Hokkaido Tokachi series | 3.5        | +3.1                     | 49.4       |             |            |                                 |            |                    |  |  |  |
| Ice cream                     | 12.1       | -0.9                     | 42.9       |             |            |                                 |            |                    |  |  |  |
| Chocolate                     | 19.9       | +11.2                    | 51.9       |             |            |                                 |            |                    |  |  |  |
| Nutritional products          | 14.3       | +3.8                     | 50.4       |             |            |                                 |            |                    |  |  |  |
| Sports nutrition              | 5.5        | +0.6                     | 47.0       |             |            |                                 |            |                    |  |  |  |

| Plan -- FYE March 2020 |            |            |            |           |            |
|------------------------|------------|------------|------------|-----------|------------|
| H1 (Q1-Q2)             | YoY change | H2 (Q3-Q4) | YoY change | Full-year | YoY change |
| %                      | %          | %          | %          | %         | %          |
| 47.4                   | +5.5       | 43.1       | +8.1       | 90.6      | +6.7       |
| 41.5                   | -1.0       | 37.3       | +1.1       | 78.8      | -0.0       |
| 52.1                   | -0.1       | 62.1       | +2.3       | 114.2     | +1.2       |
| 54.4                   | -1.5       | 50.3       | -5.1       | 104.8     | -3.2       |
| 29.7                   | +0.1       | 27.7       | +4.7       | 57.4      | +2.3       |
| 17.9                   | -0.3       | 19.3       | +4.0       | 37.3      | +1.8       |
| 7.1                    | +7.6       | 8.1        | +14.9      | 15.3      | +11.3      |
| 28.3                   | -0.1       | 16.6       | -0.6       | 44.9      | -0.3       |
| 38.4                   | +4.7       | 65.7       | +11.8      | 104.1     | +9.1       |
| 28.4                   | +0.6       | 27.4       | +1.5       | 55.8      | +1.1       |
| 11.7                   | +3.3       | 9.2        | +10.6      | 21.0      | +6.4       |

| FYE March 2019                | Q1         |                          | Q1-Q2      |             | Q1-Q3      |                                 | Full-year  |                    |      |       |      |      |
|-------------------------------|------------|--------------------------|------------|-------------|------------|---------------------------------|------------|--------------------|------|-------|------|------|
|                               | YoY Change | H1 Plan Achievement Rate | YoY Change | vs. H1 Plan | YoY Change | Full-year Plan Achievement Rate | YoY Change | vs. Full-year Plan |      |       |      |      |
|                               | %          | %                        | %          | %           | %          | %                               | %          | %                  |      |       |      |      |
| Yogurt                        | 22.5       | +1.9                     | 49.8       | 45.0        | +2.0       | -0.7                            | 65.1       | +1.5               | 74.0 | 84.9  | +0.9 | -3.5 |
| Meiji Bulgaria Yogurt         | 21.0       | +2.5                     | 49.9       | 41.9        | +2.3       | -0.5                            | 60.6       | +1.8               | 74.6 | 78.8  | +1.1 | -2.9 |
| Probiotic yogurts             | 27.1       | -4.4                     | 51.1       | 52.1        | -4.7       | -1.6                            | 81.0       | -5.2               | 69.1 | 112.9 | -5.5 | -3.8 |
| Drinking milk                 | 26.9       | -2.2                     | 48.4       | 55.2        | -1.7       | -0.6                            | 82.9       | +0.3               | 77.8 | 108.3 | +1.1 | +1.6 |
| Meiji Oishii Gyunyu           | 14.2       | -3.3                     | 47.8       | 29.7        | -3.8       | -0.3                            | 43.5       | -3.1               | 76.3 | 56.2  | -2.7 | -1.5 |
| Cheese                        | 9.2        | +4.4                     | 52.7       | 18.0        | +5.0       | +3.2                            | 28.1       | +4.9               | 77.1 | 36.6  | +4.1 | +0.4 |
| Meiji Hokkaido Tokachi series | 3.4        | +1.7                     | 53.5       | 6.6         | +4.5       | +3.9                            | 10.5       | +5.4               | 74.3 | 13.7  | +5.6 | -2.8 |
| Ice cream                     | 12.2       | +5.6                     | 43.5       | 28.3        | +6.9       | +0.6                            | 37.2       | +4.2               | 82.6 | 45.1  | +4.7 | -0.1 |
| Chocolate                     | 17.9       | -17.5                    | 48.3       | 36.6        | -12.8      | -1.2                            | 67.2       | -10.6              | 67.9 | 95.4  | -8.3 | -3.6 |
| Nutritional products          | 13.8       | +8.2                     | 50.2       | 28.2        | +7.6       | +2.5                            | 44.0       | +5.6               | 78.6 | 55.2  | +4.4 | -1.3 |
| Sports nutrition              | 5.4        | -2.0                     | 47.9       | 11.3        | +3.6       | -0.8                            | 16.0       | +5.0               | 75.8 | 19.7  | +3.4 | -6.5 |

| H1 (Q1-Q2) | YoY change | H2 (Q3-Q4) | YoY change | Full-year | YoY change |
|------------|------------|------------|------------|-----------|------------|
| %          | %          | %          | %          | %         | %          |
| 45.0       | +2.0       | 39.9       | -0.2       | 84.9      | +0.9       |
| 41.9       | +2.3       | 36.9       | -0.2       | 78.8      | +1.1       |
| 52.1       | -4.7       | 60.7       | -6.1       | 112.9     | -5.5       |
| 55.2       | -1.7       | 53.0       | +4.2       | 108.3     | +1.1       |
| 29.7       | -3.8       | 26.4       | -1.4       | 56.2      | -2.7       |
| 18.0       | +5.0       | 18.5       | +3.2       | 36.6      | +4.1       |
| 6.6        | +4.5       | 7.0        | +6.8       | 13.7      | +5.6       |
| 28.3       | +6.9       | 16.7       | +1.1       | 45.1      | +4.7       |
| 36.6       | -12.8      | 58.7       | -5.2       | 95.4      | -8.3       |
| 28.2       | +7.6       | 26.9       | +1.4       | 55.2      | +4.4       |
| 11.3       | +3.6       | 8.3        | +3.3       | 19.7      | +3.4       |

Note: Nutritional products includes infant formula and enteral formula.

7. Sales by Main Products

2. Pharmaceutical Segment (Non-consolidated)

(Billions of yen)

| FYE March 2020                        | Q1         |                          | Q1-Q2      |             | Q1-Q3      |                                 | Full-year  |                    |
|---------------------------------------|------------|--------------------------|------------|-------------|------------|---------------------------------|------------|--------------------|
|                                       | YoY Change | H1 Plan Achievement Rate | YoY Change | vs. H1 Plan | YoY Change | Full-year Plan Achievement Rate | YoY Change | vs. Full-year Plan |
|                                       |            | %                        | %          | %           | %          | %                               | %          | %                  |
| Ethical pharmaceuticals (Japan)       |            |                          |            |             |            |                                 |            |                    |
| SYCREST                               | 1.0        | +19.0                    | 31.8       |             |            |                                 |            |                    |
| BILANOVA                              | 0.9        | -12.7                    | 41.5       |             |            |                                 |            |                    |
| REFLEX (includes Mirtazapine "meiji") | 2.2        | -50.3                    | 34.5       |             |            |                                 |            |                    |
| MELACT (includes Cefditoren "OK")     | 1.3        | -5.8                     | 51.7       |             |            |                                 |            |                    |
| TAZOPIPE                              | 1.7        | +45.8                    | 54.9       |             |            |                                 |            |                    |
| Influenza HA Vaccine                  | -0.0       | —                        | —          |             |            |                                 |            |                    |
| (By field) Total brand name drugs     | 10.1       | -19.7                    | 38.3       |             |            |                                 |            |                    |
| Total generic drugs                   | 12.2       | +11.5                    | 46.7       |             |            |                                 |            |                    |
| KM Biologics                          |            |                          |            |             |            |                                 |            |                    |
| Total human vaccine                   | 1.8        | —                        | 20.0       |             |            |                                 |            |                    |
| Total blood plasma products           | 1.0        | —                        | 30.8       |             |            |                                 |            |                    |

| Plan -- FYE March 2020 |            |            |            |           |            |
|------------------------|------------|------------|------------|-----------|------------|
| H1 (Q1-Q2)             | YoY Change | H2 (Q3-Q4) | YoY Change | Full-year | YoY Change |
|                        | %          |            | %          |           | %          |
| 3.2                    | +77.3      | 4.5        | +138.0     | 7.7       | +108.1     |
| 2.4                    | +36.4      | 6.6        | +15.0      | 9.0       | +20.0      |
| 6.4                    | -34.9      | 5.8        | -16.0      | 12.3      | -27.1      |
| 2.6                    | -6.9       | 3.0        | -11.0      | 5.7       | -9.2       |
| 3.1                    | +17.4      | 2.7        | +3.3       | 5.8       | +10.4      |
| 0.6                    | -35.3      | 13.7       | +356.6     | 14.3      | +264.3     |
| 26.3                   | -1.4       | 49.3       | +67.4      | 75.7      | +34.6      |
| 26.1                   | +14.5      | 24.0       | -0.2       | 50.2      | +7.0       |
| 9.0                    | +25.9      | 19.2       | +30.2      | 28.2      | +28.8      |
| 3.3                    | +91.9      | 3.4        | -8.8       | 6.8       | +22.7      |

| FYE March 2019                        | Q1         |                          | Q1-Q2      |             | Q1-Q3      |                                 | Full-year  |                    |      |      |        |       |
|---------------------------------------|------------|--------------------------|------------|-------------|------------|---------------------------------|------------|--------------------|------|------|--------|-------|
|                                       | YoY Change | H1 Plan Achievement Rate | YoY Change | vs. H1 Plan | YoY Change | Full-year Plan Achievement Rate | YoY Change | vs. Full-year Plan |      |      |        |       |
|                                       |            | %                        | %          | %           | %          | %                               | %          | %                  |      |      |        |       |
| Ethical pharmaceuticals (Japan)       |            |                          |            |             |            |                                 |            |                    |      |      |        |       |
| Total brand name drugs                | 12.5       | +6.3                     | 48.0       | 26.7        | +3.5       | +2.1                            | 43.9       | +7.2               | 78.0 | 56.2 | +2.6   | -0.2  |
| MELACT                                | 1.1        | -27.9                    | 43.7       | 2.1         | -36.4      | -16.2                           | 3.6        | -38.2              | 75.5 | 4.6  | -37.9  | -3.0  |
| REFLEX                                | 4.4        | +5.7                     | 44.3       | 9.9         | +1.2       | -1.8                            | 14.7       | -2.2               | 81.0 | 16.1 | -18.3  | -11.5 |
| SYCREST                               | 0.8        | +45.8                    | 41.3       | 1.8         | +36.6      | -12.7                           | 2.8        | +33.8              | 64.7 | 3.7  | +32.3  | -14.1 |
| BILANOVA                              | 1.1        | +426.5                   | 75.1       | 1.7         | +285.1     | +15.7                           | 2.8        | +133.5             | 54.0 | 7.4  | +132.1 | +40.7 |
| Total generic drugs                   | 10.9       | +2.1                     | 47.9       | 22.8        | -0.9       | -0.3                            | 35.4       | -0.7               | 75.1 | 46.9 | +0.4   | -0.7  |
| AMLODIPINE                            | 1.0        | +1.0                     | 48.7       | 2.2         | -2.8       | +1.0                            | 3.3        | -5.5               | 73.8 | 4.4  | -5.1   | -2.7  |
| TAZOPIPE                              | 1.1        | +19.8                    | 44.3       | 2.6         | +21.7      | +0.3                            | 4.0        | +15.9              | 70.4 | 5.2  | +11.8  | -8.4  |
| (By field) Total infectious diseases  | 8.2        | +0.9                     | 47.6       | 18.0        | +2.0       | +4.2                            | 31.4       | +10.3              | 80.7 | 39.0 | +5.4   | +0.4  |
| Total CNS disorders                   | 8.4        | +7.5                     | 45.7       | 18.1        | +3.1       | -2.0                            | 27.5       | +0.6               | 77.6 | 33.1 | -7.0   | -6.6  |
| KM Total human vaccine                | —          | —                        | —          | 7.1         | —          | —                               | 17.8       | —                  | 85.4 | 21.9 | —      | +4.7  |
| Biologics Total blood plasma products | —          | —                        | —          | 1.7         | —          | —                               | 3.6        | —                  | 67.9 | 5.5  | —      | +3.1  |

| H1 (Q1-Q2) | YoY Change | H2 (Q3-Q4) | YoY Change | Full-year | YoY Change |
|------------|------------|------------|------------|-----------|------------|
|            | %          |            | %          |           | %          |
| 26.7       | +3.5       | 29.5       | +1.7       | 56.2      | +2.6       |
| 2.1        | -36.4      | 2.4        | -39.1      | 4.6       | -37.9      |
| 9.9        | +1.2       | 6.2        | -37.5      | 16.1      | -18.3      |
| 1.8        | +36.6      | 1.8        | +28.3      | 3.7       | +32.3      |
| 1.7        | +285.1     | 5.7        | +106.9     | 7.4       | +132.1     |
| 22.8       | -0.9       | 24.1       | +1.7       | 46.9      | +0.4       |
| 2.2        | -2.8       | 2.1        | -7.2       | 4.4       | -5.1       |
| 2.6        | +21.7      | 2.6        | +3.2       | 5.2       | +11.8      |
| 18.0       | +2.0       | 21.0       | +8.5       | 39.0      | +5.4       |
| 18.1       | +3.1       | 14.9       | -16.9      | 33.1      | -7.0       |
| 7.1        | —          | 14.8       | —          | 21.9      | —          |
| 1.7        | —          | 3.8        | —          | 5.5       | —          |

Note: Domestic ethical pharmaceuticals indicates non-consolidated information for Meiji Seika Pharma (excluding sales from contracted manufacturing).

Note: From the second quarter of FYE March 2019, we indicated non-consolidated information for KM Biologics biological agents business.

Note: From the first quarter of FYE March 2020, we changed the method of indicating domestic ethical pharmaceuticals.

Note: "Total brand name drugs" under domestic ethical pharmaceuticals includes net sales from human vaccines sold by Meiji Seika Pharma.

## 8. Other

### 1. List of New Products Under Development

#### Infectious disease

| Stage              | Name                | Type       | Efficacy Classification   | Notes               |
|--------------------|---------------------|------------|---|---------------------|
| Phase II           | ME1111              | Topical    | Antionychomycosis   | Discovered in-house |
| Phase I (Overseas) | ME1100 (Arbekacin)  | Inhalation | Hospital Acquired Bacterial Pneumonia/<br>Ventilator Associated Bacterial Pneumonia treatment (HABP/VABP) | Discovered in-house |
| Phase I            | OP0595 (Nacubactam) | Injection  | $\beta$ -lactamase inhibitor  | Discovered in-house |

#### CNS disorders

| Stage     | Name                 | Type | Efficacy Classification  | Notes   |
|-----------|----------------------|------|--------------------------|---|
| Filed     | ME2125 (Safinamide)  | Oral | Anti-Parkinson's Disease | In-license: Newron Pharmaceutical S.p.A. (Italy)<br>Licensed out to Eisai Co., Ltd. (Japan) |
| Phase III | ME2112 (Ziprasidone) | Oral | Antipsychotic            | In-license: RaQualia Pharma Inc.  |

#### New fields

| Stage   | Name                  | Type      | Efficacy Classification                                  | Notes  |
|---|-----------------------|-----------|--|--|
| Phase II (International collaborative clinical trial) | SP-02L (Darinaparsin) | Injection | Relapsed or refractory peripheral T-cell lymphoma (PTCL) | In-license: Solasia Pharma K.K.  |
| Phase I   | DMB-3111              | Injection | Breast cancer/Gastric cancer (Biosimilar)                | Co-development: Dong-A Socio Holdings Co., Ltd. (South Korea)<br>Licensed out to Gedeon Richter Plc. (Hungary) |

#### Vaccines

| Stage              | Name   | Target Disease  | Notes                               |
|--------------------|--------|---|-------------------------------------|
| Phase III          | KD-370 | Pentavalent vaccine against diphtheria, tetanus, pertussis, polio, and haemophilus influenza type b | KM Biologics Co., Ltd.              |
| Phase I (Overseas) | KD-382 | Quadrivalent vaccine against dengue fever   | KM Biologics Co., Ltd.              |
| Phase I / II       | KD-404 | Egg-derived inactivated whole virus influenza vaccine   | Co-development: Hokkaido University |

#### Blood Plasma Products

| Stage        | Name    | Target Disease   | Notes                                 |
|--------------|---------|--|---------------------------------------|
| Filed        | KD6-71  | Application for indication expansion is under preparation for chronic inflammatory demyelinating polyneuropathy (CIDP) and multifocal motor neuropathy (MMN) | Co-development: Teijin Pharma Limited |
| Filed        | KD5-71  | Indication expansion for optic neuritis (ON) (orphan drug)   | Co-development: Teijin Pharma Limited |
| Phase III    | KD-371  | Indication expansion for microscopic polyangiitis (MPA) (orphan drug)  | Co-development: Teijin Pharma Limited |
| Phase II/III | KD2-305 | Suppression of bleeding tendency in patients with blood coagulation factor VIII or factor IX deficiency who have coagulation factor inhibitors               | KM Biologics Co., Ltd.                |