

[Translation]

May 18, 2004

Name of the Company: Nippon Meat Packers, Inc.  
(the "Company")  
Name of the representative: Yoshikiyo Fujii  
Director and President  
(Code No.: 2282 Listed on 1<sup>st</sup> Section of Tokyo Stock  
Exchange and Osaka Securities Exchange)

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To Whom it May Concern:

Issue of the Stock Acquisition Rights  
as Stock Compensation-Type Stock Options

It is hereby notified as follows that the Board of Directors of the Company at its meeting held today resolved upon submission of proposal that stock acquisition rights as stock compensation-type stock options will be issued to directors, statutory auditors and executive officers of the Company (the "Officers") pursuant to provisions of Articles 280-20 and 280-21 of the Commercial Code of Japan for approval of shareholders at the 59th ordinary general meeting of shareholders of the Company scheduled to be held on June 25, 2004.

Particulars

1. Reason why stock acquisition rights to be issued at the specially favorable conditions to parties other than shareholders:

The Company intends to induce desire and spirit for a rising stock price and of business performance improvement through appropriate company management by enhancing ties between the compensation of the Officers of the Company and the stock price and business performance of the Company and sharing with the shareholders the risk of a decline in the stock price as well as the merits resulting from a rising stock price.

The Company will review the compensation system of the Officers and abolish the existing retirement allowance system, and stock acquisition rights as stock compensation-type stock options will be granted free of charge to the Officers on the condition that the general meeting of shareholders of the Company to be held each fiscal year during such Officers' term of office gives approval.

2. Summary of issue of stock acquisition rights:

- (1) Kind and number of shares to be issued upon exercise of stock acquisition rights:

Shares of common stock of the Company

The maximum number of shares to be issued will be 130,000 shares.

In the event that shares are divided or consolidated, the number of shares to be

issued upon exercise of stock acquisition rights shall be adjusted in accordance with the following formula. Any fractional shares resulting from division or consolidation of shares shall be disregarded.

$$\begin{array}{rcl} \text{Number of shares} & & \text{Number of shares} \\ \text{after adjustment} & = & \text{before adjustment} \\ & & \times \end{array} \quad \begin{array}{l} \text{Ratio of division} \\ \text{or consolidation} \\ \text{of shares} \end{array}$$

Furthermore, in the event that the Company merges with another company, consummates company division or carries out any other inevitable matter necessitating the number of shares to be issued upon exercise of stock acquisition rights to be adjusted, the number of shares to be issued shall be adjusted to the reasonable extent, taking into consideration the terms and conditions of the merger or company division.

- (2) The aggregate number of stock acquisition rights:

The maximum number of stock acquisition rights will be 130.

1,000 shares will be allotted to each stock acquisition right (the “number of allotted shares”). Provided, however, that the adjustment of the number of shares to be issued upon exercise of stock acquisition rights provided for in the proviso of Item (1) above shall be applied *mutatis mutandis* by reading the “number of shares to be issued upon exercise of stock acquisition rights” for the “number of allotted shares.”

- (3) The issue price of stock acquisition rights:

Free of charge.

- (4) Amount to be paid upon exercise of each stock acquisition right:

The amount to be paid upon exercise of each stock acquisition right shall be an amount obtained by multiplying the exercise price for each share issued or transferred upon exercise of the stock acquisition rights, which is one (1) yen per share, by the number of allotted shares.

- (5) Exercise period of stock acquisition rights:

Period from July 1, 2004 to June 30, 2024 (both days inclusive) determined by the Board of Directors of the Company.

- (6) Conditions for exercise of stock acquisition rights:

(i) An optionholder may exercise his or her stock acquisition rights on the date immediately after the date on which such optionholder loses his or her position as an Officer of the Company (the “Exercise Date”).

(ii) Notwithstanding Item (1) above, if an optionholder has not exercised his or her stock acquisition rights by June 30, 2023, such optionholder may exercise his or her stock acquisition rights on and from July 1, 2023.

(iii) Each stock acquisition right may not be partially exercised.

- (7) Cancellation and conditions therefor of stock acquisition rights:
- (i) The Company may cancel free of charge the stock acquisition rights in the event that a proposal for a merger agreement under which the Company will be absorbed or a proposal for a stock exchange agreement or stock transfer agreement under which the Company will become a wholly owned subsidiary has been approved at the general meeting of shareholders of the Company.
  - (ii) The Company may cancel free of charge at any time unexercised stock acquisition rights owned by the Company.
- (8) Restriction on transfer of stock acquisition rights:

Any transfer of stock acquisition rights shall be subject to approval of the Board of Directors of the Company.

\*Specific issue and the contents of allotment of the stock acquisition rights shall be determined by resolutions of the meeting of the Board of Directors of the Company to be held after the close of the 59th ordinary general meeting of shareholders of the Company scheduled to be held on June 25, 2004 subject to approval of shareholders at the said general meeting for the issue of stock acquisition rights.

End