

2. Dividends

	Cash Dividends Per Share				
	1Q	2Q	3Q	Financial year end	Annual
Fiscal year ended (or ending)	Yen	Yen	Yen	Yen	Yen
March 31, 2018	—	57.50	—	72.50	130.00
March 31, 2019	—	65.00			
March 31, 2019 (Projected)			—	65.00	130.00

(Note) Amendment to projected dividends recently announced: None

3. Forecasts of Consolidated Financial Results for the Fiscal Year Ending March 31, 2019

(April 1, 2018 to March 31, 2019)

(% of change from the previous fiscal year)

	Net Sales		Operating Income		Ordinary Income		Net Income attributable to shareholders of parent company		Net Income per Share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	1,265,500	2.0	101,000	6.7	101,000	5.3	71,000	15.9	489.59

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

Notes

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

(Changes in subsidiaries affecting the scope of consolidation): Yes

Added to scope of consolidation (2 companies): KMB Co., Ltd. , KM Biologics Co., Ltd.

Removed from scope of consolidation (1 company): KMB Co., Ltd.

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

For details, refer to page 14 of “2. Quarterly Consolidated Financial Statements (3) Notes Concerning Quarterly Financial Statements (Adoption of Special Accounting Methods for Preparation of Quarterly Consolidated Financial Statements)”

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

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

2. Other changes in accounting policy: Yes

3. Changes in accounting estimates: Yes

4. Restatements: None

(3) Number of shares outstanding (common stock)

1. Number of shares outstanding at end of period (including treasury stock)	As of Dec. 31, 2018	152,683,400 shares	As of Mar. 31, 2018	152,683,400 shares
2. Number of treasury stock at end of period	As of Dec. 31, 2018	7,649,187 shares	As of Mar. 31, 2018	7,680,613 shares
3. Average number of shares during period	As of Dec. 31, 2018	145,020,074 shares	As of Dec. 31, 2017	145,207,376 shares

* The earnings summary is not subject to audit.

* Forward-looking statements and other special notes

(Notice concerning forward-looking statements)

The forward-looking statements described in this document, such as business forecasts, are based on information available at the time of the release of these materials and reasonable assumptions made by the Company, and do not represent a commitment from the Company that they will be achieved. For earnings forecasts assumptions and other related items, refer to page 9 of “1. Qualitative Information (3) Explanation Concerning Forecasts for Consolidated Earnings”

(Explanatory material for financial results)

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

(Presentation material for phone conference)

The phone conference for analysts and institutional investors has been scheduled on February 7, 2019. An audio recording (Japanese only) and presentation materials of the conference will be posted on our website.

1. Qualitative Information

(1) Explanation Concerning Operating Results

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

During the FYE March 2019, we expand sales by focusing management resources on core segments and growth segments both in the food and pharmaceutical domains as we work towards the goals of our 2020 Medium-Term Business Plan. Meanwhile, we aggressively expand business in overseas markets. Market conditions are difficult in both segments. The food segment faces rising logistics and personnel expenses while the pharmaceutical segment is severely impacted by NHI pricing revisions. Amid such environments, we manage expenditure effectively and improve productivity.

These factors resulted in net sales of JPY 950.698 billion (up 1.5%, year on year), operating income of JPY 79.604 billion (up 10.3%, year on year), and ordinary income of JPY 80.903 billion (up 8.9%, year on year) during the first nine months of fiscal year ending March 2019. Net income attributable to shareholders of parent company was JPY 61.893 billion (up 22.0%, year on year).

On July 2, 2018, Meiji Holdings and Meiji Seika Pharma Co., Ltd., our business subsidiary, acquired 49% of the shares of KM Biologics Co., Ltd., to make KM Biologics a consolidated subsidiary. KM Biologics took over the main business operations of The Chemo-Sero-Therapeutic Research Institute in December 2017.

(Billions of yen)

	First nine months of FYE March 2018 (from Apr. 1, 2017 to Dec. 31, 2017)	First nine months of FYE March 2019 (from Apr. 1, 2018 to Dec. 31, 2018)	Change	Main factors for Change
Net sales	936.8	950.6	13.8	Details indicated on segment-specific overview
Operating income	72.1	79.6	7.4	Details indicated on segment-specific overview
Non-operating income	3.4	3.0	-0.4	-Foreign exchange gains (-0.6)
Non-operating expenses	1.3	1.7	0.3	-Foreign exchange losses (+0.5)
Ordinary income	74.3	80.9	6.5	—
Extraordinary income	5.0	13.4	8.3	-Gain on bargain purchase (+6.5) -Gain on sales of fixed assets (+2.4)
Extraordinary losses	4.2	5.7	1.5	-Loss on disaster (+1.3) -Impairment loss (+0.5) -Loss on disposal of property, plants and equipment (-1.5)
Income before income taxes	75.1	88.5	13.3	—
Income taxes-total	23.5	24.4	0.8	—
Net income attributable to non-controlling shareholders	0.8	2.2	1.3	—
Net income attributable to shareholders of parent company	50.7	61.8	11.1	—

Below is an overview by segment.

1) Food segment

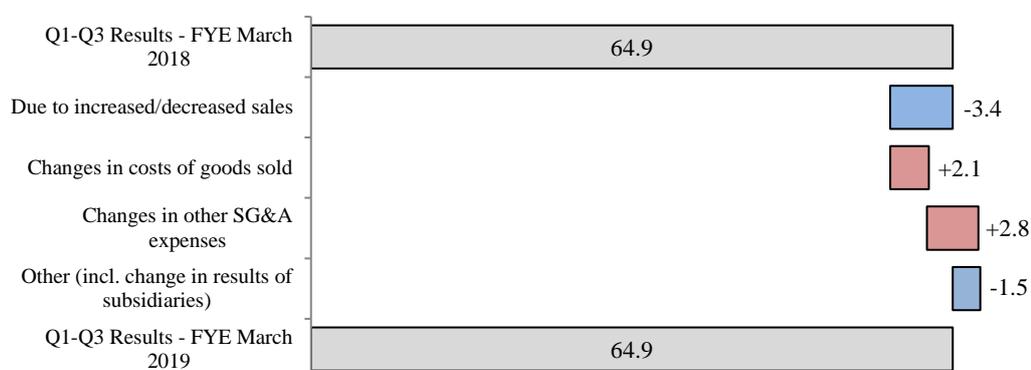
- Net sales decreased year on year. Net sales of processed food business, nutrition business, and overseas business increased year on year. Net sales of fresh and fermented dairy business decreased year on year due to decrease in sales of functional yogurt. Net sales of the confectionery business decreased significantly year on year due to the change in our commercial transaction system and decrease in sales of chocolate.
- Overall operating income were largely unchanged year on year. Sales of functional yogurt and chocolate decreased, but this was compensated for by reducing promotion expenses.

(Billions of yen)

	First nine months of FYE March 2018 (from Apr. 1, 2017 to Dec. 31, 2017)	First nine months of FYE March 2019 (from Apr. 1, 2018 to Dec. 31, 2018)	% Change
Net sales	815.5	803.1	-1.5%
Operating income	64.9	64.9	-0.0%

Analysis of Consolidated Operating Income

(Billions of yen)



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

(Billions of yen)

		First nine months of FYE March 2018 (from Apr. 1, 2017 to Dec. 31, 2017)	First nine months of FYE March 2019 (from Apr. 1, 2018 to Dec. 31, 2018)	% Change
Fresh and Fermented Dairy	Net sales	254.5	248.0	-2.5%
	Operating income	36.5	34.1	-6.5%
Processed Food	Net sales	134.9	137.5	1.9%
	Operating income	6.2	7.0	13.1%
Confectionery	Net sales	99.6	87.6	-12.1%
	Operating income	15.2	14.8	-2.2%
Nutrition	Net sales	66.7	67.6	1.3%
	Operating income	11.3	11.3	0.3%
Overseas	Net sales	31.8	35.4	11.1%
	Operating income	0.6	1.0	60.3%
Other Domestic Subsidiaries	Net sales	227.6	226.7	-0.4%
	Operating income	4.0	3.4	-14.5%
Corporate Expenses	Net sales	—	—	—
	Operating income	-8.9	-6.9	—

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

- Net sales decreased year on year. Net sales of *Meiji Bulgaria Yogurt* increased year on year thanks to contributions from revamped plain yogurt, but net sales of functional yogurt decreased year on year.
- Operating income decreased year on year due to decreased revenues as well as increased logistics expenses.

- Processed Food business (Cheese, butter and margarine, cream, ice cream, frozen food, etc.)
 - Overall net sales increased year on year. Net sales of *Meiji Hokkaido Tokachi Camembert Cheese* and fresh cream for professional use were favorable. Net sales of ice cream increased year on year thanks to contributions from *Meiji Essel Super Cup* series.
 - Operating income increased significantly year on year due to increase in sales of our mainstay products.

- Confectionery business (Chocolate, gummy, chewing gum, etc.)
 - Net sales decreased significantly year on year due to the sales price reduction because of commercial transaction system revised in April 2018, and decreased revenues from chocolate.
 - Operating income decreased year on year due to decrease in sales despite reducing promotion expenses.

- Nutrition business (Sports nutrition, infant formula, enteral formula, beauty supplement, OTC drugs, etc.)
 - Net sales increased year on year thanks to the favorable growth of SAVAS. Also, *Meiji Mei Balance* series increased year on year.
 - Operating income were largely unchanged year on year. Sales promotion expenses increased, but this was compensated for by higher revenues from mainstay products.

- Overseas (Overseas subsidiaries, exports)
 - Net sales increased significantly year on year. Net sales of infant formula in Taiwan were favorable. Also, net sales of businesses in China increased year on year thanks to favorable growth of dairy products especially drinking milk.
 - Operating income increased significantly year on year thanks to subsidiaries in China.
 - Taiwan Meiji Food Co., Ltd. was newly consolidated in April 2018.

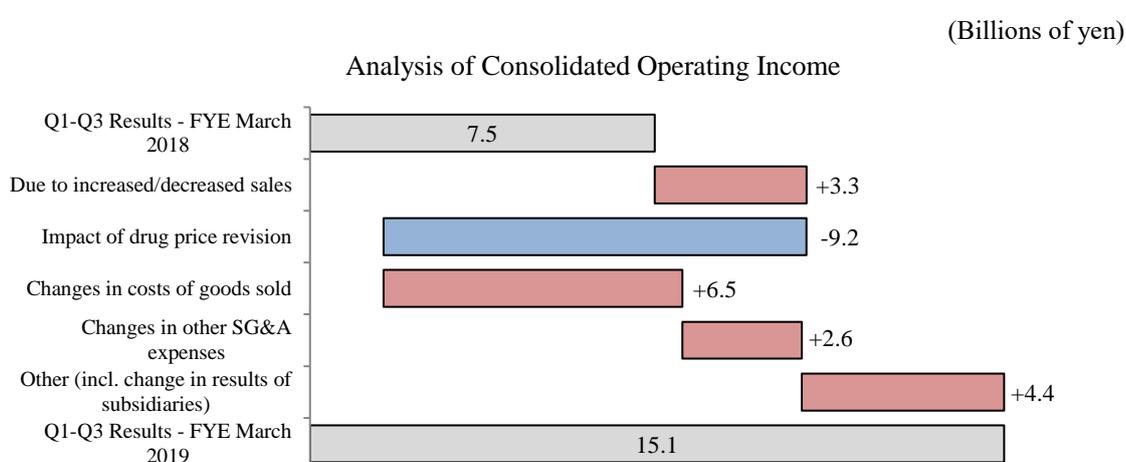
- Other domestic subsidiaries (Feedstuffs, livestock products, sugar and corn sweeteners, logistics, etc.)
 - Sales were largely unchanged year on year. Sales of our sugar trade subsidiary and our livestock products subsidiary decreased, but this was compensated for by increased revenues from our logistics subsidiary and our feed subsidiary.
 - Operating income decreased significantly year on year due to lower revenues from our livestock subsidiary.

2) Pharmaceutical segment

- Net sales increased significantly year on year. Although sales were impacted by NHI pricing revisions enacted in April 2018, sales volume for mainstay products grew in Japan. Strong growth of overseas subsidiaries and sales of KM Biologics consolidated in July 2018, also contributed.
- Operating income increased significantly year on year. Sales growth of our mainstay products, procurement cost savings and cost reduction in promotion expenses offset the impact of NHI pricing revisions. Sales of human vaccine from KM Biologics also contributed.

(Billions of yen)

	First nine months of FYE March 2018 (from Apr. 1, 2017 to Dec. 31, 2017)	First nine months of FYE March 2019 (from Apr. 1, 2018 to Dec. 31, 2018)	% Change
Net sales	122.3	148.2	21.2%
Operating income	7.5	15.1	100.2%



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

(Billions of yen)

		First nine months of FYE March 2018 (from Apr. 1, 2017 to Dec. 31, 2017)	First nine months of FYE March 2019 (from Apr. 1, 2018 to Dec. 31, 2018)	% Change
Japan	Net sales	93.2	96.4	3.5%
	Operating income	4.1	10.0	141.4%
Overseas	Net sales	29.1	30.5	4.9%
	Operating income	3.4	1.5	-53.5%
Biologics*	Net sales	—	24.0	—
	Operating income	—	4.3	—

(Note) The difference between the sum of net sales/operating income in above table and consolidated net sales/operating are intersegment eliminations.

* Refers to KM Biologics

■ Japan

- Net sales in Japan increased year on year. Sales were impacted by NHI pricing revisions, but sales of the schizophrenia drug *SYCREST* and the anti-allergy drug *BILANOVA* grew significantly. Sales of the influenza vaccine launched in September 2018 also contributed.
- Operating income increased significantly year on year. Income was impacted by NHI pricing revisions, but we strived to increase revenues from mainstay products and to review procurement costs.
- As of April 2018, we made Me Pharma Co., Ltd. a consolidated subsidiary.

■ Overseas

- Net sales increased year on year thanks to the favorable growth of subsidiaries in India and Indonesia.
- Operating income decreased significantly year on year due to increased costs for export products.

■ Biologicals

- Net sales were favorable for the mainstay influenza vaccine and the 4-way vaccine *Quattrovac*.
- Operating income expanded thanks to the favorable growth of mainstay products.

(2) Financial status

1) Assets, Liabilities, and Net Assets

(Billions of yen)

	As of March 31, 2018	As of Dec. 31, 2018	Change	Main Factors for Change
Current assets	383.0	438.7	55.7	-Notes and accounts receivable (+30.2) -Goods and products (+17.5) -Raw materials and supplies (+7.3)
Fixed assets	542.2	586.2	44.0	-Buildings and structures (net) (+16.9) -Machinery and equipment (net) (+15.2) -Construction in progress (+12.2)
Total assets	925.2	1,025.0	99.8	—
Current liabilities	294.4	307.1	12.7	-Commercial paper (+23.0) -Notes and accounts payable (+5.9) -Short-term loans payable (-8.5) -Income taxes payable (-7.1)
Long-term liabilities	135.6	155.1	19.4	-Long-term loans payable (+14.1)
Total liabilities	430.0	462.3	32.2	—
Shareholders' equity	465.5	507.6	42.0	-Retained earnings (+41.6)
Accumulated other comprehensive income	21.7	20.9	-0.7	-Valuation difference on available-for-sale securities (-1.6)
Minority interests	7.8	34.2	26.3	—
Total net assets	495.1	562.7	67.5	—
Total liabilities and net assets	925.2	1,025.0	99.8	—

Interest bearing debt	119.1	147.6	28.5	-Commercial paper (+23.0) -Long-term loans payable (+14.1) -Short-term loans payable (-8.5)
Equity Ratio (%)	52.7	51.6	-1.1pt	—

(3) Explanation Concerning Forecasts for Consolidated Earnings

There are no changes to the consolidated earnings forecasts for the full-year of FYE March 2019 indicated in the Consolidated Financial Results for the Fiscal Year Ending March 31, 2019 published on November 7, 2018.

2. Quarterly Consolidated Financial Statements

(1) Quarterly Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2018	As of December 31, 2018
ASSETS		
Current assets		
Cash and deposits	27,613	22,417
Notes and accounts receivable	195,760	226,005
Goods and products	86,929	104,513
Work in process	3,344	3,487
Raw materials and supplies	46,194	53,569
Others	23,364	29,009
Allowance for doubtful accounts	-202	-218
Total current assets	383,004	438,785
Fixed assets		
Property, plants and equipment		
Buildings and structures	319,894	329,860
Less accumulated depreciation	-173,777	-166,841
Buildings and structures (net)	146,116	163,019
Machinery and equipment	504,589	527,780
Less accumulated depreciation	-372,142	-380,112
Machinery and equipment (net)	132,447	147,668
Tools and furniture	53,736	55,657
Less accumulated depreciation	-42,763	-43,443
Tools and furniture (net)	10,972	12,214
Land	71,454	69,660
Lease assets	2,710	2,944
Less accumulated depreciation	-2,063	-2,271
Lease assets (net)	647	673
Construction in progress	22,323	34,539
Total property, plants and equipment	383,962	427,775
Intangible assets		
Goodwill	10,590	9,835
Other	11,964	13,709
Total intangible assets	22,555	23,545
Investments and other fixed assets		
Investment securities	90,874	89,934
Net defined benefit asset	20,777	21,876
Other	24,156	23,247
Allowance for doubtful accounts	-93	-98
Total investments and other fixed assets	135,715	134,958
Total fixed assets	542,232	586,279
Total assets	925,237	1,025,064

(Millions of yen)

	As of March 31, 2018	As of December 31, 2018
LIABILITIES		
Current liabilities		
Notes and accounts payable	120,107	126,077
Short-term loans payable	49,749	41,186
Commercial paper	—	23,000
Income taxes payable	18,253	11,094
Accrued bonuses for employees	10,857	5,874
Allowance for sales returns	72	1,228
Allowance for sales rebates	1,943	1,906
Other current liabilities	93,444	96,816
Total current liabilities	294,429	307,183
Long-term liabilities		
Bonds	20,000	20,000
Long-term loans payable	49,353	63,475
Retirement benefit liabilities	50,330	51,850
Reserve for directors' retirement benefits	148	101
Other long-term liabilities	15,797	19,691
Total long-term liabilities	135,629	155,118
Total liabilities	430,059	462,302
NET ASSETS		
Shareholders' equity		
Common stock	30,000	30,000
Capital surplus	99,841	100,052
Retained earnings	366,276	407,969
Treasury stock, at cost	-30,521	-30,413
Total shareholders' equity	465,595	507,608
Accumulated other comprehensive income		
Net unrealized holding gains or losses on securities	33,188	31,551
Deferred gains or losses on hedges	-53	-9
Foreign currency translation adjustments	268	-571
Adjusted cumulative of retirement benefits	-11,689	-10,038
Total accumulated other comprehensive income	21,714	20,931
Minority interests	7,866	34,222
Total net assets	495,177	562,762
Total liabilities and net assets	925,237	1,025,064

(2) Quarterly Consolidated Statements of Income and Consolidated Statements of Comprehensive Income
(Quarterly Consolidated Statements of Income)
(For the First Nine Months Ended December 31, 2018)

(Millions of yen)

	First nine months of FYE March 2018 (from Apr. 1, 2017 to Dec. 31, 2017)	First nine months of FYE March 2019 (from Apr. 1, 2018 to Dec. 31, 2018)
Net sales	936,824	950,698
Cost of sales	596,506	605,196
Gross profit	340,318	345,501
Selling, general and administrative expenses	268,149	265,896
Operating income	72,168	79,604
Non-operating income		
Interest income	109	91
Dividend income	1,136	1,219
Equity in income of affiliates	361	35
Foreign exchange gains	638	—
Other	1,244	1,662
Total non-operating income	3,489	3,008
Non-operating expenses		
Interest expenses	565	547
Foreign exchange losses	—	508
Other	780	653
Total non-operating expenses	1,345	1,709
Ordinary income	74,312	80,903
Extraordinary income		
Gain on sale of property, plants and equipment	4,024	6,514
Gain on bargain purchase	—	6,584
Gain on liquidation of subsidiaries	464	—
Other	570	325
Total extraordinary income	5,060	13,425
Extraordinary losses		
Loss on disposal of property, plants and equipment	3,071	1,494
Impairment loss	498	1,007
Loss on disaster	—	1,328
Other	635	1,938
Total extraordinary losses	4,205	5,769
Income before income taxes	75,167	88,558
Income taxes-total	23,584	24,411
Net income	51,582	64,147
Net income or net losses attributable to non-controlling shareholders	862	2,253
Net income attributable to shareholders of parent company	50,720	61,893

(Quarterly Consolidated Statements of Comprehensive Income)
(For the First Nine Months Ended December 31, 2018)

(Millions of yen)

	First nine months of FYE March 2018 (from Apr. 1, 2017 to Dec. 31, 2017)	First nine months of FYE March 2019 (from Apr. 1, 2018 to Dec. 31, 2018)
Net income	51,582	64,147
Other comprehensive income		
Net unrealized holding gains or losses on securities	10,572	-1,657
Deferred gains or losses on hedges	38	45
Foreign currency translation adjustments	-512	-749
Adjustments related to retirement benefits	1,832	1,654
Equity in affiliates accounted for by equity method	275	-181
Total other comprehensive income	12,206	-889
Comprehensive income	63,789	63,257
(Breakdown)		
Comprehensive income attributable to shareholders of parent company	62,903	61,111
Comprehensive income attributable to minority shareholders	885	2,146

(3) Notes Concerning Quarterly Financial Statements

(Notes Concerning the Premise of a Going Concern)

Not applicable.

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

Not applicable.

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

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

Income taxes-deferred are shown included in income taxes.

(Changes in Accounting Policy)

(Change in accounting policies with unclear distinction from change in accounting estimates)

(Change in depreciation method for tangible fixed assets)

As of the first quarter of the current consolidated fiscal year, we changed to the use of the straight-line method as the method of depreciation for the tangible fixed assets of the manufacturing plants of confectionery products, etc. in the food segment and its domestic consolidated subsidiaries. In the past, the declining balance method was adopted except buildings acquired on or after April 1, 1998 and building accessories and structures acquired on or after April 1, 2016.

During the 2020 Medium-Term Business Plan for FYE March 2019-2021, the first stage of our 2026 vision, we will expand our market share and increase profit in our core business. For example, market for health conscious chocolate is expanding and we have high competitive advantage in the market. Therefore we concentrate management resources on core business and set up the plan for capital investment. After we examined the operation status of production facilities, we estimated we can operate our facilities stably for longer period. Accordingly we believe applying straight-line method is appropriate for our future business.

As a result of this change, compared to the previous method, operating income, ordinary income, and net income before income taxes for the first nine months of the current fiscal year increased by JPY 3,391 million, respectively.

(Additional information)

(Application of the Partial Revisions to Accounting Standards for Tax Effect Accounting)

We apply the Partial Revisions to Accounting Standards for Tax Effect Accounting (Corporate Accounting Standards No. 28, February 16, 2018) as of the first three months of the current consolidated accounting period. As such, deferred tax assets are indicated under Investments and other assets, and deferred tax liabilities are indicated under fixed liabilities.

(Segment Information, etc.)

1. The First Nine Months of the Previous Consolidated Fiscal Year (April 1, 2017 to December 31, 2017)

(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 Consolidated Statements of Income (Note 2)
	Food	Pharmaceutical			
Net Sales					
(1) Sales to Outside Customers	815,042	121,782	936,824	—	936,824
(2) Inter-segment Sales and Transfers	458	560	1,019	-1,019	—
Total	815,500	122,343	937,843	-1,019	936,824
Income by Segment	64,947	7,569	72,517	-348	72,168

(Notes)

1. Details of Adjustments are as follows:

The segment income adjustment of a negative 348 million yen includes inter-segment eliminations of 0 million yen and a negative 349 million yen in corporate expenses that are not allocated to individual reporting segments. Corporate expenses mainly consist of administrative expenses for the Company (the holding company).

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

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

(Significant impairment loss on fixed assets)

There was no significant impairment loss on fixed assets.

(Significant changes in the amount of goodwill)

There were no significant changes in the amount of goodwill.

(Significant gain on negative goodwill)

No significant negative goodwill was generated.

2. The First Nine Months of the Consolidated Fiscal Year under Review (April 1, 2018 to December 31, 2018)

(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 Consolidated Statements of Income(Note 2)
	Food	Pharmaceutical			
Net Sales					
(1) Sales to Outside Customers	802,763	147,934	950,698	—	950,698
(2) Inter-segment Sales and Transfers	413	365	778	-778	—
Total	803,176	148,299	951,476	-778	950,698
Income by Segment	64,922	15,157	80,080	-476	79,604

(Notes)

1. Details of Adjustments are as follows:

The segment income adjustment of a negative 476 million yen includes inter-segment eliminations of 11 million yen and a negative 488 million yen in corporate expenses that are not allocated to individual reporting segments. Corporate expenses mainly consist of administrative expenses for the Company (the holding company).

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

(2) Information concerning assets for each reporting segment

During the first six months of FYE March 2019, we acquired a portion of the shares of KM Biologics and added the company to the scope of consolidation. As a result, compared to the end of the previous consolidated fiscal year, the value of reporting segment for the first nine months of FYE March 2019 increased by 80,703 million yen in the pharmaceuticals segment.

(3) Matters concerning changes to reporting segments

(Change to depreciation method for tangible fixed assets)

As indicated under Changes in Accounting Policy, as of the first quarter of the current consolidated fiscal year, we changed to the straight-line method of depreciation for tangible fixed assets belonging to the food segment for Meiji Co., Ltd. and its domestic consolidated subsidiaries. In the past, the declining balance method was adopted except buildings acquired on or after April 1, 1998 and building accessories and structures acquired on or after April 1, 2016.

As a result of this change, compared to the previous method, food segment income for the first nine months of the current fiscal year increased by JPY 3,391 million.

(4) Information on impairment loss on fixed assets or goodwill, etc., for each reporting segment

(Significant impairment loss on fixed assets)

There was no significant impairment loss on fixed assets.

(Significant changes in the amount of goodwill)

There were no significant changes in the amount of goodwill.

(Significant gain on negative goodwill)

During the first nine months of FYE March 2019, we acquired shares of KM Biologics and added the company to the scope of consolidation. As a result, we recorded negative goodwill of JPY 6,584 million for the pharmaceutical segment.

Consolidated Financial Results for the Third Quarter of the Fiscal Year Ending March 31, 2019 - Supplementary Explanatory Data -

Contents

1. Consolidated Financial Results	1
2. Segment Information	4
3. Analysis of Operating Income	6
4. Consolidated Financial Positions	7
5. Capital Expenditures, Depreciation, R&D Expenses	8
6. Financial Indicators, consolidated	8
7. Sales by Main Products	9
8. Other	
1. List of New Products Under Development	11
2. Category Changes Within Segments	12



Meiji Holdings Co., Ltd.

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

*Unaudited figures are included in these materials for reference.

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

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

1. Consolidated Financial Results

1. Consolidated Operating Results

(Billions of yen)

FYE March 2019	Q1			Q1-Q2			Q1-Q3			Full-year			Plan -- FYE March 2019					
	YoY change	H1 plan achievement rate		YoY change	vs. H1 plan	YoY change	Full-year plan achievement rate		YoY change	vs. Full-year plan	YoY change	vs. Full-year plan	H1 (Q1-Q2) Results	YoY change	H2 (Q3-Q4) Revised Plan	YoY change	Full-year Revised Plan	YoY change
		%	%				%	%										
Net sales	296.3	-1.6	48.8	611.9	+0.1	+0.8	950.6	+1.5	75.1				611.9	+0.1	653.5	+3.8	1,265.5	+2.0
Cost of sales	191.8	+0.1	—	393.7	+0.5	—	605.1	+1.5	—				393.7	+0.5	—	—	—	—
Gross profit	104.5	-4.6	—	218.2	-0.6	—	345.5	+1.5	—				218.2	-0.6	—	—	—	—
Selling, general and administrative expenses	84.8	-0.5	—	174.4	-0.0	—	265.8	-0.8	—				174.4	-0.0	—	—	—	—
Carriage and storage charges	11.8	-5.3	—	24.0	-0.7	—	36.2	+2.7	—				24.0	-0.7	—	—	—	—
Sales promotion expenses	29.1	-3.6	—	58.4	-6.3	—	91.1	-7.8	—				58.4	-6.3	—	—	—	—
Labor cost	19.8	+1.4	—	40.3	+2.8	—	60.9	+3.5	—				40.3	+2.8	—	—	—	—
Operating income	19.7	-19.0	48.2	43.8	-2.9	+6.9	79.6	+10.3	78.8				43.8	-2.9	57.1	+15.4	101.0	+6.7
Ordinary income	20.3	-19.3	48.9	43.8	-4.9	+5.7	80.9	+8.9	80.1				43.8	-4.9	57.1	+14.8	101.0	+5.3
Net income attributable to owners of parent	17.0	+0.5	53.4	38.3	+21.9	+19.7	61.8	+22.0	87.2				38.3	+21.9	32.6	+9.5	71.0	+15.9

FYE March 2018	Q1			Q1-Q2			Q1-Q3			Full-year			Plan -- FYE March 2019					
	YoY change	H1 plan achievement rate		YoY change	vs. H1 plan	YoY change	Full-year plan achievement rate		YoY change	vs. Full-year plan	YoY change	vs. Full-year plan	H1 (Q1-Q2) Results	YoY change	H2 (Q3-Q4) Revised Plan	YoY change	Full-year Revised Plan	YoY change
		%	%				%	%										
Net sales	301.3	+0.1	49.5	611.4	+0.8	+0.4	936.8	+0.3	74.2	1,240.8	-0.1	-1.7	611.4	+0.8	629.3	-1.0	1,240.8	-0.1
Cost of sales	191.6	+0.2	—	391.8	+1.3	—	596.5	+1.2	—	785.9	+0.6	—	391.8	+1.3	394.0	-0.1	785.9	+0.6
Gross profit	109.6	-0.1	—	219.6	-0.2	—	340.3	-1.3	—	454.8	-1.4	—	219.6	-0.2	235.2	-2.5	454.8	-1.4
Selling, general and administrative expenses	85.2	-2.9	—	174.4	-4.5	—	268.1	-3.1	—	360.2	-3.4	—	174.4	-4.5	185.7	-2.4	360.2	-3.4
Carriage and storage charges	12.4	+4.0	—	24.2	-0.4	—	35.2	-4.0	—	46.2	-5.4	—	24.2	-0.4	21.9	-10.3	46.2	-5.4
Sales promotion expenses	30.2	-6.6	—	62.4	-7.2	—	98.7	-5.4	—	133.5	-5.8	—	62.4	-7.2	71.1	-4.6	133.5	-5.8
Labor cost	19.6	+0.4	—	39.2	+0.7	—	58.9	+1.0	—	78.8	+1.1	—	39.2	+0.7	39.6	+1.6	78.8	+1.1
Operating income	24.4	+10.8	59.0	45.1	+20.9	+9.0	72.1	+6.2	74.8	94.6	+7.1	-1.9	45.1	+20.9	49.5	-3.0	94.6	+7.1
Ordinary income	25.1	+15.2	60.9	46.1	+27.8	+11.7	74.3	+10.4	76.2	95.8	+7.9	-1.7	46.1	+27.8	49.7	-5.7	95.8	+7.9
Net income attributable to owners of parent	17.0	+1.9	65.4	31.4	+29.2	+20.9	50.7	+9.6	78.6	61.2	+0.8	-5.1	31.4	+29.2	29.8	-18.2	61.2	+0.8

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

2. Operating Results of Food Segment

(Billions of yen)

FYE March 2019	Q1		Q1-Q2		Q1-Q3		Full-year		Plan -- FYE March 2019					
	YoY change	H1 plan achievement rate	YoY change	vs. H1 plan	YoY change	Full-year plan achievement rate	YoY change	vs. Full-year plan	H1 (Q1-Q2) Results	YoY change	H2 (Q3-Q4) Revised Plan	YoY change	Full-year Revised Plan	YoY change
Net sales	258.6	-2.6	48.8	524.8	-1.8	-1.0	803.1	-1.5	75.3			%		%
Cost of sales	172.6	-0.8	—	351.0	-0.7	—	532.4	-0.7	—					
Gross profit	85.9	-6.0	—	173.7	-3.8	—	270.7	-3.0	—					
Selling, general and administrative expenses	67.5	-2.2	—	134.7	-3.6	—	205.7	-3.9	—					
Carriage and storage charges	11.2	-5.6	—	22.9	-0.6	—	34.5	+2.7	—					
Sales promotion expenses	25.8	-4.7	—	51.4	-7.3	—	80.2	-8.6	—					
Labor cost	14.2	+2.1	—	28.2	+2.0	—	42.7	+1.8	—					
Operating income	18.4	-17.8	47.5	39.0	-4.6	+0.3	64.9	-0.0	73.7					
Ordinary income	18.9	-17.3	48.0	39.7	-4.3	+1.1	66.5	+0.1	74.6					
Net income attributable to owners of parent	16.6	+6.6	52.8	30.5	+4.0	-3.2	48.9	+5.1	79.9					

FYE March 2018	Q1		Q1-Q2		Q1-Q3		Full-year		Plan -- FYE March 2019					
	YoY change	H1 plan achievement rate	YoY change	vs. H1 plan	YoY change	Full-year plan achievement rate	YoY change	vs. Full-year plan	H1 (Q1-Q2) Results	YoY change	H2 (Q3-Q4) Revised Plan	YoY change	Full-year Revised Plan	YoY change
Net sales	265.6	-0.8	50.0	534.2	-0.2	+0.6	815.5	-0.5	74.8	1,073.6	-0.8	-1.5		
Cost of sales	174.1	-0.5	—	353.5	+0.5	—	536.4	+0.7	—	703.3	+0.3	—		
Gross profit	91.5	-1.3	—	180.6	-1.6	—	279.0	-2.6	—	370.3	-2.7	—		
Selling, general and administrative expenses	69.0	-2.3	—	139.7	-3.5	—	214.0	-2.8	—	286.1	-3.9	—		
Carriage and storage charges	11.9	+3.4	—	23.1	-1.2	—	33.6	-4.9	—	43.9	-6.3	—		
Sales promotion expenses	27.1	-5.5	—	55.5	-6.5	—	87.8	-4.8	—	117.4	-5.8	—		
Labor cost	13.9	+0.6	—	27.7	+0.4	—	41.9	+1.3	—	56.1	+1.2	—		
Operating income	22.4	+2.1	57.9	40.9	+5.4	+5.4	64.9	-1.9	75.4	84.1	+1.5	-2.2		
Ordinary income	22.8	+4.8	58.3	41.5	+8.6	+6.0	66.4	+0.4	76.1	86.0	+3.1	-1.5		
Net income attributable to owners of parent	15.6	-6.4	61.1	29.3	+9.3	+14.8	46.5	+3.7	77.2	58.0	+2.7	-3.7		

3. Operating Results of Pharmaceutical Segment

(Billions of yen)

FYE March 2019	Q1			Q1-Q2			Q1-Q3			Full-year		
	YoY change		H1 plan achievement rate	YoY change		vs. H1 plan	YoY change		Full-year plan achievement rate	YoY change		vs. Full-year plan
		%	%		%	%		%	%		%	%
Net sales	37.8	+5.4	48.6	87.6	+12.6	+12.4	148.2	+21.2	74.1			
Cost of sales	19.2	+8.7	—	43.0	+11.1	—	73.2	+20.5	—			
Gross profit	18.5	+2.3	—	44.5	+14.2	—	75.0	+21.9	—			
Selling, general and administrative expenses	17.1	+5.4	—	39.4	+13.8	—	59.8	+11.0	—			
Operating income	1.4	-23.6	57.0	5.1	+17.5	+96.2	15.1	+100.2	112.3			
Ordinary income	1.2	-36.7	48.4	4.0	-8.3	+58.8	14.2	+86.4	118.6			
Net income attributable to owners of parent	0.3	-72.5	45.0	7.8	+302.3	+1,064.4	13.0	+222.3	134.1			

Plan -- FYE March 2019					
H1 (Q1-Q2) Results	YoY change	H2 (Q3-Q4) Revised Plan	YoY change	Full-year Revised Plan	YoY change
	%		%		%
87.6	+12.6	112.3	+23.9	200.0	+18.7
43.0	+11.1	—	—	—	—
44.5	+14.2	—	—	—	—
39.4	+13.8	—	—	—	—
5.1	+17.5	8.3	+25.7	13.5	+22.4
4.0	-8.3	7.9	+46.1	12.0	+21.8
7.8	+302.3	1.8	+41.4	9.7	+197.0

FYE March 2018	Q1			Q1-Q2			Q1-Q3			Full-year		
	YoY change		H1 plan achievement rate	YoY change		vs. H1 plan	YoY change		Full-year plan achievement rate	YoY change		vs. Full-year plan
		%	%		%	%		%	%		%	%
Net sales	35.9	+6.5	45.4	77.7	+7.8	-1.5	122.3	+5.8	70.6	168.4	+4.2	-2.7
Cost of sales	17.7	+6.8	—	38.7	+8.8	—	60.8	+6.2	—	83.6	+3.6	—
Gross profit	18.1	+6.2	—	38.9	+6.9	—	61.5	+5.3	—	84.8	+4.8	—
Selling, general and administrative expenses	16.2	-5.1	—	34.6	-8.4	—	53.9	-4.2	—	73.8	-1.8	—
Operating income	1.9	+11,900.3	72.1	4.3	—	+61.3	7.5	+260.3	68.8	11.0	+90.7	0.2
Ordinary income	1.9	—	88.5	4.4	—	+100.6	7.6	+841.5	76.4	9.8	+105.5	-1.4
Net income attributable to owners of parent	1.1	—	275.4	1.9	—	+386.9	4.0	+228.6	89.7	3.2	-16.2	-27.4

H1 (Q1-Q2)	YoY change	H2 (Q3-Q4)	YoY change	Full-year	YoY change
	%		%		%
77.7	+7.8	90.6	+1.3	168.4	+4.2
38.7	+8.8	44.8	-0.5	83.6	+3.6
38.9	+6.9	45.8	+3.2	84.8	+4.8
34.6	-8.4	39.2	+4.9	73.8	-1.8
4.3	—	6.6	-6.0	11.0	+90.7
4.4	—	5.4	-24.2	9.8	+105.5
1.9	—	1.3	-79.8	3.2	-16.2

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

2. Segment Information

1. Food Segment

A. Net Sales

(Billions of yen)

FYE March 2019	Q1		Q1-Q2		Q1-Q3		Full-year		Plan -- FYE March 2019						
	YoY change	H1 plan achievement rate	YoY change	vs. H1 plan	YoY change	Full-year plan achievement rate	YoY change	vs. Full-year plan	H1 (Q1-Q2) Results	YoY change	H2 (Q3-Q4) Revised Plan	YoY change	Full-year Revised Plan	YoY change	
															%
Fresh and Fermented Dairy	83.0	-3.1	49.7	165.5	-3.0	-1.0	248.0	-2.5	74.6	165.5	-3.0	166.9	-0.6	332.4	-1.8
Processed Food	44.0	+2.1	48.5	91.4	+2.8	+0.7	137.5	+1.9	78.0	91.4	+2.8	85.0	-0.3	176.4	+1.3
Confectionery	24.8	-19.6	48.8	50.4	-15.1	-1.1	87.6	-12.1	70.4	50.4	-15.1	74.1	-2.7	124.5	-8.2
Nutrition	21.6	+1.8	48.7	44.5	+2.4	+0.1	67.6	+1.3	78.9	44.5	+2.4	41.1	+1.4	85.7	+1.9
Overseas	9.9	+7.4	39.6	21.7	+5.8	-13.1	35.4	+11.1	72.2	21.7	+5.8	27.3	+19.2	49.0	+12.9
Other Domestic Subsidiaries	75.0	-0.2	49.6	151.1	-0.1	-0.2	226.7	-0.4	75.9	151.1	-0.1	147.7	+0.9	298.9	+0.4

FYE March 2018	Q1		Q1-Q2		Q1-Q3		Full-year		Plan -- FYE March 2019						
	YoY change	H1 plan achievement rate	YoY change	vs. H1 plan	YoY change	Full-year plan achievement rate	YoY change	vs. Full-year plan	H1 (Q1-Q2) Results	YoY change	H2 (Q3-Q4) Revised Plan	YoY change	Full-year Revised Plan	YoY change	
															%
Fresh and Fermented Dairy	85.7	—	—	170.6	—	—	254.5	—	—	170.6	—	167.9	—	338.5	—
Processed Food	43.1	—	—	88.9	—	—	134.9	—	—	88.9	—	85.2	—	174.1	—
Confectionery	30.9	—	—	59.3	—	—	99.6	—	—	59.3	—	76.1	—	135.5	—
Nutrition	21.3	—	—	43.5	—	—	66.7	—	—	43.5	—	40.5	—	84.1	—
Overseas	9.2	—	—	20.5	—	—	31.8	—	—	20.5	—	22.9	—	43.4	—
Other Domestic Subsidiaries	75.2	—	—	151.2	—	—	227.6	—	—	151.2	—	146.5	—	297.8	—

B. Operating Income

(Billions of yen)

FYE March 2019	Q1		Q1-Q2		Q1-Q3		Full-year		Plan -- FYE March 2019						
	YoY change	H1 plan achievement rate	YoY change	vs. H1 plan	YoY change	Full-year plan achievement rate	YoY change	vs. Full-year plan	H1 (Q1-Q2) Results	YoY change	H2 (Q3-Q4) Revised Plan	YoY change	Full-year Revised Plan	YoY change	
															%
Fresh and Fermented Dairy	11.3	-14.1	49.3	22.4	-9.0	-2.9	34.1	-6.5	69.8	22.4	-9.0	26.5	-3.4	48.9	-6.0
Processed Food	1.6	-7.8	40.9	4.3	+9.1	+5.7	7.0	+13.1	84.7	4.3	+9.1	3.9	+16.7	8.3	+12.6
Confectionery	3.1	-29.7	49.3	6.2	-13.7	-2.8	14.8	-2.2	68.7	6.2	-13.7	15.3	+23.5	21.6	+9.8
Nutrition	3.1	-18.2	47.4	7.2	+0.3	+10.1	11.3	+0.3	85.1	7.2	+0.3	6.0	+17.1	13.3	+7.4
Overseas	-0.0	—	—	0.5	+48.3	+40.2	1.0	+60.3	102.9	0.5	+48.3	0.5	+41.4	1.0	+44.8
Other Domestic Subsidiaries	1.2	-3.8	50.0	2.3	-10.5	-7.7	3.4	-14.5	82.3	2.3	-10.5	1.8	+7.5	4.1	-3.5
Corporate expenses	-2.1	—	—	-4.1	—	—	-6.9	—	—	-4.1	—	-5.1	—	-9.3	—

FYE March 2018	Q1		Q1-Q2		Q1-Q3		Full-year		Plan -- FYE March 2019						
	YoY change	H1 plan achievement rate	YoY change	vs. H1 plan	YoY change	Full-year plan achievement rate	YoY change	vs. Full-year plan	H1 (Q1-Q2) Results	YoY change	H2 (Q3-Q4) Revised Plan	YoY change	Full-year Revised Plan	YoY change	
															%
Fresh and Fermented Dairy	13.2	—	—	24.6	—	—	36.5	—	—	24.6	—	27.4	—	52.0	—
Processed Food	1.8	—	—	4.0	—	—	6.2	—	—	4.0	—	3.3	—	7.4	—
Confectionery	4.5	—	—	7.2	—	—	15.2	—	—	7.2	—	12.4	—	19.7	—
Nutrition	3.8	—	—	7.2	—	—	11.3	—	—	7.2	—	5.2	—	12.4	—
Overseas	-0.1	—	—	0.3	—	—	0.6	—	—	0.3	—	0.3	—	0.7	—
Other Domestic Subsidiaries	1.3	—	—	2.6	—	—	4.0	—	—	2.6	—	1.6	—	4.3	—
Corporate expenses	-2.1	—	—	-5.2	—	—	-8.9	—	—	-5.2	—	-7.2	—	-12.4	—

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

2. Pharmaceutical Segment

A. Net Sales

(Billions of yen)

FYE March 2019	Q1		Q1-Q2		Q1-Q3		Full-year		Plan -- FYE March 2019									
	YoY change	H1 plan achievement rate	YoY change	vs. H1 plan	YoY change	Full-year plan achievement rate	YoY change	vs. Full-year plan	H1 (Q1-Q2) Results	YoY change	H2 (Q3-Q4) Revised Plan	YoY change	Full-year Revised Plan	YoY change				
Japan	27.6	+2.3	47.4	%	58.2	+0.0	+0.0	%	96.4	+3.5	74.5	%	58.2	+0.0	71.1	+0.5	129.4	+0.3
Overseas	10.2	+15.0	52.5	%	20.6	+6.0	+6.0	%	30.5	+4.9	71.5	%	20.6	+6.0	22.0	+10.6	42.6	+8.3
Biologicals	—	—	—	%	9.9	—	—	%	24.0	—	80.2	%	9.9	—	20.0	—	30.0	—

FYE March 2018	Q1		Q1-Q2		Q1-Q3		Full-year		Plan -- FYE March 2019									
	YoY change	H1 plan achievement rate	YoY change	vs. H1 plan	YoY change	Full-year plan achievement rate	YoY change	vs. Full-year plan	H1 (Q1-Q2) Results	YoY change	H2 (Q3-Q4) Revised Plan	YoY change	Full-year Revised Plan	YoY change				
Japan	27.0	—	—	%	58.2	—	—	%	93.2	—	—	%	58.2	—	70.7	—	129.0	—
Overseas	8.9	—	—	%	19.5	—	—	%	29.1	—	—	%	19.5	—	19.9	—	39.4	—

B. Operating Income

(Billions of yen)

FYE March 2019	Q1		Q1-Q2		Q1-Q3		Full-year		Plan -- FYE March 2019									
	YoY change	H1 plan achievement rate	YoY change	vs. H1 plan	YoY change	Full-year plan achievement rate	YoY change	vs. Full-year plan	H1 (Q1-Q2) Results	YoY change	H2 (Q3-Q4) Revised Plan	YoY change	Full-year Revised Plan	YoY change				
Japan	1.2	-11.1	55.8	%	4.1	+78.0	+81.7	%	10.0	+141.4	107.1	%	4.1	+78.0	5.2	+22.0	9.4	+41.9
Overseas	0.2	-60.0	66.7	%	0.7	-62.3	+151.5	%	1.5	-53.5	143.9	%	0.7	-62.3	0.3	-85.6	1.1	-75.0
Biologicals	—	—	—	%	1.6	—	—	%	4.3	—	123.4	%	1.6	—	1.8	—	3.5	—

FYE March 2018	Q1		Q1-Q2		Q1-Q3		Full-year		Plan -- FYE March 2019									
	YoY change	H1 plan achievement rate	YoY change	vs. H1 plan	YoY change	Full-year plan achievement rate	YoY change	vs. Full-year plan	H1 (Q1-Q2) Results	YoY change	H2 (Q3-Q4) Revised Plan	YoY change	Full-year Revised Plan	YoY change				
Japan	1.4	—	—	%	2.3	—	—	%	4.1	—	—	%	2.3	—	4.2	—	6.6	—
Overseas	0.5	—	—	%	2.0	—	—	%	3.4	—	—	%	2.0	—	2.4	—	4.4	—

Note: From the second quarter of FYE March 2019, we will indicate earnings and plans for the biological agents business (KM Biologics).

Note: The difference between the total for net sales and operating income for each business as indicated on this page and pharmaceutical segment (consolidated) net sales and operating income indicated on page 3 represents intersegment eliminations.

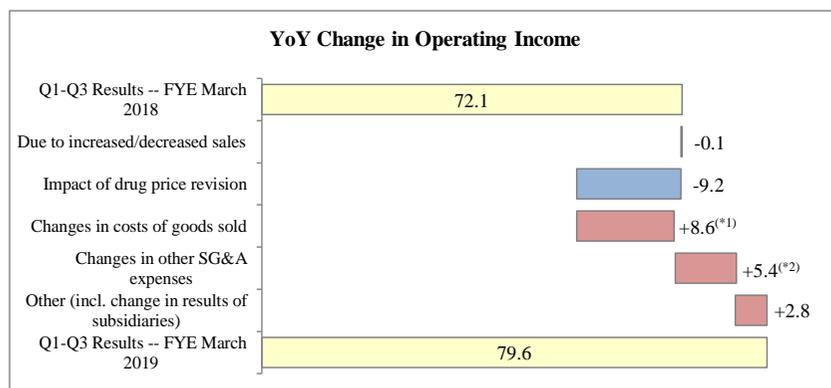
Note: On February 7, 2019, we revised the figures of Net Sales and Operating Income of Japan and Overseas for FYE March 2019.

3. Analysis of Operating Income

1. Results-- FYE March 2019

(Billions of yen)

	Q1				Q1-Q2				Q1-Q3				Full-year			
	Consolidated Total	Food	Pharma	Other	Consolidated Total	Food	Pharma	Other	Consolidated Total	Food	Pharma	Other	Consolidated Total	Food	Pharma	Other
Results -- FYE March 2018	24.4	22.4	1.9	0.0	45.1	40.9	4.3	-0.1	72.1	64.9	+7.5	-0.3				
Due to increased/decreased sales	-1.1	-2.3	+1.2	—	-0.5	-2.8	+2.3	—	-0.1	-3.4	+3.3	—				
Impact of drug price revision	-2.9	—	-2.9	—	-6.0	—	-6.0	—	-9.2	—	-9.2	—				
Changes in costs of goods sold	+2.8	+0.6	+2.2	—	+5.3	+1.5	+3.8	—	+8.6	+2.1	+6.5	—				
Changes in other SG&A expenses	-2.4	-1.3	-1.1	—	+1.5	+1.0	+0.5	—	+5.4	+2.8	+2.6	—				
Other (incl. change in results of subsidiaries)	-1.1	-1.0	+0.1	-0.2	-1.6	-1.6	+0.2	-0.2	+2.8	-1.5	+4.4	-0.1				
Total change	-4.7	-4.0	-0.5	-0.2	-1.3	-1.9	+0.8	-0.2	+7.5	-0.0	+7.6	-0.1				
Results -- FYE March 2019	19.7	18.4	1.4	-0.1	43.8	39.0	5.1	-0.2	79.6	64.9	15.1	-0.4				



(Breakdown)

*1: [Food] Decrease in raw material costs: +1.2, Other: +0.9

[Pharma] Cost reductions and difference due to inventory reevaluation following a production structure review

*2: [Food] Increase in distribution cost: -0.6, Other: +3.4

[Pharma] Decrease in R&D expenses: +1.1, Decrease in promotion expenses: +2.3, Other: -0.8

2. Plan -- FYE March 2019

(Billions of yen)

	H1 (Q1-Q2) Results				H2 (Q3-Q4) Revised Plan				Full-year Revised Plan			
	Consolidated Total	Food	Pharma	Other	Consolidated Total	Food	Pharma	Other	Consolidated Total	Food	Pharma	Other
Results -- FYE March 2018	45.1	40.9	4.3	-0.1	49.5	43.2	6.6	-0.4	94.6	84.1	11.0	-0.5
Due to increased/decreased sales	-0.5	-2.8	+2.3	—	+5.4	+3.7	+1.7	—	+4.9	+0.9	+4.0	—
Impact of drug price revision	-6.0	—	-6.0	—	-6.5	—	-6.5	—	-12.5	—	-12.5	—
Changes in costs of goods sold	+5.3	+1.5	+3.8	—	+4.2	-1.0	+5.2	—	+9.5	+0.5	+9.0	—
Changes in other SG&A expenses	+1.5	+1.0	+0.5	—	+2.1	+2.8	-0.7	—	+3.6	+3.8	-0.2	—
Other (incl. change in results of subsidiaries)	-1.6	-1.6	+0.2	-0.2	+2.5	+0.3	+2.0	+0.2	+0.9	-1.3	+2.2	-0.0
Total change	-1.3	-1.9	+0.8	-0.2	+7.7	+5.8	+1.7	+0.2	+6.4	+3.9	+2.5	-0.0
Plan -- FYE March 2019	43.8	39.0	5.1	-0.2	57.1	49.1	8.3	-0.3	101.0	88.1	13.5	-0.6

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

4. Consolidated Financial Positions

(Billions of yen)

FYE March 2019	As of Jun. 30		As of Sep. 30		As of Dec. 31		As of Mar. 31	
		Change from the previous fiscal year end		Change from the previous fiscal year end		Change from the previous fiscal year end		Change from the previous fiscal year end
Total assets	943.1	%	1,003.9	%	1,025.0	%		%
Current assets	393.9	+1.9	415.8	+8.5	438.7	+10.8		
Fixed assets	549.1	+2.9	588.0	+8.6	586.2	+14.6		
Total liabilities	440.4	+1.3	451.0	+8.4	462.3	+8.1		
Current liabilities	303.3	+2.4	293.4	-0.3	307.1	+4.3		
Long-term liabilities	137.0	+1.1	157.5	+16.2	155.1	+14.4		
Total net assets	502.7	+1.5	552.8	+11.6	562.7	+13.6		
Shareholders' equity	471.8	+1.4	493.4	+6.0	507.6	+9.0		

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

Reference	Consolidated interest bearing debt	147.1	+23.5	136.7	+14.8	147.6	+24.0		
	Food segment assets	658.2	-0.5	664.2	+0.4	674.4	+2.0		
	Pharmaceuticals segment assets	206.4	-2.9	277.9	+30.7	293.3	+37.9		

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

FYE March 2018	As of Jun. 30		As of Sep. 30		As of Dec. 31		As of Mar. 31		
		Change from the previous fiscal year end		Change from the previous fiscal year end		Change from the previous fiscal year end		Change from the previous fiscal year end	
Total assets	891.7	%	918.9	%	950.3	%	927.5	%	
Current assets	373.1	+0.9	387.7	+4.0	407.3	+7.5	392.6	+4.9	
Fixed assets	518.5	-1.2	531.2	+2.7	543.0	+7.9	534.8	+5.7	
Total liabilities	437.1	+2.4	449.3	+4.9	461.9	+7.3	432.3	+1.3	
Current liabilities	321.9	+2.4	332.5	+5.3	342.2	+8.3	294.4	-6.3	
Long-term liabilities	115.1	+2.5	116.7	+5.8	119.6	+8.9	137.9	+22.6	
Total net assets	454.6	+2.3	469.6	+3.8	488.4	+6.4	495.1	+8.3	
Shareholders' equity	431.3	-0.6	444.0	+2.7	455.0	+6.8	465.5	+6.8	
Reference	Consolidated interest bearing debt	155.5	+20.1	139.6	+7.8	153.4	+18.5	119.1	-8.0
	Food segment assets	624.7	-0.9	659.3	+4.6	669.4	+6.2	661.3	+5.0
	Pharmaceuticals segment assets	212.0	-1.7	210.5	-2.5	217.1	+0.6	212.7	-1.4

5. Capital Expenditures, Depreciation, R&D Expenses

(Billions of yen)

	FYE March 2016		FYE March 2017		FYE March 2018		FYE March 2019	
	H1 (Q1-Q2)	Full-year	H1 (Q1-Q2)	Full-year	H1 (Q1-Q2)	Full-year	H1 (Q1-Q2) Results	Full-year Revised Plan
Capital expenditures	24.1	42.3	23.3	50.4	34.8	71.7	34.3	79.3
Food segment	21.2	36.5	20.3	44.3	30.6	63.8	30.5	68.1
Pharmaceutical segment	2.8	5.7	2.9	6.0	4.1	7.8	3.7	11.1
Corporate or elimination	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1
Depreciation and amortization	19.7	42.0	22.1	45.8	22.3	46.5	20.6	42.7
Food segment	17.3	36.5	19.2	39.9	19.3	40.1	16.7	34.6
Pharmaceutical segment	2.2	5.3	2.8	5.7	2.9	6.0	3.6	7.8
Corporate or elimination	0.1	0.2	0.1	0.2	0.1	0.3	0.2	0.2
R&D expenses	12.9	27.3	12.5	26.1	12.5	26.5	13.2	30.2
Food segment	6.4	12.6	6.1	12.4	5.9	13.2	6.1	13.1
Pharmaceutical segment	6.5	14.6	6.4	13.7	6.5	13.2	7.0	17.0
Corporate or elimination	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

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

6. Financial Indicators, consolidated

	FYE March 2015	FYE March 2016	FYE March 2017	FYE March 2018	
	Full-year	Full-year	Full-year	Full-year	
Net sales	1,161.1 billion yen	1,223.7 billion yen	1,242.4 billion yen	1,240.8 billion yen	
Operating income	51.5 billion yen	77.7 billion yen	88.3 billion yen	94.6 billion yen	
Operating income ratio	4.4 %	6.4 %	7.1 %	7.6 %	
EBITDA	94.0 billion yen	121.6 billion yen	135.8 billion yen	142.8 billion yen	(Note) Op. income + Depreciation and amortization
EBITDA margin	8.1 %	9.9 %	10.9 %	11.5 %	
Net income attributable to shareholders of parent company	30.8 billion yen	62.5 billion yen	60.7 billion yen	61.2 billion yen	
Net income ratio	2.7 %	5.1 %	4.9 %	4.9 %	
Total assets	877.3 billion yen	856.1 billion yen	883.8 billion yen	927.5 billion yen	
Interest bearing debt	221.4 billion yen	147.8 billion yen	129.4 billion yen	119.1 billion yen	
Shareholders' equity	370.3 billion yen	408.8 billion yen	448.9 billion yen	487.3 billion yen	
Shareholders' equity ratio	42.2 %	47.8 %	50.8 %	52.5 %	
Debt/Equity ratio	0.6 %	0.4 %	0.3 %	0.2 %	
ROA	6.5 %	9.4 %	10.2 %	10.6 %	(Note) Ordinary income/Average net assets
ROE	8.9 %	16.1 %	14.2 %	13.1 %	(Note) Net income attributable to shareholders of parent company/Average shareholders' equity
Cash flows from operating activities	86.4 billion yen	105.1 billion yen	81.8 billion yen	108.7 billion yen	
Cash flows from investing activities	-92.8 billion yen	-9.8 billion yen	-44.2 billion yen	-64.3 billion yen	
Free cash flows	Δ6.3 billion yen	95.3 billion yen	37.5 billion yen	44.3 billion yen	(Note) Cash flows from operating activities + Cash flows from investing activities
Net income per share	209.79 yen	425.06 yen	413.11 yen	422.15 yen	(Note) Net income attributable to shareholders of parent company / (Number of shares outstanding - Number of treasury stock)
Net assets per share	2,515.26 yen	2,777.28 yen	3,064.91 yen	3,360.70 yen	(Note) (Total net assets - Noncontrolling interests) / (Number of shares outstanding - Number of treasury stock)
Cash flow per share	494.24 yen	710.89 yen	728.21 yen	743.35 yen	(Note) (Net income attributable to shareholders of parent company + Depreciation and Amortization) / (Number of shares outstanding - Number of treasury stock)
Cash dividends per share	50.00 yen	90.00 yen	110.00 yen	130.00 yen	
Dividend payout ratio	23.8 %	21.2 %	26.6 %	30.8 %	
Price/Earnings ratio--PER	34.9 times	21.3 times	22.4 times	19.1 times	(Note) Year-end stock price/Net income per share
Price/Book value ratio--PBR	2.9 times	3.3 times	3.0 times	2.4 times	(Note) Year-end stock price/Net assets per share
Price/Cash flow ratio--PCFR	14.8 times	12.7 times	12.7 times	10.8 times	(Note) Year-end stock price/Cash flow per share

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

7. Sales by Main Products

1. Food Segment (Non-consolidated)

(Billions of yen)

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

Plan -- FYE March 2019					
H1 (Q1-Q2) Results	YoY change	H2 (Q3-Q4) Revised Plan	YoY change	Full-year Revised Plan	YoY change
	%		%		%
45.0	+2.0	42.9	+7.5	88.0	+4.6
41.9	+2.3	39.3	+6.3	81.2	+4.2
52.1	-4.7	65.1	+0.8	117.3	-1.8
55.2	-1.7	51.3	+0.7	106.5	-0.5
29.7	-3.8	27.3	+1.8	57.0	-1.2
18.0	+5.0	18.4	+2.3	36.4	+3.6
6.6	+4.5	7.4	+12.7	14.1	+8.6
28.3	+6.9	16.7	+1.4	45.1	+4.8
36.6	-12.8	62.3	+0.5	99.0	-4.9
28.2	+7.6	27.7	+4.1	55.9	+5.8
11.3	+3.6	9.7	+20.1	21.1	+10.6

FYE March 2018	Q1		Q1-Q2			Q1-Q3			Full-year			
	YoY Change	H1 Plan Achievement Rate	YoY Change	vs. H1 Plan	YoY Change	Full-year Plan Achievement Rate	YoY Change	vs. Full-year Plan				
Yogurt	22.1	-5.1	48.2	44.1	-2.5	-4.1	64.2	-3.2	73.2	84.1	-2.8	-4.1
Meiji Bulgaria Yogurt	20.4	-5.9	48.3	40.9	-2.8	-3.4	59.5	-3.4	74.2	77.9	-3.0	-2.8
Probiotic yogurts	28.3	+0.2	52.1	54.7	+2.2	+0.6	85.5	-0.2	69.6	119.4	-0.2	-2.7
Drinking milk	27.5	+1.7	50.2	56.2	+2.4	+2.4	82.7	+1.4	77.3	107.1	-0.2	0.1
Meiji Oishii Gyunyu	14.7	+1.4	48.1	30.9	+2.4	+0.6	44.9	+1.4	76.2	57.7	-0.3	-2.1
Cheese	8.8	-1.5	53.5	17.2	-0.6	+4.3	26.7	-0.8	77.1	35.2	-0.8	+1.3
Meiji Hokkaido Tokachi series	3.3	+3.9	54.3	6.4	+2.5	+2.6	9.9	+0.4	75.6	13.0	-1.3	-1.2
Ice cream	11.6	-12.0	43.1	26.5	-12.1	-1.4	35.7	-10.8	80.0	43.0	-10.8	-3.6
Chocolate	21.7	+5.0	51.4	42.0	+3.6	-0.5	75.1	+3.2	71.4	104.0	+1.4	-1.1
Nutritional products	12.7	-3.4	48.8	26.2	-0.5	+0.3	41.6	+2.0	78.4	52.8	+1.1	-0.5
Sports nutrition	5.6	+14.4	51.0	10.9	+11.4	+0.1	15.2	+10.0	75.3	19.1	+10.4	-5.7

H1 (Q1-Q2)	YoY Change	H2 (Q3-Q4)	YoY Change	Full-year	YoY Change
	%		%		%
44.1	-2.5	39.9	-3.2	84.1	-2.8
40.9	-2.8	37.0	-3.2	77.9	-3.0
54.7	+2.2	64.6	-2.1	119.4	-0.2
56.2	+2.4	50.9	-3.0	107.1	-0.2
30.9	+2.4	26.8	-3.2	57.7	-0.3
17.2	-0.6	18.0	-1.0	35.2	-0.8
6.4	+2.5	6.6	-4.7	13.0	-1.3
26.5	-12.1	16.5	-8.5	43.0	-10.8
42.0	+3.6	61.9	-0.1	104.0	+1.4
26.2	-0.5	26.6	+2.8	52.8	+1.1
10.9	+11.4	8.1	+9.1	19.1	+10.4

Note: Nutritional products includes infant formula and enteral formula.

2. Pharmaceutical Segment (Non-consolidated)

(Billions of yen)

FYE March 2019		Q1		Q1-Q2		Q1-Q3		Full-year		Plan -- FYE March 2019									
		YoY Change	H1 Plan Achievement Rate	YoY Change	vs. H1 Plan	YoY Change	Full-year Plan Achievement Rate	YoY Change	vs. Full-year Plan	H1 (Q1-Q2) Results	YoY Change	H2 (Q3-Q4) Revised Plan	YoY Change	Full-year Revised Plan	YoY Change				
		%	%	%	%	%	%	%	%	%	%	%	%	%	%				
Ethical pharmaceuticals (Japan)*	Total brand name drugs	12.5	+6.3	48.0	26.7	+3.5	+2.1	43.9	+7.2	78.0				26.7	+3.5	29.6	+2.2	56.3	+2.8
	MELACT	1.1	-27.9	43.7	2.1	-36.4	-16.2	3.6	-38.2	75.5				2.1	-36.4	2.6	-35.6	4.7	-36.0
	REFLEX	4.4	+5.7	44.3	9.9	+1.2	-1.8	14.7	-2.2	81.0				9.9	+1.2	8.3	-16.6	18.2	-7.8
	SYCREST	0.8	+45.8	41.3	1.8	+36.6	-12.7	2.8	+33.8	64.7				1.8	+36.6	2.5	+69.7	4.3	+53.9
	BILANOA	1.1	+426.5	75.1	1.7	+285.1	+15.7	2.8	+133.5	54.0				1.7	+285.1	3.5	+28.7	5.3	+64.9
	Total generic drugs	10.9	+2.1	47.9	22.8	-0.9	-0.3	35.4	-0.7	75.1				22.8	-0.9	24.4	+3.0	47.2	+1.1
	AMLODIPINE	1.0	+1.0	48.7	2.2	-2.8	+1.0	3.3	-5.5	73.8				2.2	-2.8	2.3	-2.1	4.5	-2.5
	TAZOPIPE	1.1	+19.8	44.3	2.6	+21.7	+0.3	4.0	+15.9	70.4				2.6	+21.7	3.1	+22.4	5.7	+22.1
	(By field) Total infectious diseases	8.2	+0.9	47.6	18.0	+2.0	+4.2	31.4	+10.3	80.7				18.0	+2.0	20.8	+7.8	38.9	+5.0
	Total CNS disorders	8.4	+7.5	45.7	18.1	+3.1	-2.0	27.5	+0.6	77.6				18.1	+3.1	17.3	-3.9	35.4	-0.5
Biologicals	Total human vaccine	—	—	—	7.1	—	—	17.8	—	85.4				7.1	—	13.7	—	20.9	—
Total blood plasma products	—	—	—	1.7	—	—	3.6	—	67.9				1.7	—	3.6	—	5.3	—	

FYE March 2018		Q1		Q1-Q2		Q1-Q3		Full-year		Plan -- FYE March 2019									
		YoY Change	H1 Plan Achievement Rate	YoY Change	vs. H1 Plan	YoY Change	Full-year Plan Achievement Rate	YoY Change	vs. Full-year Plan	H1 (Q1-Q2) Results	YoY Change	H2 (Q3-Q4) Revised Plan	YoY Change	Full-year Revised Plan	YoY Change				
		%	%	%	%	%	%	%	%	%	%	%	%	%					
Ethical pharmaceuticals (Japan)*	Total brand name drugs	11.8	+4.2	41.1	25.8	+4.7	-10.2	41.0	+0.7	69.2	54.8	+2.4	-7.5	25.8	+4.7	28.9	+0.5	54.8	+2.4
	MELACT	1.5	-21.8	41.2	3.4	-20.9	-10.4	5.8	-22.2	77.6	7.4	-23.8	-0.8	3.4	-20.9	4.0	-26.1	7.4	-23.8
	REFLEX	4.2	-8.2	40.3	9.7	+1.4	-6.7	15.0	+1.9	73.5	19.7	+1.5	-3.7	9.7	+1.4	9.9	+1.5	19.7	+1.5
	SYCREST	0.5	+60.4	39.6	1.3	+140.2	-10.5	2.0	+131.0	55.8	2.8	+113.2	-25.1	1.3	+140.2	1.4	+93.3	2.8	+113.2
	BILANOA	0.2	—	17.5	0.4	—	-63.2	1.2	+77.0	36.0	3.2	+307.9	-5.7	0.4	—	2.7	+250.3	3.2	+307.9
	Total generic drugs	10.7	+10.7	45.9	23.0	+13.2	-1.6	35.7	+11.7	74.5	46.7	+10.0	-2.5	23.0	+13.2	23.7	+7.1	46.7	+10.0
	AMLODIPINE	1.0	-1.3	44.0	2.2	+1.4	-5.1	3.5	+1.3	75.2	4.6	+0.0	-1.2	2.2	+1.4	2.3	-1.3	4.6	+0.0
	TAZOPIPE	0.9	+177.3	52.7	2.1	+153.8	+17.4	3.4	+133.4	75.9	4.7	+111.3	+2.4	2.1	+153.8	2.5	+84.6	4.7	+111.3
	(By field) Total infectious diseases	8.1	+1.4	45.4	17.6	+3.3	-1.7	28.4	+0.4	75.8	37.0	+0.3	-1.4	17.6	+3.3	19.3	-2.4	37.0	+0.3
	Total CNS disorders	7.8	-3.9	42.0	17.6	+5.5	-6.1	27.3	+6.6	73.1	35.6	+5.6	-4.7	17.6	+5.5	18.0	+5.7	35.6	+5.6

*Sales of Ethical pharmaceuticals in Japan, Meiji Seika Pharma (non-consolidated)

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

8. Other

1. List of New Products Under Development

Infectious disease

Stage	Name	Type	Efficacy Classification	Notes
Phase II	ME1111	Topical	Antionychomycosis	Meiji Seika Pharma Co., Ltd.
Phase I (Overseas)	ME1100 (Arbekacin)	Inhalation	Hospital Acquired Bacterial Pneumonia/ Ventilator Associated Bacterial Pneumonia treatment (HABP/VABP)	Meiji Seika Pharma Co., Ltd.
Phase I	OP0595 (Nacubactam)	Injection	β -lactamase inhibitor	Meiji Seika Pharma Co., Ltd.

CNS disorders

Stage	Name	Type	Efficacy Classification	Notes
Filed	ME2125 (Safinamide)	Oral	Anti-Parkinson's Disease	In-license: Newron Pharmaceutical S.p.A. (Italy) Licensed out to Eisai Co., Ltd. (Japan)
Phase III	ME2112 (Ziprasidone)	Oral	Antipsychotic	In-license: RaQualia Pharma Inc.
Phase II	REFLEX Org3770 (Mirtazapine)	Oral	Fibromyalgia treatment (Additional indications)	In-license: MSD K.K.

New fields

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

Vaccines

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

Blood Plasma Products

Stage	Name	Target Disease	Notes
Filed	KD6-71	Application for indication expansion is under preparation for chronic inflammatory demyelinating polyneuropathy (CIDP) and multifocal motor neuropathy (MMN)	Co-development: Teijin Pharma Limited
Preparing for regulatory filing	KD5-71	Indication expansion for optic neuritis (ON) (orphan drug)	Co-development: Teijin Pharma Limited
Phase III	KD-371	Indication expansion for microscopic polyangiitis (MPA) (orphan drug)	Co-development: Teijin Pharma Limited

2. Category Changes Within Segments

From FYE March 2019, we have implemented the following changes to business categories within segments. Targets and actual figures for Fiscal Year ending March 2019 are disclosed as a new classification.

