



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

August 11, 2010

Name of Listed Company : Meiji Holdings Co., Ltd.
Listed exchange : 1st Section, Tokyo Stock Exchange
Code Number : 2269
URL : www.meiji.com
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Scheduled date of submission of the quarterly report: August 13, 2010

Scheduled date of dividend payment commencement: –

Preparation of explanatory material for quarterly financial results: Yes

Holding of a briefing on quarterly financial results: No

1. Consolidated Financial Results for the First Quarter of the Fiscal Year Ending March 2011 (April 1, 2010 to June 30, 2010)

(1) Consolidated operating results (cumulative)

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

| | Net Sales | | Operating Income | | Ordinary Income | | Net Income | |
|-------------------------|-----------------|-----|------------------|------|-----------------|------|-----------------|-------|
| | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % |
| 1Q FY Ending March 2011 | 270,612 | 0.3 | 9,206 | 70.7 | 9,136 | 62.8 | 3,777 | 104.4 |
| 1Q FY Ended March 2010 | 269,727 | – | 5,393 | – | 5,613 | – | 1,847 | – |

| | Net Income per Share | | Diluted Net Income per Share | |
|-------------------------|----------------------|--|------------------------------|--|
| | Yen | | Yen | |
| 1Q FY Ending March 2011 | 51.26 | | – | |
| 1Q FY Ended March 2010 | 25.09 | | – | |

(2) Consolidated financial position

| | Total Assets | Net Assets | Equity Ratio | Net Assets per Share |
|-------------------------|-----------------|-----------------|--------------|----------------------|
| | Millions of yen | Millions of yen | % | Yen |
| 1Q FY Ending March 2011 | 731,176 | 295,454 | 39.3 | 3,903.19 |
| FY Ended March 2010 | 730,044 | 297,771 | 39.7 | 3,933.05 |

(Reference) Shareholders' equity: First quarter of the fiscal year ending March 2011: 287,645 million yen

Fiscal year ended March 2010: 289,886 million yen

2. Dividends

| | Annual Dividends | | | | |
|----------------------------------|------------------|----------------|---------------|----------------|-------|
| | First Quarter | Second Quarter | Third Quarter | Fourth Quarter | Total |
| | Yen | Yen | Yen | Yen | Yen |
| FY Ended March 2010 | – | 0.00 | – | 80.00 | 80.00 |
| FY Ending March 2011 | – | | | | |
| FY Ending March 2011 (Projected) | | 40.00 | – | 40.00 | 80.00 |

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

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

(Percentages for full year represent changes from the previous fiscal year, and percentages for second quarter (cumulative) represent changes from the same period of the previous fiscal year)

| | Net Sales | | Operating Income | | Ordinary Income | | Net Income | | Net Income per Share |
|-----------------|-----------------|-----|------------------|--------|-----------------|--------|-----------------|------|----------------------|
| | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % | Yen |
| 2Q (cumulative) | 564,500 | 1.7 | 12,000 | (11.6) | 12,000 | (10.7) | 5,700 | 5.4 | 77.35 |
| Full year | 1,131,000 | 2.2 | 29,000 | 0.7 | 29,000 | 2.4 | 15,000 | 14.6 | 203.54 |

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

4. Other

(1) Changes in significant subsidiaries during the first quarter of the fiscal year: None

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

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

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

(3) Revisions of accounting rules, procedures and presentations

1. Revisions due to changes in accounting standards: Yes

2. Other revisions: None

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

(4) Number of shares outstanding (common stock)

| | | | | |
|---|----------------------------|-------------------|---------------------------|-------------------|
| 1. Number of shares outstanding at end of year (including treasury stock) | 1Q FY ending March 2011 | 76,341,700 shares | FY ended March 2010 | 76,341,700 shares |
| 2. Number of treasury stock at end of year | 1Q FY ending March 2011 | 2,646,825 shares | FY ended March 2010 | 2,636,540 shares |
| 3. Average number of shares during period (quarterly consolidated cumulative period) | 1Q FY ending March 2011 | 73,696,253 shares | 1Q FY ended March 2010 | 73,639,600 shares |

* Indication regarding the implementation of quarterly review procedures

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

*Forward-looking statements and other special notes

Meiji Holdings Co., Ltd. was established as a joint holding company through the management integration on April 1, 2009 of Meiji Seika Kaisha, Ltd. (hereinafter, Meiji Seika) and Meiji Dairies Corporation (hereinafter, Meiji Dairies), and the two companies were made the holding company’s wholly owned subsidiary companies. Since the fiscal year ended March 2010 is the first term for the Company, no figures are available for the first quarter of the fiscal year ended March 2010 with regard to percentage change over the same period of the previous fiscal year.

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

(1) Qualitative Information Concerning the Consolidated Operating Results

(Millions of yen)

| | Net Sales | Operating Income | Ordinary Income | Net Income | Net Income per Share (Yen) |
|--|-----------|------------------|-----------------|------------|----------------------------|
| 1Q FY Ending March 2011 (3-month total, consolidated) | 270,612 | 9,206 | 9,136 | 3,777 | 51.26 |
| 1Q FY Ended March 2010 (3-month total, consolidated) | 269,727 | 5,393 | 5,613 | 1,847 | 25.09 |
| % of YoY Change | 0.3 | 70.7 | 62.8 | 104.4 | - |

In the first quarter of the consolidated fiscal year under review, the Japanese economy has steadily recovered, due to such factors as a moderate increase in exports and increased consumer confidence. However, prospects for the economy remain unclear, and are marked by concerns over the downside risks in overseas economies (particularly in Europe), the effect of domestic deflation, and the ongoing job market slump.

Under such circumstances, the Meiji Group has proactively promoted various measures during the current fiscal year aimed at “developing core businesses by enhancing competitiveness in the markets,” “promoting measures to create new demand,” and “reviewing all kinds of costs and strengthening the management foundation of the Group.” These measures are based on the main targets specified in “FY2009-2011 Medium-Term Business Plan,” which are to “strengthen and expand its existing businesses” and to “expedite synergies of the management integration.”

As a result, in the first quarter of the consolidated fiscal year under review, the Company recorded net sales of 270,612 million yen (up 0.3% year on year), an operating income of 9,206 million yen (up 70.7% year on year), an ordinary income of 9,136 million yen (up 62.8% year on year), and a net income of 3,777 million yen (up 104.4% year on year).

[Outline of Segments (Consolidated)]

(Millions of yen)

| | Reporting segments | | | | Other | Total | Adjustments | Amount presented in income statement |
|-------------------------|--------------------|------------------------------|-----------------|----------|--------|---------|-------------|--------------------------------------|
| | Dairy products | Confectionary and healthcare | Pharmaceuticals | Subtotal | | | | |
| Net Sales | 154,704 | 62,932 | 30,259 | 247,897 | 36,464 | 284,361 | (13,749) | 270,612 |
| Operating Income (loss) | 5,522 | (1,410) | 4,080 | 8,192 | 991 | 9,183 | 22 | 9,206 |

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

(i) Dairy products segment

(Millions of yen)

| | 1Q FY Ended March 2010 (3-month total, consolidated) | 1Q FY Ending March 2011 (3-month total, consolidated) | % of YoY Change |
|------------------|---|--|-----------------|
| Net Sales | 156,514 | 154,704 | (1.2) |
| Operating Income | 5,414 | 5,522 | 2.0 |

(Note) The dairy products segment includes the manufacturing and distribution of the following: fresh dairy (drinking milk/yogurt, etc.), powdered milk (milk for infants, etc.), condensed milk, butter, cheese, ice cream, beverages, nutraceuticals (enteral formula/VAAM, etc.), livestock products, etc. (This segment corresponds to the traditional, consolidated “Food” segment of Meiji Dairies.)

<Main points regarding financial results>

In the dairy industry, while the consumption of milk has remained weak, consumer demand has shifted to low-priced products, leading to intensifying sales competition.

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

- Sales were brisk for such products as yogurt, powdered milk, and ice cream, as well as cheese, thanks to the “Meiji Hokkaido Tokachi” series. However, sales of milk and other beverages affected by the intensifying price competition were unfavorable. As a result, sales for the segment as a whole fell below those of the same period of the previous fiscal year.
- Despite increased sales promotion expenses to maintain sales volume, the operating income exceeded that of the same period of the previous fiscal year. This is due primarily to cost reductions in raw materials and improvements in production-related expenses.

(ii) Confectionary and healthcare segment

(Millions of yen)

| | 1Q FY Ended March 2010 (3-month total, consolidated) | 1Q FY Ending March 2011 (3-month total, consolidated) | % of YoY Change |
|-------------------------|---|--|-----------------|
| Net Sales | 63,582 | 62,932 | (1.0) |
| Operating Income (loss) | (1,816) | (1,410) | – |

(Note) The confectionery and healthcare segment includes the manufacturing and distribution of confectionary, sugar, glycated flour, healthcare products (Amino Collagen, etc), over-the-counter (OTC) drugs (ISODINE® UGAIGUSURI, etc.), as well as the management of sports clubs. (This segment corresponds to the traditional “Food & Healthcare” segment of Meiji Seika.)

<Main points regarding financial results>

The climate of the confectionary industry has been severe, as the market shrunk from the previous year in all five of our mainstay categories (chocolate, chewing gum, candy, biscuits, and snacks). Moreover, unstable trends in the prices of raw materials have continued to have a major impact on profits.

A summary of the circumstances of the confectionary and healthcare segment under these conditions is as follows:

- In the confectionary business, although the new products “Sweets Gum” and “MINTZ” contributed to an increase in the sales of chewing gum, sales for the business as a whole were almost the same as the previous year. In the healthcare business, although sales of “Amino Collagen” and “Savas” expanded significantly, they did not compensate for a decrease in the sales of “ISODINE® UGAIGUSURI,” caused by the rebound of the demand triggered by the previous year’s swine flu pandemic. As a result, sales of the business fell below those of the same period of the previous fiscal year.
- Despite the effect of soaring raw material prices, operating loss improved from the same period of the previous fiscal year due primarily to improvements in the efficient handling of sales expenses.

(iii) Pharmaceuticals segment

(Millions of yen)

| | 1Q FY Ended March 2010 (3-month total, consolidated) | 1Q FY Ending March 2011 (3-month total, consolidated) | % of YoY Change |
|------------------|---|--|-----------------|
| Net Sales | 27,366 | 30,259 | 10.6 |
| Operating Income | 1,216 | 4,080 | 235.4 |

(Note) The pharmaceutical segment includes the manufacturing and distribution of ethical drugs, agricultural chemicals, veterinary drugs, etc. (This segment is the traditional “Pharmaceuticals” segment of Meiji Seika, plus the pharmaceuticals business in the “Others” segment of Meiji Dairies.)

<Main points regarding financial results>

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

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

- Despite the effects of drug price revisions, sales of the segment exceeded the same period of the previous fiscal year, owing to expanded sales of an antibacterial drug “MEIACT” and the ongoing robust sales of generic drugs, as well as the addition of sales for two new drug products launched last year (“REFLEX®” and “ORAPENEM®”).
- Operating income was much higher than that of the same period of the previous fiscal year due primarily to increased sales and improvement in variety composition.

(iv) Other

(Millions of yen)

| | 1Q FY Ended March 2010 (3-month total, consolidated) | 1Q FY Ending March 2011 (3-month total, consolidated) | % of YoY Change |
|------------------|---|--|-----------------|
| Net Sales | 35,806 | 36,464 | 1.8 |
| Operating Income | 793 | 991 | 24.9 |

(Note) The segment includes the following: real estate, feed stuff, transportation, storage, mechanical engineering services, food service producers, insurance agencies, and leasing. (This segment is the traditional non-pharmaceuticals business in the “Others” segment of Meiji Dairies, plus the “Office building leasing and others” segment of Meiji Seika, and it corresponds to the “Services and other” segment of the previous fiscal year.)

<Main points regarding financial results>

Both sales and operating income exceeded the same period of the previous fiscal year, due primarily to newly consolidated subsidiaries.