



Consolidated Financial Results
for the Second Quarter of the Fiscal Year Ending March 31, 2012
[Based on Japanese GAAP]

November 10, 2011

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Scheduled date of submission of the quarterly report: November 11, 2011

Scheduled date of dividend payment commencement: December 6, 2011

Preparation of explanatory material for quarterly financial results: Yes

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

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

1. Consolidated Financial Results for the First Six Months of FYE 2012/3 (April 1, 2011 to September 30, 2011)

(1) Consolidated operating results (For the six months ended Sept. 30, 2011)

(% of change from the previous fiscal year)

	Net Sales		Operating Income		Ordinary Income		Net Income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FYE 2012/3 First Six Months	548,121	(2.1)	7,413	(58.9)	8,668	(54.8)	2,359	(74.8)
FYE 2011/3 First Six Months	559,729	0.8	18,038	32.9	19,197	42.8	9,378	73.5

(Note) Comprehensive income: FYE 2012/3 first six months: 2,559 million yen (-54.5%)

FYE 2011/3 first six months: 5,719 million yen (-%)

	Net Income per Share	Diluted Net Income per Share
	Yen	Yen
FYE 2012/3 First Six Months	32.03	—
FYE 2011/3 First Six Months	127.26	—

(2) Consolidated financial position

	Total Assets	Net Assets	Equity Ratio
	Millions of yen	Millions of yen	%
FYE 2012/3 Second Quarter	735,518	295,185	39.2
FYE 2011/3	716,368	293,530	40.2

(Reference) Shareholders' equity: FYE 2012/3 Second Quarter: 288,264 million yen

FYE 2011/3: 287,782 million yen

2. Dividends

	Annual Dividends				
	End of First Quarter	End of Second Quarter	End of Third Quarter	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
FYE 2011/3	—	40.00	—	40.00	80.00
FYE 2012/3	—	40.00			
FYE 2012/3 (Projected)			—	40.00	80.00

(Note) Amendment to projected dividends recently announced: None

3. Forecasts of Consolidated Financial Results for FYE 2012/3 (April 1, 2011 to March 31, 2012)

(% of change from the previous fiscal year)

	Net Sales		Operating Income		Ordinary Income		Net Income		Net Income per Share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
FYE 2012/3 Full Year	1,116,000	0.4	21,000	(29.9)	22,000	(27.8)	10,000	4.7	135.74

(Note) Amendment to forecasts of consolidated financial results recently announced: Yes

For details, see page 5 of the accompanying exhibits “1. Qualitative Information concerning Consolidated Performance for the Current Quarter, (3) Qualitative Information Concerning the Forecasts of Consolidated Performance” and “Notice concerning Differences between the Forecasts and Actual Results for the First Half of Fiscal Year ending March 31, 2012 and Revisions to Financial Forecasts for the Full Year.”

4. Other

(1) Changes in significant subsidiaries during the current quarter

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

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

(Note) For details, please refer to “2. Items Concerning Summary Information (Other) (2) Application of specific accounting treatment in the preparation of quarterly consolidated financial statements” on page 5.

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

1. Changes in accounting policy due to revisions of accounting standards: None

2. Other changes in accounting policy: None

3. Changes in accounting estimates: None

4. Restatements: None

(4) Number of shares outstanding (common stock)

1. Number of shares outstanding at end of period (including treasury stock)	FYE 2012/3 Second Quarter	76,341,700 shares	FYE 2011/3	76,341,700 shares
2. Number of treasury stock at end of period	FYE 2012/3 Second Quarter	2,673,507 shares	FYE 2011/3	2,671,471 shares
3. Average number of shares during period	FYE 2012/3 Second Quarter	73,669,071 shares	FYE 2011/3 Second Quarter	73,694,351 shares

* Indication regarding the implementation of quarterly review procedures

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

* Forward-looking statements and other special notes

(Notice concerning forward-looking statements)

The forward-looking statements described in this document, such as business forecasts, are based on information available at the time of the release of this presentation and reasonable assumptions made by the Company. Actual results could differ materially from forecasts due to various factors. For earnings forecasts assumptions and other related items, please refer to “1. Qualitative Information concerning Consolidated Performance for the Current Quarter, (3) Qualitative Information Concerning the Forecasts of Consolidated Performance” (page 5).

(Explanatory material for quarterly financial results)

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

1. Qualitative Information Concerning Consolidated Performance for the Current Quarter

(1) Qualitative Information Concerning Consolidated Operating Results

(Millions of yen)

	Net Sales	Operating Income	Ordinary Income	Net Income	Net Income per Share (Yen)
FYE 2012/3 First Six Months	548,121	7,413	8,668	2,359	32.03
FYE 2011/3 First Six Months	559,729	18,038	19,197	9,378	127.26
% of YoY Change	(2.1)	(58.9)	(54.8)	(74.8)	—
Change from First-Half Forecasts for FYE 2012/3 (%)	+4.0	+34.8	+23.8	+18.0	—

During the six-month reporting period under review, the Japanese economy began to slowly recover from the impact of the Great East Japan Earthquake, which disrupted production activity and resulted in a sharp decline in exports. However, the economic outlook is becoming increasingly uncertain amid persistently difficult employment conditions and ongoing sluggishness in consumer spending, which resulted from the recessionary trends developing in Europe and the U.S. and the ongoing appreciation of the yen against other major currencies.

Under such circumstances, the Meiji Group revised downward its forecasts for net sales and income, taking into account the impact of the earthquake on each business, including the Dairy business, which suffered particularly extensive damage. We pushed for a quick recovery in the first half, and in the second half we will work to return to our pre-quake levels. The Confectionery and Pharmaceuticals businesses recovered during the first quarter, and the Dairy business generally recovered in the second quarter. Thus, the sales performance of these three businesses showed a steady improvement. We expect profits, however, to remain at a low level.

Progress in the first six months of the fiscal year ending March 31, 2012 were generally in line with our plans, but sales of fresh dairy products and nutritional products fell far below previous-year levels due to the effects of rolling blackouts and supply chain interruptions.

As a result, the Company recorded net sales of 548,121 million yen (down 2.1% year on year), operating income of 7,413 million yen (down 58.9% year on year), ordinary income of 8,668 million yen (down 54.8% year on year), and net income of 2,359 million yen (down 74.8% year on year), due to the posting of an extraordinary loss for earthquake-related damage.

Comparing our performance targets for the first six months of the fiscal year ending March 31, 2012 (which take into account the impact of the earthquake) with actual results, net sales rose by 4.0%, operating income increased 34.8%, ordinary income grew by 23.8%, and net income for the first six months increased 18.0%, showing a steady recovery to pre-earthquake levels.

*On April 1, 2011, Meiji Holdings reorganized its two core operating companies into “Meiji Co., Ltd.” (a food company), and “Meiji Seika Pharma Co., Ltd.” (a pharmaceuticals company). The reporting segments were changed to the “Food” and “Pharmaceuticals” segments. See the accompany exhibits for details.

[Outline of Segments (Consolidated)]

(Millions of yen)

	Reporting Segments		Total	Adjustments	Amount Presented in Statements of Income
	Food	Pharmaceuticals			
Net Sales	490,589	58,568	549,158	(1,037)	548,121
Operating Income	2,663	4,320	6,984	429	7,413

(Note)

The reporting segments were changed to the “Food” and “Pharmaceuticals” segments. See the accompany exhibits for details.

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

(Millions of yen)

	FYE 2011/3 First Six Months	FYE 2012/3 First Six Months	% of YoY Change
Net Sales	502,629	490,589	(2.4)
Operating Income	13,058	2,663	(79.6)

(Note)

The actual figures for fiscal year ended March 31, 2011 have been presented, assuming for the sake of comparison that the new segmentation had been applied from the start of that fiscal year.

The Confectionery and Healthcare & Nutritionals businesses showed a relatively strong performance, recovering from the impact of the earthquake in a relatively quick manner. Regarding fresh dairy products, sales in the first quarter fell far short of the same period of the previous year, but showed a recovery in the second quarter, as generally expected. Consequently, net sales declined only slightly, by 2.4% year on year. Operating income fell far below the previous year’s level due to a worsening of the fresh dairy product mix and a decline in the sales of nutritional products.

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

■ Dairy business (Drinking milk, yogurt, beverages, cheese, butter, dairy products for professional use business, etc.)

Regarding fresh dairy products, sales for “Meiji Bulgaria Yogurt” and “Meiji Probio Yogurt LG21,” which declined dramatically in the first quarter of fiscal year ending March 31, 2012, recovered to the previous year’s level thanks to aggressive marketing efforts. In addition, sales of natural cheese for the fresh dairy market and margarine also rose year on year, supported by strong sales of our new margarine “*Offstyle*,” launched in March 2011.

■ Confectionery business (Chocolate, chewing gum, candy, imported confectionaries, ice cream, institutional foodstuffs, such as confectioneries and other food products, etc.)

Confectionery sales rose year on year, mainly due to long-selling products such as “Almond Chocolate,” “Kinoko no Yama,” “Takenoko no Sato,” and a new product was added to the “Galbo” lineup. On the other hand, regarding ice cream, which was added to the Confectionery business from the current fiscal year, sales of “Meiji Essel Super Cup” remained nearly at the same level as the previous fiscal first-half reporting period, while the “Chocolate Ice Cream Bar” and “Milk Chocolate Ice Cup,” both two new products launched in September 2011, are selling well.

■ Healthcare and Nutritionals business (Sports nutrition, functional healthcare products, food, OTC drugs, infant formula, enteral formula, nursing care foods, etc.)

Regarding Healthcare products, marketing activities were effective in boosting sales of “Amino Collagen,” “SAVAS” and the “Perfect Plus” jelly drink over the same period of the previous year. On the other hand, with regard to Nutritional products, infant formula posted a year-on-year decline due to a fall-off in demand following panic buying seen in the preceding quarter, which had been, triggered by the Great East Japan Earthquake. Thanks to a recovery in production and supply capabilities for enteral formula, sales were nearly on par with the same period for the previous year.

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

(Millions of yen)

	FYE 2011/3 First Six Months	FYE 2012/3 First Six Months	% of YoY Change
Net Sales	58,002	58,568	+1.0
Operating Income	4,835	4,320	(10.6)

(Note)

The actual figures for fiscal year ended March 31, 2011 have been presented, assuming for the sake of comparison that the new segmentation had been applied from the start of that fiscal year.

Net sales for this segment increased slightly over the same period of the previous year. Operating income, however, fell below the previous year’s level owing to increases in research and development costs.

A summary of the Pharmaceuticals segment is as follows.

■ Ethical Pharmaceuticals

Our Ethical Pharmaceuticals business showed year-on-year growth in net sales, owing to a rise in sales of the antibacterial drugs “MEIACT” and “ORAPENEM” and the antidepressant drug “REFLEX,” as well as the calcium channel blocker “AMLODIPINE MEIJI.”

■ Agricultural Chemicals (agricultural chemicals and veterinary drugs)

Sales "ORZYEMATE" series of rice blast preventatives rose year on year, and the new "ZAXA" liquid formula foliage herbicide launched in April also contributed to sales of this segment.

(2) Qualitative Information Concerning Consolidated Financial Position

(i) Assets, Liabilities and Net Assets

[Assets]

Total assets at the end of the second quarter of the consolidated fiscal year under review increased by 19,149 million yen compared to the end of the previous fiscal year, to 735,518 million yen. This was mainly because goods and products increased by 8,055 million yen, and total investments and other assets increased by 7,961 million yen.

[Liabilities]

Total liabilities at the end of the second quarter of the consolidated fiscal year under review increased by 17,494 million yen compared to the end of the previous fiscal year, to 440,332 million yen. This was mainly because short-term bank loans decreased by 36,242 million yen and long-term debt decreased by 10,184 million yen, while bonds increased by 35,000 million yen, notes and accounts payable increased by 9,091 million yen and commercial paper increased by 20,000 million yen.

[Net Assets]

Total net assets at the end of the second quarter of the consolidated fiscal year under review increased by 1,655 million yen compared to the end of the previous fiscal year, to 295,185 million yen. This was mainly because minority interests increased by 1,173 million yen.

The equity ratio was 39.2% (compared with 40.2% at the end of the previous consolidated fiscal year).

(ii) Cash Flows

(Millions of yen)

	FYE 2011/3 First Six Months	FYE 2012/3 First Six Months	Change
Net cash provided by operating activities	29,843	6,269	(23,574)
Net cash used in investing activities	(18,964)	(22,754)	(3,790)
Net cash used in (provided by) financing activities	(12,503)	4,590	17,094
Effect of exchange rate changes on cash and cash equivalents	(162)	70	233
Net increase (decrease) in cash and cash equivalents	(1,787)	(11,823)	(10,035)
Cash and cash equivalents at beginning of the year	16,061	21,741	5,680
Increase in cash and cash equivalents from newly consolidated subsidiary	21	1,281	1,260
Cash and cash equivalents at end of period	14,295	11,200	(3,095)

Net cash flow provided by operating activities decreased by 23,574 million yen from the same period of the previous consolidated fiscal year to 6,269 million yen, due primarily to a decline in income before income taxes, and a rise in cash outflow resulting from increases in trade receivables and inventories.

Net cash used in investing activities increased by 3,790 million yen from the same period of the previous consolidated fiscal year to 22,754 million yen, due primarily to an increase in payments for purchases of property, plants and equipment.

As a result, free cash flow (cash flow from operating activities minus cash flow used in investing activities) was an outflow of 16,484 million yen, up 27,364 million yen from the same period of the previous year.

Net cash provided by financing activities increased by 17,094 million yen from the same period of the previous consolidated fiscal year, to 4,590 million yen owing to a rise in financial obligations.

These resulted in 11,200 million yen of cash and cash equivalents at the end of the first half of the consolidated fiscal year, ended September 30, 2011.

(3) Qualitative Information Concerning the Forecasts of Consolidated Performance (FYE 2012/3)

(Millions of yen)

	Net Sales	Operating Income	Ordinary Income	Net Income
Previous forecast (A)	1,093,000	21,000	22,000	10,000
Revised forecast (B)	1,116,000	21,000	22,000	10,000
Change (B-A))	23,000	—	—	—

We have revised upward our previous forecast for net sales for the full year, reflecting the amount of difference between planned and actual sales for the first half. Meanwhile, although our profits exceeded our plan in the first half, we have decided to leave our previous forecasts unchanged because such costs as research and development costs, and selling expenses are expected to increase in the Pharmaceuticals segment in the third quarter and thereafter.

2. Items Concerning Summary Information (Other)

(1) Changes in Significant Subsidiaries during the Current Quarter

Not applicable.

(2) Application of Specific Accounting Treatment in the 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, then multiplying income before income taxes by the estimated effective tax rate.

Income taxes-deferred are shown included in income taxes.

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

Not applicable.

(4) Others

(Changes in the method of presenting revenues and expenses of real estate rentals)

Rental revenues related to the real estate rental business were previously posted in net sales. However, starting from the first quarter of the consolidated fiscal year ending March 31, 2011, these are posted as the rent income on real estate in non-operating income, and related costs are posted as the rent cost of real estate in non-operating expenses. Fixed assets related to the real estate rental business were previously posted in property, plant and equipment, but are now posted in investments and other assets. These presentation methods were changed because the importance of the real estate business for the Meiji Group decreased due to changes in the management structure of the real estate business under the new management structure resulting from the Group reorganization.

Also, the portion of corporate housing costs paid by employees, and rental revenues from rental of part of the headquarters, etc., were posted as rent income on fixed assets as part of non-operating income. Related depreciation, etc., was posted in the cost of sales or in selling, general and administrative expenses. However, starting from the current quarter, the method was changed, with rental revenues deducted from cost of sales or selling, general and administrative expenses. This is because with the revision of presentation categories of the real estate business, the presentation categories of corporate housing costs, etc., were reconsidered, and consequently the presentation method was changed to clarify the substantial cost burden and more properly present operating income/loss. These

changes in presentation method are applied retroactively, with quarterly consolidated financial statements and consolidated financial statements for the previous quarter and previous consolidated fiscal year shown after retroactive application.

As a result, compared to before this retroactive application, net sales for the first six months of fiscal year ended March 2011 decreased by 1,579 million yen, while operating income increased by 492 million yen. However, there was no impact on ordinary income and income before income taxes. Also, a total of 21,118 million yen in fixed assets relating to rental properties were included in “property, plants and equipment” in the previous consolidated fiscal year, but are now included in “other” under “investments and other fixed assets.” (These assets include 19,767 million yen in buildings and structures, 1,237 million yen in land, and 114 million yen in the “other” category.)

3. Quarterly Consolidated Financial Statements

(1) Quarterly Consolidated Balance Sheets

(Millions of yen)

	FYE 2011/3 (As of March 31, 2011)	FYE 2012/3 Second Quarter (As of September 30, 2011)
ASSETS		
Current assets		
Cash and deposits	21,759	11,498
Notes and accounts receivable	146,377	150,254
Goods and products	72,654	80,709
Work in process	1,895	3,509
Raw materials and supplies	30,601	30,744
Others	28,721	32,891
Allowance for doubtful accounts	(333)	(344)
Total current assets	301,676	309,264
Fixed assets		
Property, plants and equipment		
Buildings and structures	259,986	269,915
Less accumulated depreciation	(144,267)	(147,462)
Buildings and structures (net)	115,719	122,452
Machinery and equipment	413,019	423,457
Less accumulated depreciation	(313,204)	(320,683)
Machinery and equipment (net)	99,814	102,773
Tools and furniture	55,992	56,244
Less accumulated depreciation	(46,274)	(46,760)
Tools and furniture (net)	9,717	9,483
Land	65,214	65,363
Lease assets	5,796	6,570
Less accumulated depreciation	(1,463)	(1,921)
Lease assets (net)	4,333	4,648
Construction in progress	18,950	12,029
Total property, plants and equipment	313,750	316,751
Intangible assets		
Goodwill	1,582	1,454
Other	8,144	7,975
Total intangible assets	9,726	9,429
Investments and other fixed assets		
Investments securities	34,926	35,420
Other	57,058	65,020
Allowance for doubtful accounts	(770)	(367)
Total investments and other fixed assets	91,215	100,072
Total fixed assets	414,692	426,253
Total assets	716,368	735,518

(Millions of yen)

	FYE 2011/3 (As of March 31, 2011)	FYE 2012/3 Second Quarter (As of September 30, 2011)
LIABILITIES		
Current liabilities		
Notes and accounts payable	92,157	101,248
Short-term bank loans	87,989	51,746
Current portion of bonds	–	20,000
Commercial paper	21,000	41,000
Income taxes payable	3,902	4,648
Accrued bonuses to employees	9,585	10,087
Allowance for sales returns	241	236
Allowance for sales rebates	6,092	5,378
Other current liabilities	80,366	74,804
Total current liabilities	301,333	309,150
Long-term liabilities		
Bonds	55,000	70,000
Long-term debt	28,821	18,637
Accrued employees' retirement benefits	17,125	17,864
Reserve for directors' retirement benefits	390	392
Other long-term liabilities	20,166	24,286
Total long-term liabilities	121,504	131,181
Total liabilities	422,838	440,332
NET ASSETS		
Shareholders' equity		
Common stock	30,000	30,000
Capital surplus	98,852	98,852
Retained earnings	172,128	172,578
Treasury stock, at cost	(9,255)	(9,262)
Total shareholders' equity	291,724	292,168
Accumulated other comprehensive income		
Net unrealized holding gains or losses on securities	3,072	3,346
Deferred gains or losses on hedges	(2,899)	(3,477)
Foreign currency translation adjustments	(4,115)	(3,772)
Total accumulated other comprehensive income	(3,942)	(3,904)
Minority interests	5,748	6,921
Total net assets	293,530	295,185
Total liabilities and net assets	716,368	735,518

(2) Quarterly Consolidated Statements of Income and Consolidated Statements of Comprehensive Income
(Quarterly Consolidated Statements of Income)
(First Six Months Ended September 30, 2011)

(Millions of yen)

	FYE 2011/3 First Six Months (April 1, 2010 to September 30, 2010)	FYE 2012/3 First Six Months (April 1, 2011 to September 30, 2011)
Net sales	559,729	548,121
Cost of sales	370,089	369,120
Gross profit	189,640	179,000
Selling, general and administrative expenses	171,601	171,586
Operating income	18,038	7,413
Non-operating income		
Interest income	20	28
Dividend income	597	563
Rent income on fixed assets	1,499	1,346
Compensation income	2,000	1,500
Equity in income of affiliates	208	128
Other	705	596
Total non-operating income	5,030	4,163
Non-operating expenses		
Interest expenses	1,162	1,001
Foreign exchange losses	796	477
Rent cost of real estate	1,298	959
Other	614	470
Total non-operating expenses	3,871	2,909
Ordinary income	19,197	8,668
Extraordinary income		
Gain on sale of property, plants and equipment	129	272
Other	217	34
Total extraordinary income	346	306
Extraordinary losses		
Loss on disposal of property, plants and equipment	1,005	599
Loss on disaster	–	789
Cost of corporate reorganization	–	715
Loss on adjustment for changes of accounting standard for asset retirement obligations	462	–
Other	647	650
Total extraordinary losses	2,115	2,754
Income before income taxes	17,428	6,220
Income taxes	7,854	3,724
Income before minority interests	9,574	2,496
Minority interests	195	136
Net income	9,378	2,359

(Quarterly Consolidated Statements of Comprehensive Income)
(First Six Months Ended September 30, 2011)

(Millions of yen)

	FYE 2011/3 First Six Months (April 1, 2010 to September 30, 2010)	FYE 2012/3 First Six Months (April 1, 2011 to September 30, 2011)
Net income before minority interests	9,574	2,496
Other comprehensive income		
Net unrealized holding gains or losses on securities	(2,322)	271
Deferred gains or losses on hedges	(465)	(578)
Foreign currency translation adjustments	(1,057)	409
Equity in affiliates accounted for by equity method	(10)	1
Total other comprehensive income	(3,855)	103
Comprehensive income	5,719	2,599
(Breakdown)		
Comprehensive income attributable to shareholders of parent company	5,708	2,398
Comprehensive income attributable to minority shareholders	10	200

(3) Quarterly Consolidated Statements of Cash Flow

(Millions of yen)

	FYE 2011/3 First Six Months (April 1, 2010 to September 30, 2010)	FYE 2012/3 First Six Months (April 1, 2011 to September 30, 2011)
Cash flows from operating activities		
Income before income taxes and minority interests	17,428	6,220
Depreciation and amortization	20,194	19,798
Amortization of goodwill	139	127
Loss on disposal of property, plants and equipment	1,005	599
Loss (gain) on valuation of investment securities	94	417
Increase (decrease) in allowance for doubtful accounts	92	(395)
Increase (decrease) in accrued bonuses to employees	1,294	501
Increase (decrease) in accrued employees' retirement allowance	(2,435)	(2,024)
Interest and dividends received	(617)	(591)
Interest expenses	1,162	1,001
Equity in loss (income) of affiliates	(208)	(128)
Loss (gain) on sale of property, plants and equipment	(97)	(251)
Decrease (increase) in trade receivables	1,712	(2,432)
Decrease (increase) in inventories	(2,006)	(9,682)
Increase (decrease) in trade payables	4,461	8,503
Other	(2,164)	(11,354)
Subtotal	40,055	10,308
Interest and dividends received	705	599
Interest paid	(1,044)	(1,043)
Income taxes paid	(9,872)	(3,594)
Net cash provided by operating activities	29,843	6,269
Cash flows from investing activities		
Payments for purchases of property, plants and equipment	(18,603)	(19,889)
Payments for purchases of intangible fixed assets	(1,042)	(1,138)
Proceeds from sales of property, plants and equipment and intangible fixed assets	850	268
Payments for investments in real estates	(11)	(5)
Proceeds from sales of investments in real estates	-	520
Payments for purchases of investment securities	(260)	(117)
Proceeds from sales of investment securities	115	14
Other	(12)	(2,405)
Net cash used in investing activities	(18,964)	(22,754)

(Millions of yen)

	FYE 2011/3 First Six Months (April 1, 2010 to September 30, 2010)	FYE 2012/3 First Six Months (April 1, 2011 to September 30, 2011)
Cash flows from financing activities		
Increase (decrease) in short-term bank loans	(501)	(44,247)
Increase (decrease) in commercial paper	(1,000)	20,000
Repayment of long-term loans payable	(4,367)	(2,249)
Proceeds from issuance of bonds	–	34,838
Decrease (increase) in treasury stock	(48)	(6)
Cash dividends paid	(5,837)	(2,928)
Cash dividends paid to minority shareholders	(136)	(119)
Other	(611)	(695)
Net cash used in (provided by) financing activities	(12,503)	4,590
Effect of exchange rate changes on cash and cash equivalents	(162)	70
Net increase (decrease) in cash and cash equivalents	(1,787)	(11,823)
Cash and cash equivalents at beginning of the year	16,061	21,741
Increase in cash and cash equivalents from newly consolidated subsidiary	21	1,281
Cash and cash equivalents at end of period	14,295	11,200

(4) Notes Concerning the Premise of a Going Concern

Not applicable.

(5) Segment Information, etc.

(Segment Information)

I The First Six Months of the Previous Consolidated Fiscal Year (April 1, 2010 to September 30, 2010)

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

(Millions of yen)

	Reporting Segments		Total	Adjustments (Note 1)	Amount Presented in Statements of Income (Note 2)
	Food	Pharmaceuticals			
Net Sales					
(1) Sales to Outside Customers	502,223	57,505	559,729	–	559,729
(2) Inter-segment Sales and Transfers	405	497	902	(902)	–
Total	502,629	58,002	560,632	(902)	559,729
Income by Segment	13,058	4,835	17,893	145	18,038

(Notes)

1. Details of “Adjustments” are as follows:

The segment income adjustment of 145 million yen includes inter-segment eliminations of 62 million yen and 82 million yen in corporate expenses that are not allocated to individual reporting segments. Corporate expenses mainly consist of recognized actuarial loss on the projected retirement benefit obligation resulting from mark-to-market valuation of pension plan assets and entrusted securities in some consolidated subsidiaries, as well as administrative expenses for the Company (the holding company).

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

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

(Significant impairment loss on fixed assets)

There was no significant impairment loss on fixed assets.

(Significant changes in the amount of goodwill)

There were no significant changes in the amount of goodwill.

(Significant gain on negative goodwill)

No significant negative goodwill was generated.

II The First Six Months of the Consolidated Fiscal Year under Review (April 1, 2011 to September 30, 2011)

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

(Millions of yen)

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

(Notes)

1. Details of “Adjustments” are as follows:

The segment income adjustment of 429 million yen includes inter-segment eliminations of 34 million yen and 395 million yen in corporate expenses that are not allocated to individual reporting segments. Corporate expenses mainly consist of recognized actuarial loss on the projected retirement benefit obligation resulting from mark-to-market valuation of pension plan assets and entrusted securities in some consolidated subsidiaries, as well as administrative expenses for the Company (the holding company).

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

2. Items concerning changes in reporting segments

During the current quarter, the Meiji Group executed an internal reorganization within the Group based on an absorption-type split agreement. The reporting segments were changed accordingly, from the previous “Dairy Products,” “Confectionery and Healthcare” and “Pharmaceuticals” segments to the “Food” and “Pharmaceuticals” segments after the change.

- Food Businesses of Meiji Co., Ltd.
- Pharmaceuticals Businesses of Meiji Seika Pharma Co., Ltd.

Segment information for the second quarter of the previous fiscal year has been presented in the new segmentation for the sake of comparison. Also, segment information for the second quarter of the previous fiscal year has been presented after the retroactive application of “Changes in the method of presenting revenues and expenses of real estate rentals” described in the section entitled “2. Items Concerning Summary Information (Other),” under “(4) Others,” on page 5.

3. 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.

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

Not applicable.

(6) Significant Subsequent Events

Not applicable.