



Consolidated Financial Results for the Fiscal Year Ended March 31, 2013 [Based on Japanese GAAP]

May 14, 2013

Name of Listed Company: Meiji Holdings Co., Ltd. Listed exchange: 1st Section, Tokyo Stock Exchange
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Scheduled date of annual shareholders meeting: June 27, 2013

Scheduled date of submission of the securities report: June 27, 2013

Scheduled date of dividend payment commencement: June 7, 2013

Preparation of explanatory material for full-term financial results: Yes

Holding of a briefing on full-term financial results: Yes (a briefing for analysts and institutional investors)

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

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

(1) Consolidated operating results

(% of change from the previous fiscal year)

	Net Sales		Operating Income		Ordinary Income		Net Income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FYE 2013/3	1,126,520	1.6	25,859	28.1	29,131	33.1	16,646	144.6
FYE 2012/3	1,109,275	-0.2	20,189	-32.6	21,882	-28.1	6,805	-28.8

(Note) Comprehensive income: FYE 2013/3: 27,919 million yen (218.9%)

FYE 2012/3: 8,755 million yen (81.3%)

	Net Income per Share	Diluted Net Income per Share	Return on Equity	Ordinary Income/Total Assets	Operating Income/Net Sales
	Yen	Yen	%	%	%
FYE 2013/3	225.98	—	5.5	3.8	2.3
FYE 2012/3	92.38	—	2.3	3.0	1.8

(Reference) Equity in income of affiliates: FYE 2013/3: 310 million yen

FYE 2012/3: 353 million yen

(2) Consolidated financial position

	Total Assets	Net Assets	Equity Ratio	Net Assets per Share
	Millions of yen	Millions of yen	%	Yen
FYE 2013/3	785,514	320,609	39.9	4,254.56
FYE 2012/3	749,985	298,491	38.9	3,958.24

(Reference) Shareholders' equity: FYE 2013/3: 313,383 million yen

FYE 2012/3: 291,589 million yen

(3) Consolidated cash flows

	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Cash and Cash Equivalents at Year-End
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
FYE 2013/3	50,622	-39,504	-9,411	16,564
FYE 2012/3	30,597	-44,314	4,861	14,363

2. Dividends

	Cash Dividends Per Share					Total Cash Dividends (annual)	Payout Ratio (Consolidated)	Dividends to Net Assets Ratio (Consolidated)
	End of First Quarter	End of Second Quarter	End of Third Quarter	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
FYE 2012/3	–	40.00	–	40.00	80.00	5,893	86.6	2.0
FYE 2013/3	–	40.00	–	40.00	80.00	5,892	35.4	1.9
FYE 2014/3 (Projected)	–	40.00	–	40.00	80.00		35.7	

3. Forecasts of Consolidated Financial Results for FYE 2014/3 (April 1, 2013 to March 31, 2014)

(% 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
FYF 2014/3 1st Half	565,000	0.7	12,000	19.4	13,000	10.2	6,500	23.4	88.25
FYE 2014/3 Full Year	1,140,000	1.2	29,000	12.1	30,000	3.0	16,500	-0.9	224.01

*Notes

(1) Changes in significant subsidiaries during the fiscal year under review

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

(2) 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

(3) Number of shares outstanding (common stock)

1. Number of shares outstanding at end of period (including treasury stock)

FYE 2013/3	76,341,700 shares	FYE 2012/3	76,341,700 shares
FYE 2013/3	2,683,368 shares	FYE 2012/3	2,675,306 shares
FYE 2013/3	73,663,781 shares	FYE 2012/3	73,668,186 shares

2. Number of treasury stock at end of period

3. Average number of shares during period

(Reference) Non-Consolidated Financial Results for FYE 2013/3 (April 1, 2012 to March 31, 2013)

(1) Consolidated operating results

(% of change from the previous fiscal year)

	Net Sales		Operating Income		Ordinary Income		Net Income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FYE 2013/3	9,496	-11.6	7,664	-13.5	8,327	-11.1	7,323	-24.8
FYE 2012/3	10,746	215.9	8,862	460.1	9,369	535.9	9,741	663.4

	Net Income per Share	Diluted Net Income per Share
	Yen	Yen
FYE 2013/3	99.42	–
FYE 2012/3	132.23	–

(2) Consolidated financial position

	Total Assets	Net Assets	Equity Ratio	Net Assets per Share
	Millions of yen	Millions of yen	%	Yen
FYE 2013/3	454,028	261,830	57.7	3,554.67
FYE 2012/3	405,417	256,383	63.2	3,480.33

(Reference) Shareholders' equity: FYE 2013/3: 261,830 million yen

FYE 2012/3: 256,383 million yen

* Indication regarding the implementation of financial review procedures

This financial results report is not subject to the review procedures prescribed by the Financial Instruments and Exchange Act. At the time of the disclosure of this financial results report, the 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. Operating Results, (1) Analysis of Operating Results, (iii) Forecasts for the Fiscal Year ending March 31, 2014" (page 4).

(Explanatory material for financial results)

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

1. Operating Results

(1) Analysis of Operating Results

(Millions of yen)

	Net Sales	Operating Income	Ordinary Income	Net Income	Net Income per Share (Yen)
FYE 2013/3	1,126,520	25,859	29,131	16,646	225.98
FYE 2012/3	1,109,275	20,189	21,882	6,805	92.38
% of YoY Change	1.6	28.1	33.1	144.6	—

In the consolidated fiscal year ended March 31, 2013, Japan's economy continued to face tough conditions. Uncertainty about the world economy has become heightened due to the prolonged European debt crisis and slowdown of the economy in emerging countries. Japan's economy has been suffering from ongoing deflation and stagnant consumer buying appetite amid continuing weak employment. Although the yen's weakening and rise in stock prices since the end of last year began to bring some brightness as indicated by an improved environment for the export business and growing sales of expensive goods, consumers' tendency to spend less money and price reductions still continue.

Under these circumstances, the Meiji Group started carrying out initiatives to strengthen and expand the existing businesses, fostering growing businesses and improving profitability in line with "higher profitability and strategic investment for future growth", which was addressed as our priority theme in the FY2012-2014 Group Medium-Term Business Plan, "TAKE OFF 14".

In fiscal year 2012 ended March 31, 2013, which was the first year of "TAKE OFF 14", our Food segment enjoyed brisk sales of yogurt products in Dairy business, while it has taken steps to strengthen its profitability base in respective business lines. Our Pharmaceuticals segment was adversely affected by the drug price revisions in April 2012; however, its negative impact was offset by a profit increase in domestic sales of ethical pharmaceuticals and cost reductions, and the segment focused on strengthening R&D for continued growth.

As a result of the foregoing, in the fiscal year ended March 31, 2013, we achieved net sales of 1,126,520 million yen (up 1.6% year on year), operating income of 25,859 million yen (up 28.1% year on year), and ordinary income of 29,131 million yen (up 33.1% year on year). And as a consequence of higher income and reduced tax expenses, we posted net income of 16,646 million yen (up 144.6% year on year).

Below is an overview by segment.

(Millions of yen)

	Reporting Segments		Total	Adjustments	Amount Presented in Statements of Income
	Food	Pharmaceuticals			
Net Sales	1,001,551	127,361	1,128,912	-2,391	1,126,520
Operating Income	19,383	6,461	25,845	14	25,859

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

(Millions of yen)

	FYE 2012/3	FYE 2013/3	% of YoY Change
Net Sales	986,319	1,001,551	1.5
Operating Income	11,491	19,383	68.7

Net sales marked a very favorable growth, particularly driven by yogurt products in Dairy business. Sales of Confectionery business stayed almost on a par with the previous fiscal year and net sales of Healthcare and Nutritional business declined. However, a significant growth in sales of Dairy business contributed to the segment as a driving force, resulting in overall net sales surpassing the previous fiscal year.

Operating income achieved substantial growth on the year mainly due to a sales increase in Dairy business as well as an improvement of product mix.

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

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

Amid fresh dairy products, sales of probiotics yogurt products achieved vigorous growth, while in processed dairy food products sales of mainstay products posted a steady increase. As a result, overall business sales substantially grew from the previous fiscal year.

Fresh Dairy

- Amid growing health consciousness, “Meiji Yogurt R-1” maintained steady sales growth and net sales of probiotics yogurt products including “Meiji Probio Yogurt LG21” marked outstanding growth. Sales of overall yogurt products including the aforementioned as well as “Meiji Bulgaria Yogurt” significantly increased from the previous fiscal year.
- Sales of drinking milk remained unchanged from the previous fiscal year. Sales of the milk brand “Meiji Oishii Gyunyu” posted favorable growth thanks to in-store marketing, a campaign for the 10th anniversary and other efforts.

Processed dairy food products

- Sales of cheese grew more than the previous fiscal year, supported by a steady sales expansion of the mainstay product, “Meiji Hokkaido Tokachi Camembert Cheese” and other products.
- In sales of margarine for commercial use, the expanded line-up of the “Meiji Healthy Soft Offstyle” series posted vigorous growth surpassing the previous fiscal year.
- Sales of fresh cream for professional use posted satisfactory growth surpassing the previous fiscal year as a result of new customer acquisition activities and other measures.

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

Although sales of confectioneries posted negative growth on the year, sales of desserts and other food products achieved steady growth. As a result, we attained the same level of overall sales as the previous fiscal year.

Confectioneries

- Sales of nut-chocolate products such as “Meiji Almond Chocolate,” which had its 50th anniversary, posted steady growth. However, overall sales of chocolate products remained below the previous fiscal year due to sluggish market conditions resulting from the prolonged summer heat and other negative factors.
- Sales of chewing gum substantially declined from the previous fiscal year amid a stagnant market. Sales of gummy products showed a steady expansion due to a launch of new flavored products.

Desserts

- Sales of ice cream posted year-on-year growth. The brand product, “Meiji Essel Super Cup,” which added a new flavor, successfully expanded its sales, while the “Meiji Chocolate Ice Cream” series also saw steady sales growth. Sales of “Meiji The Premium Gran” resumed in November 2012.

Institutional Food Products

- In both confectioneries and other food products, sales of their mainstay products registered growth thanks to efforts to offer products that meet customer needs, resulting in greater net sales than the previous fiscal year.

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

Healthcare products were adversely affected by intensifying competition, having ended with lower net sales compared to the previous fiscal year, while nutritional products posted year-on-year growth due to higher sales of enteral formula. As a result, sales for the whole business declined on the year.

Healthcare products

- Sales of “SAVAS” increased steadily as a result of extensive promotion activities to joggers and student users. Sales of “Amino Collagen” posted a significant decline on the year due to sluggish market conditions and increased competition.

Nutritional products

- Sales of enteral formula and food for elderly people increased year on year due to an increase in new users as well as a launch of new products.
- Sales of infant formula remained unchanged from the previous fiscal year.

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

(Millions of yen)

	FYE 2012/3	FYE 2013/3	% of YoY Change
Net Sales	125,274	127,361	1.7
Operating Income	8,186	6,461	-21.1

Sales of ethical pharmaceuticals posted year-on-year growth primarily due to a growth in sales of antidepressant drug and generic drugs, by which the adverse impact from the drug price revisions was offset. In addition, sales in agricultural chemicals and veterinary drugs business rose on the year. As a consequence, overall segment sales marked a year-on-year growth.

Operating income became lower than the previous fiscal year. While the negative impact due to the drug price revisions was offset by both a profit increase in domestic ethical pharmaceuticals and a cost reduction, an increase in R&D expenses was a major factor of the decrease in operating income.

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

■ Ethical Pharmaceuticals

- Sales of the antibacterial drug “MEIACT” declined from the previous fiscal year primarily due to the impact of the drug price revisions, while sales of “ORAPENEM” saw vigorous growth.
- Sales of the antidepressant drug “DEPROMEL” posted lower figures compared to the previous fiscal year due to the impact of the drug price revisions, while sales of “REFLEX” substantially rose on the year thanks to active promotion in scientific and academic fields.
- We launched sales of new products: “Oxis 9µg Turbuhaler 28 doses” as a remedy for chronic obstructive and pulmonary disease (COPD) (launched September 2012) and “DIACOMIT” as an antiepileptic drug (launched November 2012).
- Overall sales of generic drugs posted significant growth on the year. In addition to steady sales growth of the calcium channel blocker “AMLODIPINE MEIJI,” the following products contributed to sales expansion: the remedy for Alzheimer-type dementia “DONEPEZIL MEIJI (launched November 2011),” the antidepressant drug “PAROXETINE MEIJI (launched June 2012)” and “OLOPATADINE MEIJI (launched December 2012).”

■ Agricultural Chemicals (Agricultural chemicals and veterinary drugs)

- In agricultural chemicals, while sales of “ZAXA,” a liquid formula foliage herbicide declined on the year, sales of “ORYZEMATE,” the mainstay product for rice blast preventative registered steady growth, which contributed to generating an overall sales increase from the previous fiscal year.
- In veterinary drugs, sales of mainstay livestock drugs posted negative growth year on year, yet this downside was offset by positive growth in companion animal drugs, attaining an overall sales amount almost equal to the previous fiscal year.

(iii) Forecasts for the Fiscal Year ending March 31, 2014

We at the Meiji Group implemented “TAKE OFF 14” in FY2012, under which we have been carrying out initiatives to strengthen and expand existing businesses, foster growth businesses, and improve profitability, while we have also undertaken measures to strengthen our managerial foundation such as enhancing our quality assurance system, promoting CSR activities, and so on.

In our consolidated operating results for the fiscal year 2013 (ending March 31, 2014), a mid-year of “TAKE OFF 14”, we forecast net sales of 1,140 billion yen, operating income of 29 billion yen, ordinary income of 30 billion yen and net income of 16.5 billion yen.

(Millions of yen)

	Net Sales	Operating Income	Ordinary Income	Net Income	Net Income per Share (Yen)
FYE 2014/3 (Forecasts)	1,140,000	29,000	30,000	16,500	224.01
FYE 2013/3 (Results)	1,126,520	25,859	29,131	16,646	225.98
% of YoY Change	1.2	12.1	3.0	-0.9	—

Forecasts and major initiatives by segment are as follows.

(Millions of yen)

	Reporting Segments			Adjustments	Amount Presented in Statements of Income
	Food	Pharmaceuticals	Total		
Net Sales	1,007,256	135,081	1,142,337	2,337	1,140,000
% of YoY Change	0.6	6.1	1.2	—	1.2
Operating Income	21,500	7,629	29,129	-129	29,000
% of YoY Change	10.9	18.1	12.7	—	12.1

■ Food Segment

In the Food segment, we will aggressively promote initiatives in respective businesses to achieve our goal “TAKE OFF 14” by undertaking various measures for fostering growth businesses and improving profitability in addition to further strengthening the existing businesses.

Furthermore, with an advantage of our strength in brand and technology with regards to dairy, confectionary, and healthcare and nutritional products, we will endeavor to promote overseas business expansion by focusing on China, the Asian region, and the United States while improving and strengthening profitability abroad.

Dairy Business

We will strengthen our major brand products including “Meiji Bulgaria Yogurt,” a 40th anniversary brand and products in the growing probiotics yogurt products such as “Meiji Probio Yogurt LG21” and “Meiji Yogurt R-1.” We will make further efforts for expanding market shares of dairy products such as “Meiji Hokkaido Tokachi Cheese,” “Meiji Healthy Soft Offstyle” and the like. In addition, in dairy products for professional use, we will actively engage in initiatives to create and offer new values in the food ingredient area such as dairy products and confectionary ingredients.

To generate profits in tough circumstances, we will strive to improve overall business profitability through a thorough review of cost effectiveness.

Confectionery Business

We will work on expanding our major product categories; chocolate products such as “Meiji Milk Chocolate” and “Meiji Almond Chocolate,” chewing gum products such as “Xylish Gum,” candy products such as “Kaju Gummy.”

Regarding ice cream products, we will expand the brand “Meiji Chocolate Ice Cream” series while promoting market shares of “Meiji Essel Super Cup.”

In addition, we will improve overall business profitability by thoroughly screening the current cost structure from every aspects including the improvement of sales productivity and optimization of product volume on sale.

Healthcare and Nutritionals Business

We will penetrate our main brands such as “Amino Collagen” and “Raku Raku Cube” series. Sports nutrition “SAVAS” and “VAAM,” and enteral formula “Meiji Mei Balance” will be reinforced.

For overall business, we will create value in Healthcare and Nutritionals businesses by addressing “Build Healthy Bodies” and will focus on driving a growth strategy and building more profit-driven business compositions for further growth and expansion of these businesses.

[Partial reclassification of the business divisions within the Food segment]

The reclassifications occurred due to the re-organization at Meiji Co., Ltd., which was implemented in April 2013, and they will be effective from the fiscal year ending March 31, 2014. (Please refer to page 3 in the supplemental materials.)

- Transfer of “Professional Use (confectionary and foodstuffs)” in Confectionary business and “Food” in Healthcare and Nutritionals business into “Processed Food” in Dairy business.
- Based on the business review, transfer part of subsidiaries’ businesses undertaking Dairy, Confectionary, and Healthcare and Nutritionals businesses to “Other business.”

■ Pharmaceuticals Segment

As a “Speciality and Generic Pharmaceuticals Company” possessing international development capabilities, we will solidly implement important policies towards the achievement of our “TAKE OFF 14” focusing on the three main fields of anti-infective drugs, drugs for central nervous system (CNS) disorders, and generic drugs.

Ethical Pharmaceuticals

We will work on sales activities by taking appropriate steps in promoting the antibacterial drugs “MEIACT” and “ORAPENEM” and the antidepressant drug “REFLEX”. We will further expand sales of generic drugs and development of new areas such as anticancer drugs and biomedicines.

In Japan, drug price revisions are expected to occur again in FY 2014 and after. In such circumstances, we will examine the existing cost structure from every aspect — development, procurement, and production — and will continue working on improving profitability.

Furthermore, in order to strengthen our credibility assurance system, we will actively take initiatives for R&D and creation of alliances to enhance our business foundation. We will work on measures for overseas business expansion centered on emerging countries in Asia and other countries.

Agricultural Chemicals (agricultural chemicals and veterinary drugs)

In agricultural chemicals, we will expand domestic sales of the rice blast preventative “ORYZEMATE,” and undertake various initiatives for overseas business expansion such regions as South Korea and Taiwan. In addition, we will achieve an earlier penetration of “ZAXA,” a liquid formula foliage herbicide, and improve its cost competitiveness.

In veterinary drugs, we will promote sales of companion animal drugs as well as livestock drugs.

(2) Qualitative Information Concerning Consolidated Financial Position

(i) Assets, Liabilities and Net Assets

[Assets]

Total assets at the end of the consolidated fiscal year under review increased by 35,528 million yen compared to the end of the previous fiscal year, to 785,514 million yen. This was mainly because notes and accounts receivable increased by 7,103 million yen, goods and products increased by 9,180 million yen, and investment securities increased by 11,718 million yen.

[Liabilities]

Total liabilities at the end of the consolidated fiscal year under review increased by 13,410 million yen compared to the end of the previous fiscal year, to 464,904 million yen. This was mainly due to an increase of 4,979 million yen in income taxes payable, an increase of 3,748 million yen in accrued employees' retirement benefits, and an increase of 2,194 million yen in accrued expenses.

[Net Assets]

Total net assets at the end of the consolidated fiscal year under review increased by 22,118 million yen compared to the end of the previous fiscal year, to 320,609 million yen. This was mainly due to an increase of 10,942 million yen in retained earnings, an increase of 7,429 million yen in net unrealized holding gains or losses on securities, and an increase of 1,967 million yen in foreign currency translation adjustments.

In addition, equity ratio and net assets per share became 39.9% (38.9% at the end of the previous consolidated fiscal year) and 4,254.56 yen (3,958.24 yen at the end of the previous consolidated fiscal year) respectively.

(ii) Cash Flows

(Millions of yen)

	FYE 2012/3	FYE 2013/3	Change
Net cash flow from operating activities	30,597	50,622	20,024
Net cash flow from investing activities	-44,314	-39,504	4,810
Net cash flow from financing activities	4,861	-9,411	-14,272
Translation adjustment on cash and cash equivalents	-61	334	395
Net increase (decrease) in cash and cash equivalents	-8,916	2,041	10,957
Cash and cash equivalents at beginning of year	21,741	14,363	-7,377
Increase in cash and cash equivalents from newly consolidated subsidiary	1,281	—	-1,281
Increase in cash and cash equivalents resulting from mergers with non-consolidated subsidiaries	256	158	-97
Cash and cash equivalents at end of period	14,363	16,564	2,200

Net cash flow provided by operating activities increased by 20,024 million yen from the previous consolidated fiscal year to 50,622 million yen. An increase in income before income taxes and minority interests and decreases in contribution amounts to pension funds and income taxes paid contributed to the growth in the net cash flow.

Net cash flow used in investing activities decreased in outflow by 4,810 million yen from the previous consolidated fiscal year to a negative 39,504 million yen. This was a result of an increase in proceeds from sales of property, plants and equipment, and a decrease in payments for purchases of investment securities.

As a result of the foregoing, free cash flow (total of net cash flow from operating activities minus net cash flow used in investing activities) increased in inflow by 24,835 million yen from the previous consolidated fiscal year to 11,118 million yen.

Net cash flow used in financing activities increased in outflow by 14,272 million yen from the previous consolidated fiscal year to a negative 9,411 million yen. This was due to repayment of financial debt.

These resulted in 16,564 million yen of cash and cash equivalents at the end of the consolidated fiscal year under review.

Cash flow indices were as follows.

	1st accounting year (FYE 2010/3)	2nd accounting year (FYE 2011/3)	3rd accounting year (FYE 2012/3)	4th accounting year (FYE 2013/3)
Equity ratio (%)	39.7	40.2	38.9	39.9
Equity ratio on market price basis (%)	36.6	34.4	35.5	40.9
Debt repayment period	4.2	3.3	6.7	4.1
Interest coverage ratio	19.5	24.0	15.0	29.5

Note: How to calculate each index is as below.

Equity ratio: (net assets - equity capital held by minority shareholders) / Total assets

Equity ratio on market price basis: Total market value of shares (Closing share price at end of period × total no. of shares issued) / Total assets

Debt repayment period: Interest-bearing debt (bonds, borrowings, commercial paper) / Cash flow from operating activities

Interest coverage ratio: Cash flow from operating activities / Interest payments (amount of interest payments)

*** Forward-looking statements and other special notes**

The above forecasts are based on information currently available at the time of the release of this report and reasonable assumptions made by the Company. Actual results could differ materially from forecasts due to various factors.

2. Management Policy

(1) Basic Policies of Company Management

We work relentlessly to help improve the lifestyles of customers across all generations in the “Food and Healthcare” domains, and are targeting growth and advancement as a world-renowned corporate group, while working to continually enhance value for customers, shareholders and other stakeholders.

1) Group Philosophy

Our mission is to widen the world of “Tastiness and Enjoyment” and meet all expectations regarding “Health and Reassurance.”

Our wish is to be closely in tune with our customers’ feelings and to always be there to brighten their daily lives.

Our responsibility as “Food and Health” professionals is to continue finding innovative ways to meet our customers’ needs, today and tomorrow.

2) Management Attitude

Five Fundamentals

1. Commit ourselves to customer-based ideas and behaviors
2. Provide safe and reassuring high-quality products
3. Strive to always produce new value
4. Foster the development of the synergies and capabilities of the organization and each individual
5. Be a transparent, wholesome company trusted by the society

(2) “Meiji Group 2020 Vision”

Our 2020 Vision establishes our vision for the group to strive for in FY2020, ending March 31, 2021: “The Meiji Group aims to become a corporate group that brightens customers’ daily lives by providing customers of all ages, from infants to the elderly, with foods that offer tastiness and enjoyment, as well as products that contribute to customers’ physical and emotional well-being.” Our numerical goals are net sales of 1.5 trillion yen and operating income ratio of 5% or higher.

(3) Medium-Term Business Plan for Fiscal Years 2012-2014 (“TAKE OFF 14”)

“TAKE OFF 14”, which was implemented under the theme of “higher profitability and strategic investment for future growth” aiming at realizing “2020 Vision”, has three basic policies: strengthen and expand the existing businesses, foster growth businesses and improve profitability. We also set numerical goals, which are to achieve net sales of 1,190 billion yen, operating income of 40 billion yen, and ROE of 7%.

In the Food segment, we will strengthen and expand the existing businesses by executing measures such as establishing overwhelming dominance in the area of yogurt and probiotics, brand development of chocolate products, and new investment on enteral formula sector. We will also focus on fostering businesses, which will lead to offering new values and strengthening overseas business focusing on China, the Asian region and the United States. Furthermore, we will work on reforming our financial structure by taking measures such as improving sales productivity and reviewing product policy to improve profitability.

In the Pharmaceuticals segment, as a “Specialty and Generic Pharmaceuticals Company”, we will endeavor to strengthen sales promotion of our advantageous field — anti-infective drugs and drugs for central nervous system (CNS) disorders while expanding our generic drug business.

We will also take active measures to foster growth business areas of anticancer drugs and biomedicines and to expand overseas businesses focusing on emerging countries. Furthermore, we will strive to improve profitability by executing measures such as building a global production structure and forming an effective investment in R&D costs and other measures.

The Meiji Group will actively engage in CSR activities including thorough compliance and further reinforcement of quality assurance system. By taking these initiatives, we will make efforts to meet stakeholders’ expectations and increase the Meiji Group’s corporate value.

Details of “2020 Vision” and “TAKE OFF 14” are on the following website.

(Our homepage) <http://www.meiji.com/investor/index.html>

3. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

	FYE 2012/3 (As of March 31, 2012)	FYE 2013/3 (As of March 31, 2013)
ASSETS		
Current assets		
Cash and deposits	14,662	16,902
Notes and accounts receivable	168,699	175,803
Goods and products	77,292	81,339
Work in process	2,240	2,229
Raw materials and supplies	32,480	37,624
Deferred tax assets	13,051	12,076
Others	14,387	15,485
Allowance for doubtful accounts	-282	-251
Total current assets	322,531	341,211
Fixed assets		
Property, plants and equipment		
Buildings and structures	270,604	275,303
Less accumulated depreciation	-149,088	-153,717
Buildings and structures (net)	121,515	121,585
Machinery and equipment	423,885	436,863
Less accumulated depreciation	-322,356	-333,873
Machinery and equipment (net)	101,528	102,990
Tools and furniture	56,671	56,830
Less accumulated depreciation	-47,235	-47,582
Tools and furniture (net)	9,435	9,248
Land	65,255	68,655
Lease assets	7,041	7,776
Less accumulated depreciation	-2,559	-3,630
Lease assets (net)	4,482	4,145
Construction in progress	8,966	5,499
Total property, plants and equipment	311,184	312,124
Intangible assets		
Goodwill	270	161
Other	7,770	7,585
Total intangible assets	8,040	7,746
Investments and other fixed assets		
Investment securities	42,212	53,931
Deferred tax assets	4,668	4,398
Other	61,816	66,555
Allowance for doubtful accounts	-469	-453
Total investments and other fixed assets	108,228	124,431
Total fixed assets	427,453	444,302
Total assets	749,985	785,514

(Millions of yen)

	FYE 2012/3 (As of March 31, 2012)	FYE 2013/3 (As of March 31, 2013)
LIABILITIES		
Current liabilities		
Notes and accounts payable	109,136	109,460
Short-term bank loans	61,860	42,108
Current portion of bonds	40,000	15,000
Commercial paper	47,000	40,000
Accrued expenses	42,729	44,924
Income taxes payable	2,888	7,868
Accrued bonuses to employees	9,286	9,242
Allowance for sales returns	212	228
Allowance for sales rebates	5,772	5,263
Other current liabilities	33,612	35,668
Total current liabilities	352,500	309,764
Long-term liabilities		
Bonds	50,000	85,000
Long-term debt	6,401	23,285
Deferred tax liabilities	17,040	18,209
Accrued employees' retirement benefits	18,590	22,338
Reserve for directors' retirement benefits	417	280
Other long-term liabilities	6,544	6,025
Total long-term liabilities	98,994	155,139
Total liabilities	451,494	464,904
NET ASSETS		
Shareholders' equity		
Common stock	30,000	30,000
Capital surplus	98,852	98,851
Retained earnings	174,494	185,436
Treasury stock, at cost	-9,268	-9,299
Total shareholders' equity	294,078	304,989
Accumulated other comprehensive income		
Net unrealized holding gains or losses on securities	5,127	12,557
Deferred gains or losses on hedges	-2,303	-816
Foreign currency translation adjustments	-5,313	-3,346
Total accumulated other comprehensive income	-2,488	8,394
Minority interests	6,901	7,226
Total net assets	298,491	320,609
Total liabilities and net assets	749,985	785,514

(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income
(Consolidated Statements of Income)

(Millions of yen)

	FYE 2012/3 (April 1, 2011 to March 31, 2012)	FYE 2013/3 (April 1, 2012 to March 31, 2013)
Net sales	1,109,275	1,126,520
Cost of sales	738,500	743,835
Gross profit	370,774	382,684
Selling, general and administrative expenses	350,584	356,825
Operating income	20,189	25,859
Non-operating income		
Interest income	54	46
Dividend income	903	872
Rent income on fixed assets	2,619	2,258
Compensation income	1,500	1,500
Foreign exchange gains	—	909
Equity in income of affiliates	353	310
Other	1,648	1,933
Total non-operating income	7,078	7,831
Non-operating expenses		
Interest expenses	1,979	1,549
Foreign exchange losses	282	—
Rent cost of real estate	1,963	1,894
Other	1,160	1,115
Total non-operating expenses	5,386	4,559
Ordinary income	21,882	29,131
Extraordinary income		
Gain on sale of property, plants and equipment	361	2,154
Gain on transfer from business divestitures	200	—
Other	124	386
Total extraordinary income	685	2,540
Extraordinary losses		
Loss on disposal of property, plants and equipment	2,102	2,303
Loss on sale of property, plants and equipment	55	841
Loss on valuation of investment securities	227	864
Cost of corporate reorganization	1,951	—
Loss on disaster	1,709	—
Impairment loss	1,509	76
Loss on valuation of investments in capital of subsidiaries and affiliates	—	1,038
Other	422	1,335
Total extraordinary losses	7,978	6,457
Income before income taxes	14,588	25,214
Income taxes-current	6,902	10,316
Income taxes-deferred	635	-1,949
Income taxes-total	7,537	8,367
Income before minority interests	7,051	16,847
Minority interests	245	200
Net income	6,805	16,646

(Consolidated Statements of Comprehensive Income)

(Millions of yen)

	FYE 2012/3 (April 1, 2011 to March 31, 2012)	FYE 2013/3 (April 1, 2012 to March 31, 2013)
Net income before minority interests	7,051	16,847
Other comprehensive income		
Net unrealized holding gains or losses on securities	2,070	7,459
Deferred gains or losses on hedges	596	1,486
Foreign currency translation adjustments	-905	1,978
Equity in affiliates accounted for by equity method	-56	148
Total other comprehensive income	1,703	11,072
Comprehensive income	8,755	27,919
(Breakdown)		
Comprehensive income attributable to shareholders of parent company	8,567	27,529
Comprehensive income attributable to minority shareholders	187	390

(3) Consolidated Statements of Changes in Net Assets

(Millions of yen)

	FYE 2012/3 (April 1, 2011 to March 31, 2012)	FYE 2013/3 (April 1, 2012 to March 31, 2013)
Shareholders' equity		
Common stock		
Balance at the end of previous period	30,000	30,000
Changes during the period		
Total changes during the period	—	—
Balance at the end of current period	30,000	30,000
Additional paid-in capital		
Balance at the end of previous period	98,852	98,852
Changes during the period		
Disposal of treasury stock	-0	-0
Total changes during the period	-0	-0
Balance at the end of current period	98,852	98,851
Retained earnings		
Balance at the end of previous period	172,128	174,494
Changes during the period		
Cash dividends	-5,893	-5,893
Net income	6,805	16,646
Change of scope of consolidation	1,037	—
Change of scope of equity method	241	—
Change due to the merger of non-consolidated subsidiaries	175	189
Total changes during the period	2,366	10,942
Balance at the end of current period	174,494	185,436
Treasury stock		
Balance at the end of previous period	-9,255	-9,268
Changes during the period		
Acquisition of treasury stock	-16	-35
Disposal of treasury stock	3	4
Total changes during the period	-12	-31
Balance at the end of current period	-9,268	-9,299
Total shareholders' equity		
Balance at the end of previous period	291,724	294,078
Changes during the period		
Cash dividends	-5,893	-5,893
Net income	6,805	16,646
Acquisition of treasury stock	-16	-35
Disposal of treasury stock	3	4
Change of scope of consolidation	1,037	—
Change of scope of equity method	241	—
Change due to the merger of non-consolidated subsidiaries	175	189
Total changes during the period	2,353	10,911
Balance at the end of current period	294,078	304,989

(Millions of yen)

	FYE 2012/3 (April 1, 2011 to March 31, 2012)	FYE 2013/3 (April 1, 2012 to March 31, 2013)
Accumulated other comprehensive income		
Net unrealized holding gains or losses on securities		
Balance at the end of previous period	3,072	5,127
Changes during the period		
Others	2,055	7,429
Total changes during the period	2,055	7,429
Balance at the end of current period	5,127	12,557
Deferred gains or losses on hedges		
Balance at the end of previous period	-2,899	-2,303
Changes during the period		
Others	596	1,486
Total changes during the period	596	1,486
Balance at the end of current period	-2,303	-816
Foreign currency translation adjustments		
Balance at the end of previous period	-4,115	-5,313
Changes during the period		
Others	-1,197	1,967
Total changes during the period	-1,197	1,967
Balance at the end of current period	-5,313	-3,346
Total accumulated other comprehensive income		
Balance at the end of previous period	-3,942	-2,488
Changes during the period		
Others	1,454	10,882
Total changes during the period	1,454	10,882
Balance at the end of current period	-2,488	8,394
Minority interests		
Balance at the end of previous period	5,748	6,901
Changes during the period		
Others	1,153	324
Total changes during the period	1,153	324
Balance at the end of current period	6,901	7,226
Total net assets		
Balance at the end of previous period	293,530	298,491
Changes during the period		
Cash dividends	-5,893	-5,893
Net income	6,805	16,646
Acquisition of treasury stock	-16	-35
Disposal of treasury stock	3	4
Change of scope of consolidation	1,037	—
Change of scope of equity method	241	—
Change due to the merger of non-consolidated subsidiaries	175	189
Others	2,607	11,207
Total changes during the period	4,960	22,118
Balance at the end of current period	298,491	320,609

(4) Consolidated Statements of Cash Flow

(Millions of yen)

	FYE 2012/3 (April 1, 2011 to March 31, 2012)	FYE 2013/3 (April 1, 2012 to March 31, 2013)
Cash flows from operating activities		
Income before income taxes	14,588	25,214
Depreciation and amortization	40,871	40,821
Impairment loss	1,509	76
Amortization of goodwill	248	124
Loss on disposal of property, plants or equipment	2,088	2,301
Loss (gain) on valuation of investment securities	227	864
Increase (decrease) in allowance for doubtful accounts	-350	-58
Increase (decrease) in accrued bonuses to employees	-299	-44
Increase (decrease) in employee retirement allowance	-3,855	17
Interest and dividends received	-957	-919
Interest expenses	1,979	1,549
Equity in loss (income) of equity-method affiliates	-353	-310
Loss (gain) on sale of property, plants or equipment	-305	-1,313
Loss (gain) on sale of investment securities	-15	178
Loss on valuation of investments in capital of subsidiaries and affiliates	—	1,038
Decrease (increase) in trade receivables	-22,605	-6,458
Decrease (increase) in inventories	-7,234	-8,393
Increase (decrease) in trade payables	16,721	-2,000
Others	-1,758	4,040
Subtotal	40,498	56,727
Interest and dividends received	977	1,026
Interest expenses paid	-2,034	-1,715
Income taxes paid	-8,843	-5,415
Net cash provided by operating activities	30,597	50,622
Cash flows from financing activities		
Payments for purchases of property, plants or equipment	-35,994	-35,275
Payments for purchases of intangible fixed assets	-2,338	-2,393
Proceeds from sales of property, plants or equipment and intangible fixed assets	325	4,264
Payments for investments in real estate	-35	-41
Proceeds from sales of investments in real estate	520	—
Payments for purchases of investment securities	-4,351	-1,885
Proceeds from sales of investment securities	48	491
Others	-2,490	-4,665
Net cash used in investing activities	-44,314	-39,504

(Millions of yen)

	FYE 2012/3 (April 1, 2011 to March 31, 2012)	FYE 2013/3 (April 1, 2012 to March 31, 2013)
Cash flows from financing activities		
Increase (decrease) in short-term bank loans	-37,490	-512
Increase (decrease) in commercial paper	26,000	-7,000
Proceeds from long-term loans payable	519	19,824
Repayment of long-term loans payable	-11,440	-22,931
Proceeds from issuance of bonds	34,838	49,780
Redemption of bonds	—	-40,000
Decrease (increase) in treasury stock	-13	-31
Cash dividends paid	-5,863	-5,860
Cash dividends paid to minority shareholders	-119	-89
Others	-1,569	-2,590
Net cash used in financing activities	4,861	-9,411
Translation adjustment on cash and cash equivalents	-61	334
Net increase (decrease) in cash and cash equivalents	-8,916	2,041
Cash and cash equivalents at beginning of year	21,741	14,363
Increase in cash and cash equivalents from newly consolidated subsidiary	1,281	—
Increase in cash and cash equivalents resulting from mergers with unconsolidated subsidiaries	256	158
Cash and cash equivalents at end of period	14,363	16,564

(5) Notes to Consolidated Financial Statements

(Notes Concerning the Premise of a Going Concern)

Not applicable.

(Changes in Significant Matters That Constitute the Basis for Preparation of Consolidated Financial Statements)

(Change in scope of consolidation)

A company newly included into scope of consolidation as materiality increased: One

A newly established company, Meiji America Inc. has been included in the consolidated financial statements since the consolidated fiscal year ended March 31, 2013.

(Segment Information, etc.)

Segment Information

1. Outline of Reporting Segments

The reporting segments of the Meiji Group are the Group's constituent units for which separate financial information is available and for which the Board of Directors conducts period examinations to determine the allocation of management resources and evaluate business performance.

The Meiji Group has operating subsidiaries organized based on products/services. Operating subsidiaries develop their business activities by formulating comprehensive strategies for Japan and overseas with respect to their products and services.

Consequently, the Meiji Group consists of segments based on operating subsidiaries, with two reporting segments: "Food" and "Pharmaceuticals."

The “Food” business is handled by Meiji Co., Ltd., and the “Pharmaceuticals” business is handled by Meiji Seika Pharma Co., Ltd.

Each company’s main products are as follows.

Segment	Main Products
Food	Confectioneries, ice cream, sugar and corn sweeteners, fresh dairy, powdered milk, condensed milk, butter, cheese, beverages, nutritional products, healthcare products, OTC drugs, etc.
Pharmaceuticals	Ethical pharmaceuticals, agricultural chemicals, veterinary drugs, etc.

2. Methods of Calculating Net Sales, Income (Loss), Assets, Liabilities and Other Items for Each Reporting Segment

The profit of a reporting segment is the figure for operating income.

Inter-segment sales and transfers are mainly based on the price of third-party transactions, or on manufacturing costs.

3. Information on Amounts of Net Sales, Income (Loss), Assets, Liabilities and Other Items for Each Reporting Segment

The Previous Consolidated Fiscal Year (April 1, 2011 to March 31, 2012)

(Millions of yen)

	Reporting Segments		Total	Adjustments (Note 1)	Amount Presented in Statements of Income (Note 2)
	Food	Pharmaceuticals			
Net Sales					
(1) Sales to third parties	985,134	124,140	1,109,275	—	1,109,275
(2) Inter-segment sales and transfers	1,185	1,133	2,318	-2,318	—
Total	986,319	125,274	1,111,593	-2,318	1,109,275
Income by Segment	11,491	8,186	19,678	511	20,189
Segment assets	565,233	131,990	697,223	52,761	749,985
Other items					
Depreciation	34,476	5,169	39,645	1,226	40,871
Equity in income of affiliates	2,722	103	2,825	—	2,825
Increase in property, plants and equipment/intangible fixed assets	34,070	5,793	39,863	84	39,948

(Notes)

1. Details of “Adjustments” are as follows:

The segment income adjustment of 511 million yen includes inter-segment eliminations of 94 million yen and 417 million yen in corporate expenses that are not allocated to individual reporting segments. Corporate expenses mainly consist of administrative expenses for the Company (the holding company).

The adjustment of segment assets of 52,761 million yen includes a negative 96,236 million yen inter-segment elimination of assets, and 148,998 million yen of corporate assets not allocated to individual reporting segments. The main components of corporate assets are the Company’s (the holding company’s) surplus management funds (cash and deposits), long-term investment funds (investment securities) and the Company’s (the holding company’s) assets held, etc.

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

The Consolidated Fiscal Year under Review (April 1, 2012 to March 31, 2013)

(Millions of yen)

	Reporting Segments		Total	Adjustments (Note 1)	Amount Presented in Statements of Income (Note 2)
	Food	Pharmaceuticals			
Net Sales					
(1) Sales to third parties	1,000,346	126,174	1,126,520	—	1,126,520
(2) Inter-segment sales and transfers	1,205	1,186	2,391	-2,391	—
Total	1,001,551	127,361	1,128,912	-2,391	1,126,520
Income by Segment	19,383	6,461	25,845	14	25,859
Segment assets	580,218	147,310	727,528	57,985	785,514
Other items					
Depreciation	34,237	5,322	39,560	1,261	40,821
Equity in income of affiliates	3,074	332	3,406	—	3,406
Increase in property, plants and equipment/intangible fixed assets	36,935	5,069	42,004	58	42,063

(Notes)

1. Details of “Adjustments” are as follows:

The segment income adjustment of 14 million yen includes inter-segment eliminations of 153 million yen and -139 million yen in corporate expenses that are not allocated to individual reporting segments. Corporate expenses mainly consist of administrative expenses for the Company (the holding company).

The adjustment of segment assets of 57,985 million yen includes a negative 139,623 million yen inter-segment elimination of assets, and 197,609 million yen of corporate assets not allocated to individual reporting segments. The main components of corporate assets are the Company’s (the holding company’s) surplus management funds (cash and deposits), long-term investment funds (investment securities) and the Company’s (the holding company’s) assets held, etc.

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

(Per Share Data)

	Previous Fiscal Year (April 1, 2011 to March 31, 2012)	Fiscal Year under Review (April 1, 2012 to March 31, 2013)
Net assets per share	3,958.24 yen	4,254.56 yen
Net income per share	92.38 yen	225.98 yen

(Notes)

1. Diluted net income per share is not given because there are no dilutive shares.
2. The basis for calculation of net income per share is as follows.

	Previous Fiscal Year (April 1, 2011 to March 31, 2012)	Fiscal Year under Review (April 1, 2012 to March 31, 2013)
Basis for calculating net income per share		
Net income	6,805 million yen	16,646 million yen
Amount not attributed to common shareholders	— million yen	— million yen
Net income available to shareholders of shares of common stock	6,805 million yen	16,646 million yen
Average number of shares of common stock outstanding during the year	73,668 thousands	73,663 thousands

(Significant subsequent events)

Not applicable

Consolidated Financial Results for FYE 2013/3 - Supplementary Explanatory Data -

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Meiji Holdings Co., Ltd.

*This document has been translated from the original Japanese as a guide for non-Japanese investors.

*Unaudited figures are included in these materials for reference.

*The forward-looking statements described in this document, such as business forecasts, are based on information available at the time of the release of this presentation and reasonable assumptions made by the Company, and do not represent a commitment from the Company that they will be achieved.

1. Outline of Consolidated Financial Results for FYE 2013/3

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

1. Results of Operations

(Billions of yen)

	FYE 2012/3		FYE 2013/3			FYE 2013/3 (Plan)	
	Full-year	YoY change	Full-year	YoY Change	vs. Plan	Full-year	YoY Change
Net Sales	1,109.2	-0.2	1,126.5	+1.6	+0.1	1,125.0	+1.4
Cost of Sales	738.5	+0.8	743.8	+0.7	—	—	—
Selling, General and Administrative Expenses	350.5	+0.7	356.8	+1.8	—	—	—
(Carriage and storage charges)	44.6	—	43.4	-2.8	—	—	—
(Sales promotion expenses)	136.1	—	142.4	+4.6	—	—	—
(Labor cost)	72.5	—	72.1	-0.5	—	—	—
Operating Income	20.1	-32.6	25.8	+28.1	+7.7	24.0	+18.9
Ordinary Income	21.8	-28.1	29.1	+33.1	+21.4	24.0	+9.7
Net Income	6.8	-28.8	16.6	+144.6	+41.1	11.8	+73.4

2. Segment Information

(1) Net Sales

(Billions of yen)

	FYE 2012/3		FYE 2013/3			FYE 2013/3 (Plan)	
	Full-year	YoY change	Full-year	YoY Change	vs. Plan	Full-year	YoY Change
Food Segment	986.3	-0.3	1,001.5	+1.5	+0.1	1,000.8	+1.5
Dairy	589.7	—	617.0	+4.6	+1.7	606.9	+2.9
Confectionery	293.4	—	292.4	-0.4	-1.6	297.3	+1.3
Healthcare and Nutritionals	117.7	—	115.0	-2.3	-3.9	119.7	+1.7
Other	179.8	—	183.6	+2.1	+1.0	181.7	+1.1
Adjustments	—	—	—	—	—	—	—
Pharmaceuticals Segment	125.2	+0.9	127.3	+1.7	+0.4	126.8	+1.3

(2) Operating Income

(Billions of yen)

	FYE 2012/3		FYE 2013/3			FYE 2013/3 (Plan)	
	Full-year	YoY change	Full-year	YoY Change	vs. Plan	Full-year	YoY Change
Food Segment	11.4	-48.5	19.3	+68.7	+4.2	18.6	+61.9
Dairy	9.9	—	20.3	+104.2	+28.8	15.8	+58.7
Confectionery	5.1	—	4.6	-10.9	-12.3	5.2	+1.8
Healthcare and Nutritionals	-1.1	—	-2.1	—	—	0.3	—
Other	0.7	—	0.7	-6.9	+149.1	0.2	-62.4
Adjustments	-3.6	—	-3.7	—	—	-3.1	—
Pharmaceuticals Segment	8.1	+8.8	6.4	-21.1	+21.9	5.3	-34.1

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

Note2: There is a partial revision of the expense allocation rules, which serve as the basis for determining the allocation of expenses for each business in the Food segment, effective in FYE 2013/3.

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

The percentage figures appearing as the percentage of year-on-year change were calculated using the figures for FYE 2012/3 retroactively adjusted following the revision in expense allocation rules.

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

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

3. Analysis of Operating Income

(Billions of yen)

		by segment		
		Food	Pharma	Other
FYE 2012/3	20.1	11.4	8.1	0.6
Due to increased/decreased sales	+19.1(*1)	+12.2	+6.9	—
Cost reduction	+3.1(*2)	+1.7	+1.4	—
Consolidated subsidiaries	+0.9	+1.0	-0.1	—
National Health Insurance drug price revision	-7.4	—	-7.4	—
Sales promotion and advertising expenses	-6.6	-6.6	0.0	—
Procurement costs of raw materials	-0.7	-0.7	0.0	—
Other	-2.7(*3)	+0.3	-2.5	-0.5
FYE 2013/3	25.8	19.3	6.4	0.0

*1: (Breakdown) [Food] Increase in income due to increased sales: +6.8 Improvement of the product mix: +5.4

*2: (Breakdown) [Food] Cost reduction in distribution: +0.9 Cost reduction in production of confectioneries: +0.9
Cost reduction in production of dairy products: +0.2 Increase in general expenses and other: -0.3

*3: (Breakdown) [Food] Depreciation: +0.5
[Pharma] Increase in R&D expenses: -1.9 Depreciation: -0.2 Increase in fixed selling expenses: -0.1

2. Forecasts for FYE 2014/3

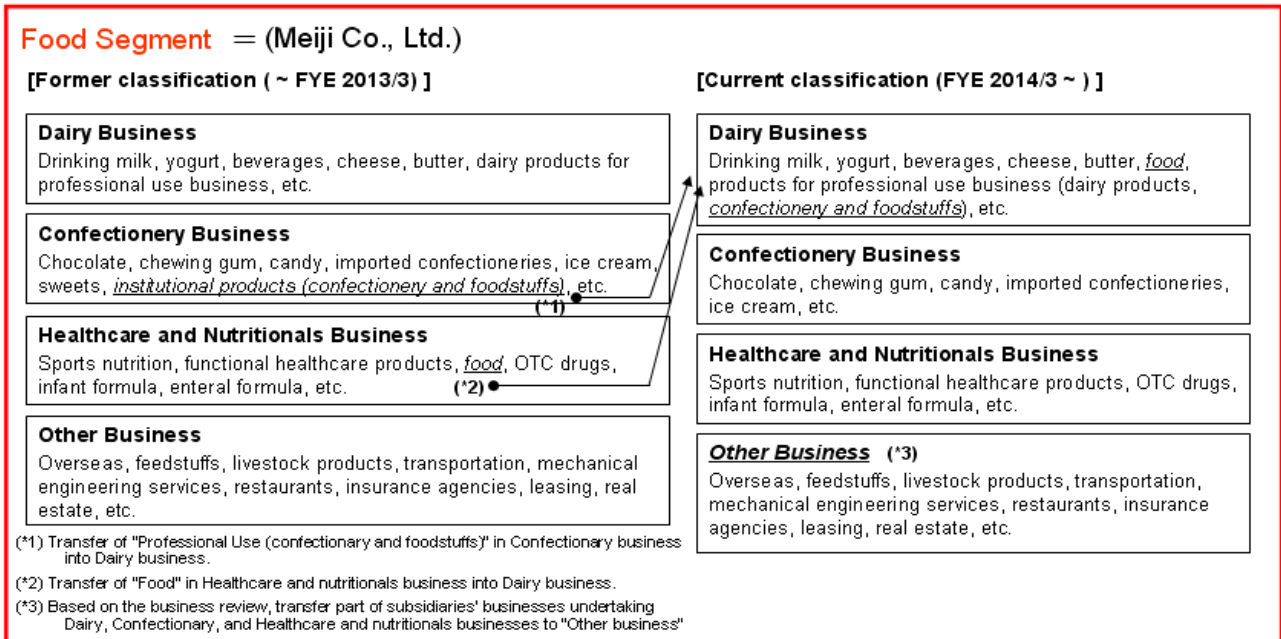
1. Partial reclassification of the business divisions within the Food segment

The reclassifications occurred due to the re-organization at Meiji Co., Ltd., which was implemented in April 2013, and they will be effective from the fiscal year ending March 31, 2014.

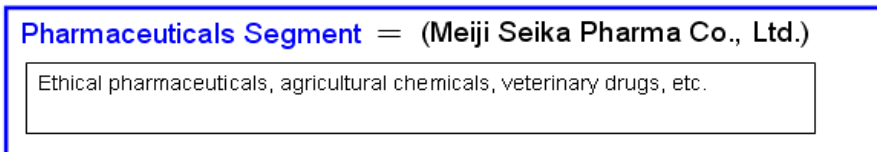
Along with the foregoing changes, figures to be presented in business plans and actual operating results for the fiscal period ending March 31, 2014 and after will be on the basis of the new classification.

Also, in the disclosure materials for the fiscal year ending March 31, 2014, actual operating results for the fiscal year ended March 31, 2013 will be presented by applying the new classification.

Please note that there were no changes in the pharmaceuticals segment.



(No change)



* From this page and after, the business classification up to the fiscal year ended March 31, 2013 is described as "Former Classification", while the business classification beginning from the fiscal year ending March 31, 2014 is described as the "Current Classification".

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

2. Consolidated Forecasts of Operations

(Billions of yen)

	FYE 2013/3 (Results)						FYE 2014/3 (Plan)					
	1st Half	YoY Change	2nd Half	YoY Change	Full-year	YoY Change	1st Half	YoY Change	2nd Half	YoY Change	Full-year	YoY Change
Net Sales	561.2	+2.4	565.2	+0.7	1,126.5	+1.6	565.0	+0.7	575.0	+1.7	1,140.0	+1.2
Operating Income	10.0	+35.5	15.8	+23.7	25.8	+28.1	12.0	+19.4	17.0	+7.5	29.0	+12.1
Ordinary Income	11.7	+36.1	17.3	+31.2	29.1	+33.1	13.0	+10.2	17.0	-1.9	30.0	+3.0
Net Income	5.2	+123.2	11.3	+156.0	16.6	+144.6	6.5	+23.4	10.0	-12.1	16.5	-0.9

3. Forecasts by Business Segment

(1) Net Sales

(Billions of yen)

	FYE 2013/3 (Results)						FYE 2014/3 (Plan)						
	1st Half	YoY Change	2nd Half	YoY Change	Full-year	YoY Change	1st Half	YoY Change	2nd Half	YoY Change	Full-year	YoY Change	
Food Segment	503.9	+2.7	497.6	+0.4	1,001.5	+1.5	507.3	+0.7	499.9	+0.5	1,007.2	+0.6	
Former classification	Dairy	314.8	+7.7	302.1	+0.8	617.0	+4.6	308.4	-0.6	300.7	-0.4	609.1	-0.5
	Confectionery	144.5	+1.4	147.8	-0.0	292.4	-0.4	95.5	-1.7	100.0	+0.8	195.6	-0.5
	Healthcare and Nutritionals	57.6	-3.3	57.4	-1.3	115.0	-2.3	42.2	+2.9	40.2	+4.6	82.5	+3.7
	Other	89.3	-1.2	94.2	+4.8	183.6	+2.1	163.5	+3.7	161.6	-0.2	325.1	+1.8
	Adjustments	—	—	—	—	—	—	—	—	—	—	—	—
Pharmaceuticals Segment	58.4	-0.2	68.9	+3.3	127.3	+1.7	59.6	+2.0	75.4	+9.5	135.0	+6.1	

(2) Operating Income

(Billions of yen)

	FYE 2013/3 (Results)						FYE 2014/3 (Plan)						
	1st Half	YoY Change	2nd Half	YoY Change	Full-year	YoY Change	1st Half	YoY Change	2nd Half	YoY Change	Full-year	YoY Change	
Food Segment	6.5	+147.0	12.8	+45.0	19.3	+68.7	8.5	+30.3	12.9	+1.0	21.5	+10.9	
Former classification	Dairy	9.2	+256.7	11.1	+50.6	20.3	+104.2	8.9	+8.3	9.4	-6.8	18.4	-0.0
	Confectionery	0.6	-50.7	3.9	+3.2	4.6	-10.9	0.6	+108.4	3.9	+29.6	4.5	+36.7
	Healthcare and Nutritionals	-1.0	—	-1.0	—	-2.1	—	0.2	—	0.0	—	0.3	—
	Other	-0.2	—	0.9	+455.7	0.7	-6.9	0.6	+118.8	1.2	-36.2	1.8	-15.5
	Adjustments	-2.0	—	-1.8	—	-3.7	—	-1.7	—	-1.5	—	-3.2	—
Pharmaceuticals Segment	3.3	-23.4	3.1	-18.4	6.4	-21.1	3.2	-0.3	4.3	+37.4	7.6	+18.1	

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

Note2: Food segment adjustments not allocated to individual reporting segments are treated as corporate expenses for Meiji Co., Ltd.

4. Analysis of Operating Income

(1) 1st Half

(Billions of yen)

	Consolidated Total	Food	Pharma	Other
FYE 2013/3 (Results)	10.0	6.5	3.3	0.2
Due to increased/decreased sales	+2.2	+1.3	+0.9	—
Procurement costs of raw materials	+3.6	+2.9	+0.7	—
Cost reduction	-2.2	-2.2	0.0	—
Change in selling overheads	-1.6	+0.2	-1.8	—
Other	+0.3	0.0	+0.2	+0.1
Change in results of subsidiaries	-0.1	-0.1	0.0	—
Total change	+2.0	+2.0	-0.0	+0.1
FYE 2014/3 (Plan)	12.0	8.5	3.2	0.3

(2) 2nd Half

(Billions of yen)

	Consolidated Total	Food	Pharma	Other
FYE 2013/3 (Results)	15.8	12.8	3.1	-0.1
Due to increased/decreased sales	+6.3	+3.5	+2.8	—
Procurement costs of raw materials	+2.3	+2.1	+0.2	—
Cost reduction	-3.3	-3.3	0.0	—
Change in selling overheads	-2.7	-1.5	-1.2	—
Other	-1.3	+0.1	-1.3	-0.1
Change in results of subsidiaries	-0.2	-0.8	+0.6	—
Total change	+1.2	+0.1	+1.1	-0.1
FYE 2014/3 (Plan)	17.0	12.9	4.3	-0.2

(3) Full-year

(Billions of yen)

	Consolidated Total	Food	Pharma	Other
FYE 2013/3 (Results)	25.8	19.3	6.4	0.0
Due to increased/decreased sales	+8.4	+4.7	+3.7	—
Procurement costs of raw materials	+5.9	+5.0	+0.9	—
Cost reduction	-5.5	-5.5	0.0	—
Change in selling overheads	-4.3	-1.3	-3.0	—
Other	-1.0	+0.1	-1.0	-0.1
Change in results of subsidiaries	-0.3	-0.9	+0.6	—
Total change	+3.2	+2.1	+1.2	-0.1
FYE 2014/3 (Plan)	29.0	21.5	7.6	-0.1

2. Other

1. Capital Expenditures, Depreciation, R&D Expenses

(Billions of yen)

	FYE 2011/3	FYE 2012/3	FYE 2013/3	FYE 2014/3 (Plan)	
	Full-year	Full-year	Full-year	1st Half	Full-year
Capital Expenditures	40.5	38.3	37.6	29.9	61.3
Food Segment	—	33.4	33.1	27.1	54.7
Pharmaceutical Segment	—	4.8	4.4	2.8	6.6
Corporate or Elimination	—	0.0	0.0	0.0	0.0
Depreciation	41.3	40.8	40.8	20.2	41.0
Food Segment	—	34.4	34.2	16.4	34.3
Pharmaceutical Segment	—	5.1	5.3	2.7	5.5
Corporate or Elimination	—	1.2	1.2	0.5	1.1
R&D Expenses	23.4	23.8	26.2	11.3	26.3
Food Segment	—	10.6	11.1	5.6	11.3
Pharmaceutical Segment	—	13.2	15.0	5.7	15.0
Corporate or Elimination	—	0.0	0.0	0.0	0.0

Note: From FYE 2013/3, the figures for depreciation includes amortization.

2. Financial Indicators

	FYE 2011/3		FYE 2012/3		FYE 2013/3	
	Full-year		Full-year		Full-year	
Consolidated Net Sales	1,111.0	billion yen	1,109.2	billion yen	1,126.5	billion yen
Consolidated Operating Income	29.9	billion yen	20.1	billion yen	25.8	billion yen
Operating Income Ratio	2.7	%	1.8	%	2.3	%
Return on Equity	3.3	%	2.3	%	5.5	%
Ordinary Income/Total Assets	4.2	%	3.0	%	3.8	%
Total Assets	716.3	billion yen	749.9	billion yen	785.5	billion yen
Net Assets	293.5	billion yen	298.4	billion yen	320.6	billion yen
Cash Flows from Operating Activities	57.9	billion yen	30.5	billion yen	50.6	billion yen
Cash Flows from Investing Activities	-32.4	billion yen	-44.3	billion yen	-39.5	billion yen
Free Cash Flows	25.5	billion yen	-13.7	billion yen	11.1	billion yen
Net Income per Share	129.63	yen	92.38	yen	225.98	yen
Net Assets per Share	3,906.36	yen	3,958.24	yen	4,254.56	yen
Cash Dividends per Share	80.00	yen	80.00	yen	80.00	yen

Note1: Free cash flows = Cash flows from operating activities + Cash flows from investing activities

Note2: Net assets per share = (Total net assets - Minority interests) / (Number of shares outstanding - Number of treasury stock)

4. Operating Company Information

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

(1) Sales by business (Non-consolidated)

(Billions of yen)

		FYE 2012/3		FYE 2013/3		
		Full-year	YoY change	Full-year	YoY change	
Former classification	Dairy	378.2	—	402.9	+6.5	
	Fresh dairy	272.7	—	297.2	+9.0	Drinking milk, yogurt, beverages, etc.
	Processed dairy food products	104.7	—	105.6	+0.9	Cheese, butter, dairy products for professional use business, etc.
	Confectionery	191.5	—	189.5	-1.0	
	Confectioneries	133.5	—	127.8	-4.3	Chocolate, chewing gum, candy, imported confectioneries, etc.
	Dessert products	38.1	—	40.1	+5.1	Ice cream, sweets, etc.
	Institutional food products	19.7	—	21.5	+8.8	Institutional products (confectionery and foodstuffs)
	Healthcare & Nutritionals	96.7	—	93.8	-3.0	
	Healthcare products	59.1	—	55.0	-6.9	Sports nutrition, functional healthcare products, food, OTC drugs, etc.
Nutritional products	43.3	—	44.5	+2.8	Enteral formula, infant formula, etc.	
Current classification	Dairy	—	—	447.0	+5.9	
	Fresh dairy	—	—	297.2	+9.0	Drinking milk, yogurt, beverages, etc.
	Processed food	—	—	149.7	+0.7	Cheese, butter, processed food products for professional use business, etc.
	Confectionery	—	—	167.9	-2.2	
	Confectioneries	—	—	128.3	-4.1	Chocolate, chewing gum, candy, imported confectioneries, etc.
	Ice cream	—	—	39.6	+4.6	Ice cream, etc.
Healthcare & Nutritionals	—	—	71.3	-1.8	Sports nutrition, functional healthcare products, OTC drugs, enteral formula, infant formula, etc.	

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

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

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

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

(1) Sales by business (Consolidated)

(Billions of yen)

	FYE 2012/3		FYE 2013/3		
	Full-year	YoY change %	Full-year	YoY change	
Consolidated Total	125.2	+2.0	127.3	+1.7	
Ethical pharmaceuticals	104.0	+0.9	105.6	+1.5	Infectious diseases and disorders, central nervous system (CNS) disorders, generic drugs
Agricultural chemicals and veterinary drugs	21.2	+7.1	21.7	+2.4	Agricultural chemicals, veterinary drugs

(2) List of New Products Under Development

Stage	Name	Type	Efficacy Classification	Notes
NDA	LASERPHYRIN® (Talaporfin)	Injection	Malignant brain tumor treatment (Additional indications)	
Phase III	ME2136 (Asenapine)	Oral	Antipsychotic	In-license: Merck Sharp&Dohme B.V. (Netherland)
Phase II	ME3113 (Udenafil)	Oral	Benign prostatic hyperplasia treatment	In-license: Dong-A ST Co., Ltd. (Korea)
	REFLEX® (Mirtazapine)	Oral	Fibromyalgia treatment (Additional indications)	In-license: MSD K.K.
	ME2112 (Ziprasidone)	Oral	Antipsychotic	In-license: RaQualia Pharma Inc.
Phase I	ME2125 (Safinamide)	Oral	Anti-Parkinson's Disease	In-lincense:Newron Pharmaceutical S.p.A. (Italy)
Phase I (U.S.)	ME1111	Topical	Antionychomycosis	Meiji Seika Pharma Co., Ltd