

[Translation]

May 18, 2007

Name of the Company: Nippon Meat Packers, Inc.
(the "Company")
Name of the representative: Hiroshi Kobayashi
President and Director
Code No.: 2282 Listed on 1st Section of Tokyo Stock Exchange
and Osaka Securities Exchange

To whom it may concern:

Issue of Stock Acquisition Rights to Executive Officers as stock compensation-type stock options

The Company hereby announces that it passed a resolution at the meeting of the Board of Directors held on May 18, 2007 to propose a proposition at the general meeting of shareholders scheduled on June 27, 2007 seeking the approval, pursuant to the provisions of Article 236, Article 238 and Article 239 of the Corporation Law (2005 Law No. 86) of Japan, for the Company to grant to the Board of Directors of the Company the authority to determine the matters regarding the offering of stock acquisition rights to be issued to Executive Officers who are not concurrently serving as Directors of the Company (the "Executive Officers") as stock compensation-type stock options. The details are described below.

Particulars

1. Reason for the offering of applications for stock acquisition rights on specifically favorable conditions:

Under its policy of remuneration for Executive Officers, the Company intends to provide incentives to and raise the morale of the Executive Officers to achieve higher stock prices and much improved consolidated operating results through appropriate management by linking their remuneration more closely with the stock prices and consolidated operating results of the Company and making them share with its shareholders not only benefits from higher stock prices but also risks of lower stock prices.

In 2004, the Company decided to abolish its traditional policy of retirement benefits for Executive Officers and grant them stock acquisition rights as stock compensation-type stock options, free of charge.

2. Details and the maximum number of stock acquisition rights in respect of which the Board of Directors will be authorized to determine the matters for the offering based on the matters to be determined at this general meeting of shareholders:

- (1) Maximum number of stock acquisition rights in respect of which the Board of Directors will be authorized by this general meeting of shareholders to determine the matters for the offering:

Not exceeding 80 stock acquisition rights as detailed in item (3) below.

The total number of shares to be delivered upon exercise of the stock acquisition rights shall not exceed 80,000 shares of common stock of the Company. In the event of any adjustment to the number of shares to be so delivered as set forth in item (3) below, the total number shall not exceed the number of shares to be so delivered as adjusted, multiplied by the maximum number

of stock acquisition rights set forth above.

- (2) No cash payments shall be required for the stock acquisition rights in respect of which the Board of Directors will be authorized by this general meeting of shareholders to determine the matters for the offering.
- (3) Details of stock acquisition rights in respect of which the Board of Directors will be authorized by this general meeting of shareholders to determine the matters for the offering:
 - (i) Class and number of shares to be issued or transferred upon exercise of stock acquisition rights:

The class of shares to be issued or transferred upon exercise of stock acquisition rights shall be shares of common stock, and the number of shares to be issued or transferred for each stock acquisition right (the "number of shares to be granted") shall be 1,000 shares; provided, however, that in the event that the Company makes a stock split (including no-paid allotment of shares of common stock of the Company; the same applies hereinafter in respect of any stock split) or consolidates its shares after the day on which this resolution is adopted at the 62nd general meeting of shareholders (the "resolution day"), the number of shares to be granted shall be adjusted in accordance with the following formula, with any fraction of one share occurring upon such adjustment discarded:

$$\text{Number of shares as adjusted} = \text{Number of shares before adjustment} \times \text{Division/consolidation ratio}$$

In addition, in the event that after the resolution day, any unavoidable event occurs that requires any adjustment to the number of shares to be granted, an adjustment shall be made thereto to the extent reasonable.

- (ii) Aggregate prices of property to be capitalized upon exercise of a stock acquisition right:

The aggregate prices of property to be capitalized upon exercise of each stock acquisition right shall be an amount obtained by multiplying the paid-in amount per share to be delivered upon exercise of each stock acquisition right, which shall be ¥1.00, by the number of shares to be granted.

- (iii) Exercise period of stock acquisition rights:

From the day immediately following the allocation date of the stock acquisition rights to June 30, 2027.

- (iv) Matters concerning capital and capital reserve to be increased by the issuance of shares upon exercise of the stock acquisition rights:

- i. In the event that the Company issues shares upon the exercise of the stock acquisition rights, the amount of capital to be increased shall be one half of the upper limit thereon calculated pursuant to Article 40, paragraph 1 of the Regulations on Corporate Accounts, with any fraction less than one yen rounded

upward to the nearest one yen.

- ii. In the event that the Company issues shares upon the exercise of the stock acquisition rights, the amount of capital reserve to be increased shall be an amount obtained by deducting the amount of capital to be increased as set forth in sub-item i. above from the upper limit on the capital to be increased as set forth in sub-item i. above.

(v) Restriction on acquisition of stock acquisition rights by transfer:

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

(vi) Restriction on acquisition of stock acquisition rights by transfer:

Events for acquisition of stock acquisition rights:

In the event that any of the propositions in sub-items i., ii. and iii. below is approved at a general meeting of shareholders of the Company (or if such approval by a general meeting of shareholders is not required, the Board of Directors of the Company adopts a resolution to that effect), the Company may, on the day to be specified separately by the Board of Directors, acquire the stock acquisition rights without consideration:

- i. A proposition for the approval of a merger or consolidation agreement under which the Company shall be merged or dissolved;
- ii. A proposition for the approval of a spin-off agreement or spin-off plan under which the Company shall transfer business; and
- iii. A proposition for the approval of a share exchange agreement or share transfer plan under which the Company shall become a wholly-owned subsidiary.

(vii) Restriction on acquisition of stock acquisition rights by transfer:

In the event that the Company is merged or consolidated (as a result of which, the Company will be dissolved), transfers business or incorporates a company by a spin-off, makes a share exchange or makes a share transfer (collectively, the "reorganization"), the Company shall deliver to the qualified grantees of the stock acquisition rights outstanding when the reorganization becomes effective (the "outstanding stock acquisition rights"), stock acquisition rights of relevant corporations ("reorganizing companies") listed in Article 236, paragraph 1, item 8 (a) through (e) of the Corporation Law, in accordance with the following conditions. In such case, the outstanding stock acquisition rights shall become null and void and the relevant reorganizing company shall issue new stock acquisition rights, only if the delivery of stock acquisition rights of the reorganizing companies as set forth below is stipulated in the relevant merger agreement, consolidation agreement, agreement of business transfer by a spin-off, plan for incorporation by a spin-off, share exchange agreement or share transfer plan:

- i. Number of stock acquisition rights of reorganizing company to be delivered:

The same number as that of the outstanding stock acquisition rights held by each qualified grantee shall be delivered.

- ii. Class of shares of reorganizing company to be issued or transferred upon exercise of stock acquisition rights:

Shares of common stock of the reorganizing company.

- iii. Number of shares of reorganizing company to be issued or transferred upon exercise of stock acquisition rights:

The number of shares shall be determined in accordance with item (i) above, taking into account the terms and conditions of the reorganization.

- iv. Price of property to be capitalized upon exercise of a stock acquisition right:

The price of the property to be capitalized upon the exercise of each stock acquisition right to be delivered shall be the amount obtained by multiplying the paid-in price after the reorganization set forth below, by the number of shares of the reorganizing company to be issued or transferred upon exercise of each of the stock acquisition rights as determined under sub-item iii. The paid-in price after reorganization shall be ¥1.00 per share of the reorganizing company to be delivered upon the exercise of each stock acquisition right so delivered.

- v. Exercise period of stock acquisition rights:

From the later of the first day of the period during which the stock acquisition rights set forth in item (iii) above are exercisable and the day on which the reorganization becomes effective, to the last day of the period during which the stock acquisition rights set forth in item (iii) above are exercisable.

- vi. Matters concerning capital and capital reserve to be increased when shares are issued upon exercise of stock acquisition rights:

To be determined in accordance with item (iv) above.

- vii. Restriction on acquisition of stock acquisition rights by transfer:

Any transfer of stock acquisition rights shall be subject to the approval of the board of directors of the reorganizing company.

- viii. Events for acquisition of stock acquisition rights:

To be determined in accordance with item (vi) above.

- ix. Other terms and conditions of the exercise of stock acquisition rights:

To be determined in accordance with item (ix) below.

(viii) In the event that any fraction of less than one share occurs in the number of shares to be delivered to a grantee of stock acquisition rights upon exercise of his/her stock acquisition rights, such fraction of less than one share shall be truncated.

(ix) Other terms and conditions of the exercise of stock acquisition rights:

- i. Any grantee of stock acquisition rights shall exercise his/her rights during the

period set forth in item (iii) above only if and when he/she leaves office as a Director, Corporate Auditor or Executive Officer of the Company or its related companies (20% or more stake of which is held by the Company).

In such case, the grantee of stock acquisition rights shall only be entitled to exercise his/her rights no later than the lapse of five years from the day immediately following the day on which he/she leaves such office (the "commencement day for exercise of rights").

- ii. Notwithstanding the condition set forth in sub-item i. above, in either of the events set forth in (a) and (b) below (provided that (b) shall not apply to any event in which stock acquisition rights of a reorganizing company shall be delivered to grantees of stock acquisition rights in accordance with item (vii) above), any grantee of stock acquisition rights shall be entitled to exercise his/her rights only during the period specified therein:

- (a) The commencement day for exercise of rights does not come on or before June 30, 2026 for any grantee of stock acquisition rights:

From July 1, 2026 to June 30, 2027.

- (b) A proposition for the approval of a merger or consolidation agreement under which the Company shall be merged or dissolved or a proposition for the approval of a share exchange agreement or share transfer plan under which the Company shall become a wholly-owned subsidiary is approved at a general meeting of shareholders of the Company (or if such approval by a general meeting of shareholders is not required, the Board of Directors of the Company adopts a resolution to that effect):

For 15 days immediately following the day on which such proposition is approved.

- iii. Other terms and conditions of the exercise of stock acquisition rights shall be determined by the Board of Directors of the Company.

(Reference)

Issue of Stock Acquisition Rights to Directors as stock compensation-type stock options within the amounts of remuneration approved at the general meeting of shareholders in June 2006 will be decided by the Board of Directors after the general meeting of shareholders scheduled on June 27, 2007; however, the Board of Directors has decided to exclude External Directors, and Board of Corporate Auditors has decided to exclude Corporate Auditors in the grant of the respective Stock Acquisition Rights, to make clear their independence.

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