

(Translation)

November 10, 2009

**BRIEF STATEMENT OF ACCOUNTS**  
**FOR THE SECOND QUARTER OF THE YEAR ENDING MARCH 31, 2010**  
(Based on the accounting principles generally accepted in the United States)

Name of listed company: Nippon Meat Packers, Inc.

Code number: 2282

URL: <http://www.nipponham.co.jp>

Listing exchange: Tokyo Stock Exchange and  
Osaka Securities Exchange

Representative: Hiroshi Kobayashi  
President and Representative Director

Further inquiries: Yoshihide Hata  
Executive Officer and General Manager of  
Accounting & Financial Department

Scheduled date of the submission of  
quarterly report: November 12, 2009

Scheduled date of payment of  
dividends: —

(Figures are indicated by counting fractions of 1/2 or  
more of a million yen as one and discarding the rest)

**1. Consolidated business results for the second quarter of the year ending March 31, 2010 (April 1, 2009 through September 30, 2009):**

**(1) Consolidated operating results (cumulative):**

(The percentages indicate the rates of increase (decrease) from the second quarter of the previous fiscal year.)

	Net sales		Operating income		Income from continuing operations before income taxes and equity in losses of associated companies	
	(millions of yen)	%	(millions of yen)	%	(millions of yen)	%
Second quarter of the year ending March 31, 2010	474,973	(-) 11.3	8,756	(-) 56.8	8,520	(-) 25.1
Second quarter of the year ended March 31, 2009	535,705	6.0	20,253	222.9	11,379	453.5

	Net income per share (basic)	Net income per share (diluted)
	(yen)	(yen)
Second quarter of the year ending March 31, 2010	-	-
Second quarter of the year ended March 31, 2009	-	-

Net income attributable to the shareholders of the Company\*:

Second quarter of the year ending March 31, 2010: ¥5,405 million ((-) 16.5%)  
Second quarter of the year ended March 31, 2009: ¥6,476 million (-)

Net income attributable to the shareholders of the Company per share (basic)\*:

Second quarter of the year ending March 31, 2010: ¥23.69  
Second quarter of the year ended March 31, 2009: ¥28.38

Net income attributable to the shareholders of the Company per share (diluted)\*:

Second quarter of the year ending March 31, 2010: ¥23.65  
Second quarter of the year ended March 31, 2009: ¥28.33

\* As a result of the application of the Codification of Accounting Standards ("ASC") of the U.S. Financial Accounting Standards Board ("FASB") Topic 810 "Consolidation" (former Statement of Financial Accounting Standards of the FASB ("former FASB Statement") No. 160 "Noncontrolling Interests in Consolidated Financial Statements--An Amendment of ARB No. 51"), "net income" has been restated as "net income attributable to the shareholders of the Company" as from the fiscal year under review.

(Note) Operating income is calculated by deducting from net sales cost of goods sold and selling, general and administrative expenses, in accordance with the Japanese accounting practices.

(Note) In this material, in accordance with ASC Topic 205 "Presentation of Financial Statements" (former FASB Statement No.144 "Accounting for the Impairment or Disposal of Long-Lived Assets"), some figures in the statement of accounts for the second quarter of the year ended March 31, 2009 have been reclassified and presented.

(2) Consolidated financial condition:

	Total assets	Shareholders' equity	Ratio of shareholders' equity to total assets	Shareholders' equity per share
	(millions of yen)	(millions of yen)	(%)	(yen)
Second quarter of the year ending March 31, 2010	588,192	273,023	46.4	1,196.57
Year ended March 31, 2009	583,684	270,439	46.3	1,185.25

(Note) The "shareholders' equity" represents the amount of the "shareholders' equity of the Company".

## 2. State of dividends:

(yen)

	Dividend per share				
(Record date)	First quarter-end	Second quarter-end	Third quarter-end	Year-end	Annual
Year ended March 31, 2009	—	—	—	16.00	16.00
Year ending March 31, 2010	—	—			
Year ending March 31, 2010 (forecast)			—	16.00	16.00

(Note) Adjustment to the forecast of dividends during the quarter under review: None

**3. Forecast of consolidated business results for the year ending March 31, 2010 (April 1, 2009 through March 31, 2010):**

(The percentages indicate the rates of increase (decrease)  
from the previous fiscal year)

	Net sales		Operating income		Income from continuing operations before income taxes and equity in losses of associated companies	
	(millions of yen)	(%)	(millions of yen)	(%)	(millions of yen)	(%)
Whole-year period	1,060,000	3.1	24,000	12.1	18,000	186.3

(Note) Adjustment to the forecast of consolidated business results during the quarter under review: None

Net income attributable to the shareholders of the Company\*:

Whole-year period of the year ending March 31, 2010: ¥10,000 million (503.5%)

Net income attributable to the shareholders of the Company per share\*:

Whole-year period of the year ending March 31, 2010: ¥43.83

\* "Net income attributable to the shareholders of the Company" is identical with "net income" for the year ended March 31, 2009 and theretofore.

**4. Others**

- (1) Changes in important subsidiaries (changes in specific subsidiaries involving a change in the scope of consolidation) during the period under review: None
- (2) Application of simplified accounting treatment and accounting treatment specific to the preparation of consolidated quarterly financial statements: None
- (3) Changes in accounting principles, procedures, disclosure methods, etc., pertaining to the preparation of consolidated quarterly financial statements (those to be presented in the "changes in the important matters forming the basis for preparing consolidated quarterly financial statements"):

- 1) Changes associated with changes in accounting standards: Yes
- 2) Other changes: None

(Note) For more details, please refer to "4. Others: (3) Changes in accounting principles, procedures, disclosure methods, etc., pertaining to the preparation of consolidated quarterly financial statements" on page 8.

(4) Number of issued shares (shares of common stock):

- 1) Number of issued shares (including shares of treasury stock) as of the end of the period:

Second quarter of the year ending March 31, 2010:	228,445,350 shares
Year ended March 31, 2009:	228,445,350 shares

- 2) Number of shares of treasury stock as of the end of the period:

Second quarter of the year ending March 31, 2010:	274,792 shares
Year ended March 31, 2009:	274,689 shares

- 3) Average number of shares during the period (consolidated quarterly cumulative period):

Second quarter of the year ending March 31, 2010:	228,168,586 shares
Second quarter of the year ended March 31, 2009:	228,178,069 shares

\* Explanation for the proper use of the forecast of business results and other special notes:

The descriptions herein about the future, including the forecast of business results, are based on the information currently available to the Company and certain assumptions considered reasonable by the Company. The actual results may change materially depending on various factors in the future.

[Qualitative Information, Financial Statements, Etc.]

## 1. Qualitative Information on the Consolidated Operating Results

### Overview of Operating Results in General

The Japanese economy during the second quarter of the fiscal year under review still remained stagnant as domestic demand, such as investment in plant and equipment and private spending, was weak due to gloomy news about corporate earnings and employment insecurity though foreign demand, such as exports, was picking up against the background of overseas economies bottoming out.

In the food and fresh meats industry, prices of raw materials and fuel that had kept rising plunged and the cost-side environment improved in the processed foods business. However, due to stagnant consumption, intensifying price competition and the depressed market of fresh meats, the industry has continued to be placed in a difficult condition.

Under these circumstances, to materialize the "Challenges: Reinforce Domestic Operations While Growing as a Global Player" set forth as the theme of its "New Medium-Term Management Plan Part III" that commenced on April 1, 2009, the Group has pressed on with appropriate measures to address various management issues.

To implement the first management policy of "establishing and evolving the concept of 'Management for No.1 Quality'", the Group has further strengthened quality enhancement activities from the perspective of customers, and also made a full-scale inspection of indications and descriptions of its packages, reviewed its safety examination system and cultivated human resources to eliminate errors in quality control. With regard to the second management policy of "improving profitability through greater selectivity and focus", to enhance competitiveness in its core business, the Group has aggressively implemented measures to build up its logistics centers and made investment in systems as its SCM (Supply Chain Management) reforms that may lead to greater efficiencies in the future. Simultaneously, the Group has steadily promoted measures to restructure underperforming businesses, sell idle assets and otherwise. With regard to the third management policy of "creating a global business structure", the Group has launched a joint venture for poultry farming in China to put a strategic move to expand business overseas.

However, seriously affected by a price fall in the fresh meats business, which makes up a large percentage of its sales components, and the restructuring of overseas operations, sales were depressed considerably.

As a result of these activities, for the consolidated second-quarter cumulative period of the fiscal year under review, net sales amounted to ¥474,973 million, down 11.3% from the corresponding period of the previous fiscal year, due to the depressed market of fresh meats and the foreign exchange. In regard to profits, operating income amounted to ¥8,756 million, down 56.8% from the corresponding period of the previous fiscal year. Income from continuing operations before income taxes and equity in losses of associated companies amounted to ¥8,520 million, down 25.1% from the corresponding period of the previous fiscal year and net income attributable to the shareholders of the Company amounted to ¥5,405 million, down 16.5% from the corresponding period of the previous fiscal year.

## Overview of Operating Segments

### Processed Foods Business Division

In its hams and sausages business, the Group launched TV commercials for its major brand product "*SCHAU ESSEN*", which marked the 25th anniversary of its appearance on the market this year, and its flagship brand "*Utsukushi-no-Kuni*" for the summer gift season. The Group also carried a fuller line of "*Shinsen Seikatsu ZERO*" series, which appeal to consumers' health trend, to penetrate the market and increase sales.

In its processed foods business, the Group implemented measures to strengthen its "*Chuka Meisai*" series by developing new menus in response to the market environment and remodel its "*Tenshinkaku*" series. Simultaneously, the Group launched new products and volume-increased packages to satisfy the needs of low-end consumers to increase sales. However, due to intensifying price competition and a slowdown in sales of "*Ishigama Kobo*" series that had kept growing, sales in its processed foods business decreased.

In both hams and sausages business and processed foods business, incomes increased favorably due to the implementation of measures to enhance efficiencies, such as the consolidation and elimination of product items and consistent cost reductions, and the effect of falling prices of raw materials and fuel. The Group also engaged in quality enhancement activities and customer satisfaction activities to establish the concept of "Management for No.1 Quality".

As a result, for the consolidated second-quarter cumulative period of the fiscal year under review, net sales of the processed foods business division amounted to ¥159,675 million, down 1.7% from the corresponding period of the previous fiscal year and operating income amounted to ¥3,561 million, up 106.1% from the corresponding period of the previous fiscal year.

### Fresh Meats Business Division

The environment surrounding its fresh meats business remained very unfavorable as the disturbance of the supply-demand balance, which had arisen from a decrease in demand and consumers' needs for low-end products due to the global recession while supply of fresh meats was increasing in and outside of Japan against the background of higher prices for recent years, resulted in a sharp decline in prices of fresh meats and excessive inventory. The Group, by taking advantage of its integration system covering production, breeding, processing, manufacturing, distribution and marketing all within its farms, factories and sales companies, endeavored to increase sales to mass-retailers and develop restaurant and home-meal replacement markets. However, as a result of a sharp decline in unit prices and a policy of reducing production overseas, sales decreased.

In regard to profits, the Group, in its domestic and overseas farm division, exerted its efforts on cost reductions through breed improvements and enhancement of production efficiencies, which less than offset the sharp decline in prices. Consequently, the Group had a hard time. With regard to sales of domestic fresh meats and imported fresh meats in Japan, due to a drop in demand and the market downturn, the Group faced with a difficult

situation.

As a result, for the consolidated second-quarter cumulative period of the fiscal year under review, net sales of the fresh meats business division amounted to ¥307,553 million, down 17.4% from the corresponding period of the previous fiscal year and operating income amounted to ¥4,744 million, down 73.5% from the corresponding period of the previous fiscal year.

#### Affiliated Business Division

In its marine products business, the Group expanded its sales operations to mass-retailers to increase sales. However, sales to sushi restaurants, a major channel of sushi items, leveled off due to intensifying price competition. By item, while consumers became more inclined to thrift, the Group had a hard time in selling higher-price items, including tunas and eels. Consequently, sales declined.

In its dairy products business, with regard to cheese, while unit prices declined due to the market downturn, the Group promoted product development and expanded its sales operations in major restaurant channels. With regard to yogurts and lactic acid probiotic beverages, the Group promoted sales focused on its major products and sales increased.

In regard to profits, the dairy products business was in good form as a result of price revisions of its major products and decreased prices of raw materials. However, in its marine products business, the Group was placed in a difficult condition as profits decreased substantially due to the stagnant market.

As a result, for the consolidated second-quarter cumulative period of the fiscal year under review, net sales of the affiliated business division amounted to ¥65,427 million, down 0.1% from the corresponding period of the previous fiscal year and operating income amounted to ¥96 million, down 68.8% from the corresponding period of the previous fiscal year.

## 2. Qualitative Information on the Consolidated Financial Condition

### <Financial position>

At the end of the second quarter of the fiscal year under review, total assets increased by 0.8% from the end of the previous fiscal year to account for ¥588,192 million, as cash and cash equivalents increased by ¥9,712 million from the end of the previous fiscal year, among other things in spite of a decrease of ¥2,474 million in inventories and a decrease of ¥1,663 million in trade notes and accounts receivable, respectively, from the end of the previous fiscal year. Liabilities increased by 0.6% from the end of the previous fiscal year to account for ¥313,177 million as accrued expenses and trade notes and accounts payable increased by ¥1,031 million and ¥909 million, respectively, from the end of the previous fiscal year, among others in spite of a decrease of ¥923 million in short-term bank loans from the end of the previous fiscal year. Interest-bearing debt decreased by ¥1,268 million from the end of the previous fiscal year, accounting for ¥167,682 million.

Shareholders' equity of the Company increased by 1.0% from the end of the previous fiscal year to account for ¥273,023 million. The ratio of shareholders' equity of the Company to total assets increased by 0.1 points from the end of the previous fiscal year to 46.4%.

<Cash flows>

With regard to operating activities, foreign currency translation adjustments increased, while net income, inventories and trade notes and accounts receivable decreased and accrued expenses and other current liabilities increased. As a result, net cash from operating activities amounted to ¥25,736 million.

With regard to investing activities, net cash from investing activities amounted to a negative ¥8,960 million due to purchase of property, plant and equipment, among other things.

With regard to financing activities, net cash from financing activities amounted to a negative ¥6,594 million due to cash dividends and repayments of long-term debt, among other things.

As a result, cash and cash equivalents at end of the second quarter of the fiscal year under review increased by ¥9,712 million in comparison with the end of the previous fiscal year to amount to ¥51,035 million.

3. Qualitative Information on the Forecast of Consolidated Business Results, Etc.

With regard to the forecast of consolidated business results for the whole-year period of the year ending March 31, 2010, the Company intends to determine whether or not to make amendment thereto in consideration of the business conditions in the future and the developments of its operating results for the third quarter of the current fiscal year. At present, the Company has made no adjustment to the forecast, as described in the "Brief Statements of Accounts for the Year Ended March 31, 2009" publicized on May 15, 2009.

Cautionary notice on information about the future:

The descriptions herein about the future, including the forecast of business results, are based on the information currently available to the Company and certain assumptions considered reasonable by the Company. The actual results may change materially depending on various factors in the future.

4. Others

- (1) Change in important subsidiaries (change in specific subsidiaries involving a change in the scope of consolidation) during the period under review: None
- (2) Application of simplified accounting treatment and accounting treatment specific to the preparation of consolidated quarterly financial statements: None
- (3) Changes in accounting principles, procedures, disclosure methods, etc., pertaining



to the preparation of consolidated quarterly financial statements: Yes

The Company has applied the Codification of Accounting Standards ("ASC") of the U.S. Financial Accounting Standards Board ("FASB") Topic 810 "Consolidation" (former Statement of Financial Accounting Standards of the FASB ("former FASB Statement") No. 160 "Noncontrolling Interests in Consolidated Financial Statements--An Amendment of ARB No. 51") as from April 1, 2009. ASC Topic 810 establishes accounting and reporting standards for noncontrolling interests in subsidiaries and any subsidiary when such subsidiary is deconsolidated. It also clearly identifies and distinguishes between the interests of the parent and the interests of the noncontrolling owners and requires distinct disclosure of the amounts of consolidated net income attributable to the parent and to the noncontrolling interests.

As a result of the application of ASC Topic 810, "minority interests", which used to be an independent item presented between the section of liabilities and the section of shareholders' equity on its consolidated balance sheet, are restated as "noncontrolling interests" and included in the section of shareholders' equity. Accordingly, the previous "capital" also is restated as "shareholders' equity of the Company". With regard to its consolidated statement of income, minority interest in net income, which used to be included in "other" cost and expenses, is presented independently as "net income attributable to noncontrolling interests" after "net income" and the figure obtained by deducting "net income attributable to noncontrolling interests" from "net income" is presented as "net income attributable to the shareholders of the Company".

The stipulations of ASC Topic 810 concerning presentations shall be applied retrospectively. Hence, some figures in the prior-year consolidated financial statements, including the consolidated statement of cash flows are reclassified for presentation.

(4) Basis of preparation of consolidated financial statements:

The consolidated financial statements of the Company are prepared in accordance with the accounting principles generally accepted in the United States. Certain reclassifications of the prior years' financial statements have been made to conform to the current year's presentation.

## 5. Consolidated Quarterly Financial Statements

### (1) Consolidated Quarterly Balance Sheets:

	(millions of yen)	
	Second quarter of the year ending March 31, 2010 (as of September 30, 2009)	Year ended March 31, 2009 (as of March 31, 2009)
<u>Assets</u>		
Current assets:		
Cash and cash equivalents	51,035	41,323
Time deposits	15,197	4,923
Marketable securities	276	10,051
Trade notes and accounts receivable	101,128	102,791
Allowance for doubtful receivables	(826)	(674)
Inventories	113,291	115,765
Deferred income taxes	6,390	6,410
Other current assets	9,961	10,380
Total current assets	296,452	290,969
Property, plant, and equipment - at cost, less accumulated depreciation	230,526	232,862
Intangible fixed assets	12,409	11,729
Investments and non-current receivables:		
Investments in and advances to associated companies	2,175	2,168
Other investment securities	17,227	15,811
Other non-current receivables	10,677	11,366
Total investments and non-current receivables	30,079	29,345
Deferred income taxes - non-current	18,726	18,779
Total	588,192	583,684

(millions of yen)

	Second quarter of the year ending March 31, 2010 (as of September 30, 2009)	Year ended March 31, 2009 (as of March 31, 2009)
<u>Liabilities and shareholders' equity</u>		
Current liabilities:		
Short-term bank loans	55,532	56,455
Current maturities of long-term debt	13,249	6,943
Trade notes and accounts payable	86,286	85,377
Accrued income taxes	2,928	2,274
Deferred income taxes	853	646
Accrued expenses	16,543	15,512
Other current liabilities	12,096	10,913
Total current liabilities	187,487	178,120
Liability under retirement and severance program	22,440	23,259
Long-term debt, less current maturities	98,901	105,552
Deferred income taxes - non-current	2,498	2,492
Other current liabilities	1,851	1,885
Total liabilities	313,177	311,308
Shareholders' equity of the Company:		
Common stock	24,166	24,166
Capital surplus	50,954	50,963
Retained earnings:		
Appropriated for legal reserve	7,152	7,013
Unappropriated	208,204	206,588
Accumulated other comprehensive loss	(17,112)	(17,950)
Treasury stock, at cost	(341)	(341)
Total shareholders' equity of the Company	273,023	270,439
Noncontrolling interests	1,992	1,937
Total shareholders' equity	275,015	272,376
Total	588,192	583,684

(Note) Accumulated other comprehensive loss – breakdown

	Second quarter of the year ending March 31, 2010 (as of September 30, 2009)	Year ended March 31, 2009 (as of March 31, 2009)
Net unrealized gains on securities available for sale	1,523	262
Net unrealized losses on derivative financial instruments	(732)	(399)
Pension liability adjustments	(12,630)	(13,080)
Foreign currency translation adjustments	(5,273)	(4,733)

(2)-1 Consolidated Quarterly Statements of Income (for the second-quarter cumulative period of the year ending March 31, 2010):

	(millions of yen)	
	Second-quarter cumulative period of the year ending March 31, 2010 (April 1, 2009 through September 30, 2009)	Second-quarter cumulative period of the year ended March 31, 2009 (April 1, 2008 through September 30, 2008)
Revenues:		
Net sales	474,973	535,705
Other	3,246	738
Total	478,219	536,443
Cost and expenses:		
Cost of goods sold	380,453	430,975
Selling, general and administrative expenses	85,764	84,477
Interest expense	1,061	1,371
Other	2,421	8,241
Total	469,699	525,064
Income from continuing operations before income taxes and equity in losses of associated companies	8,520	11,379
Income taxes	3,087	4,686
Income from continuing operations before equity in losses of associated companies	5,433	6,693
Equity in earnings of associated companies - net of applicable income taxes	76	195
Net income from continuing operations	5,509	6,888
Income from discontinued operations - net of applicable income taxes	-	(383)
Net income	5,509	6,505
Less net loss attributable to noncontrolling interests	(104)	(29)
Net income attributable to the shareholders of the Company	5,405	6,476

(2)-2 Consolidated Quarterly Statements of Income (for the second quarter of the year ending March 31, 2010):

	(millions of yen)	
	Second quarter of the year ending March 31, 2010 (July 1, 2009 through September 30, 2009)	Second quarter of the year ended March 31, 2009 (July 1, 2008 through September 30, 2008)
Revenues:		
Net sales	238,442	269,992
Other	348	368
Total	238,790	270,360
Cost and expenses:		
Cost of goods sold	189,928	216,720
Selling, general and administrative expenses	43,395	42,757
Interest expense	524	692
Other	1,376	10,446
Total	235,223	270,615
Income (loss) from continuing operations before income taxes and equity in losses of associated companies	3,567	(255)
Income taxes	1,304	479
Income (loss) from continuing operations before equity in losses of associated companies	2,263	(734)
Equity in earnings of associated companies - net of applicable income taxes	44	193
Net income (loss) from continuing operations	2,307	(541)
Income from discontinued operations - net of applicable income taxes	-	(476)
Net income (loss)	2,307	(1,017)
Less net loss attributable to noncontrolling interests	(63)	(18)
Net income (loss) attributable to the shareholders of the Company	2,244	(1,035)

(3) Consolidated Quarterly Statements of Cash Flows:

(millions of yen)

	Second-quarter cumulative period of the year ending March 31, 2010 (April 1, 2009 through September 30, 2009)	Second-quarter cumulative period of the year ended March 31, 2009 (April 1, 2008 through September 30, 2008)	(For reference)  Year ended March 31, 2009 (April 1, 2008 through March 31, 2009)
Operating Activities:			
Net income	5,509	6,505	1,749
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	12,078	11,880	24,646
Impairment loss of long-lived assets	425	1,084	2,730
Income taxes deferred	(433)	1,746	2,176
Foreign exchange transaction adjustments	(4,434)	2,222	5,300
Decrease (increase) in trade notes and accounts receivable	2,100	(8,814)	5,705
Decrease (increase) in inventories	3,451	(21,832)	(8,149)
Decrease in other current assets	1,969	3,192	3,691
Increase (decrease) in trade notes and accounts payable	618	18,179	(310)
Increase in accrued income taxes	643	921	362
Increase in accrued expenses and other current liabilities	2,320	4,249	200
Other – net	1,490	205	(324)
Net cash provided by operating activities	25,736	19,537	37,776
Investing Activities:			
Capital expenditures	(9,033)	(8,371)	(16,877)
Proceeds from sales of capital assets	449	649	2,886
Decrease (increase) in time deposits	(9,629)	(155)	9,383
Purchases of marketable securities and other investment securities	(1,203)	(252)	(10,283)
Proceeds from sales of marketable securities and other investment securities	10,003	319	350
Other – net	453	(635)	(856)
Net cash used in investing activities	(8,960)	(8,445)	(15,397)
Financing Activities:			
Cash dividends	(3,730)	(3,663)	(3,663)
Increase (decrease) in short-term bank loans	498	16,411	(1,694)
Proceeds from long-term debt	-	5	40
Repayments of long-term debt	(3,357)	(15,663)	(19,395)
Others – net	(5)	(32)	(49)
Net cash used in financing activities	(6,594)	(2,942)	(24,761)
Effect of exchange rate changes on cash and cash equivalents	(65)	(1)	(544)
Cash and cash equivalents included in assets for disposal	(405)	-	-
Net increase (decrease) in cash and cash equivalents	9,712	8,149	(2,926)
Cash and cash equivalents at beginning of the period (year)	41,323	44,249	44,249
Cash and cash equivalents at end of the period (year)	51,035	52,398	41,323
Additional cash flow information:			
Cash payment for the period (year)			
Interest paid	1,065	1,404	2,521
Income taxes paid	2,195	(696)	749
Capital lease obligations incurred	2,863	1,712	3,601

(4) Note on the Premises of a Going Concern:

Not applicable.

(5) Segment Information:

Operating segment information:

The operating segments of the Company and its consolidated subsidiaries are comprised of the following three business groups. The businesses thereof are as follows:

- Processed foods business division – Production and marketing of hams and sausages and processed foods, principally
- Fresh meats business division – Production and marketing of fresh meats, principally
- Affiliated business division – Production and marketing of marine products and dairy products, principally

For the consolidated second-quarter cumulative period of the year ending March 31, 2010 (April 1, 2009 through September 30, 2009):

(millions of yen)

Item	Processed foods business division	Fresh meats business division	Affiliated business division	Total	Eliminations, adjustments and others	Consolidation
Net sales						
(1) External customers	149,400	267,364	64,044	480,808	(5,835)	474,973
(2) Intersegment	10,275	40,189	1,383	51,847	(51,847)	-
Total	159,675	307,553	65,427	532,655	(57,682)	474,973
Operating expenses	156,114	302,809	65,331	524,254	(58,037)	466,217
Operating income	3,561	4,744	96	8,401	355	8,756

For the consolidated second-quarter cumulative period of the year ended March 31, 2009 (April 1, 2008 through September 30, 2008):

(millions of yen)

Item	Processed foods business division	Fresh meats business division	Affiliated business division	Total	Eliminations, adjustments and others	Consolidation
Net sales						
(1) External customers	152,140	326,397	63,660	542,197	(6,492)	535,705
(2) Intersegment	10,361	46,019	1,807	58,187	(58,187)	-
Total	162,501	372,416	65,467	600,384	(64,679)	535,705
Operating expenses	160,773	354,512	65,159	580,444	(64,992)	515,452
Operating income	1,728	17,904	308	19,940	313	20,253

- (Notes)
1. "Eliminations, adjustments, etc." include unallocatable items, eliminations of intersegment sales and adjustments and others.
  2. Group-wide expenses and incomes and losses of specific subsidiaries are, except

for some unallocatable items, allocated to each of the operating segments. These subsidiaries provide indirect services and operational support to the consolidated subsidiaries included in each operating segment.

3. Operating income is calculated by deducting from net sales cost of goods sold and selling, general and administrative expenses.
4. The reclassification of income and loss from discontinued operations are included in "eliminations, adjustments, etc."
5. As of April 1, 2009, some changes were made in the business divisions to supervise the subsidiaries. Consequently, the relevant operating segments are reclassified for the consolidated second-quarter cumulative period of the previous fiscal year.

For the consolidated second quarter of the year ending March 31, 2010 (July 1, 2009 through September 30, 2009):

(millions of yen)

Item	Processed foods business division	Fresh meats business division	Affiliated business division	Total	Eliminations, adjustments and others	Consolidation
Net sales						
(1) External customers	76,958	131,796	32,611	241,365	(2,923)	238,442
(2) Intersegment	5,042	19,713	642	25,397	(25,397)	-
Total	82,000	151,509	33,253	266,762	(28,320)	238,442
Operating expenses	80,070	148,706	33,042	261,818	(28,495)	233,323
Operating income	1,930	2,803	211	4,944	175	5,119

For the consolidated second quarter of the year ended March 31, 2009 (July 1, 2008 through September 30, 2008):

(millions of yen)

Item	Processed foods business division	Fresh meats business division	Affiliated business division	Total	Eliminations, adjustments and others	Consolidation
Net sales						
(1) External customers	78,356	161,956	32,428	272,740	(2,748)	269,992
(2) Intersegment	5,488	23,785	817	30,090	(30,090)	-
Total	83,844	185,741	33,245	302,830	(32,838)	269,992
Operating expenses	82,964	176,258	33,244	292,466	(32,989)	259,477
Operating income	880	9,483	1	10,364	151	10,515

- (Notes)
1. "Eliminations, adjustments, etc." include unallocatable items, eliminations of intersegment sales and adjustments and others.
  2. Group-wide expenses and incomes and losses of specific subsidiaries are, except for some unallocatable items, allocated to each of the operating segments. These subsidiaries provide indirect services and operational support to the consolidated subsidiaries included in each operating segment.
  3. Operating income is calculated by deducting from net sales cost of goods sold and selling, general and administrative expenses.
  4. The reclassification of income and loss from discontinued operations are included in "eliminations, adjustments, etc."
  5. As of April 1, 2009, some changes were made in the business divisions to supervise the subsidiaries. Consequently, the relevant operating segments are reclassified for the consolidated second quarter of the previous fiscal year.



(6) Note on Material Change (if Any) in the Amount of Shareholders' Equity:

Not applicable.

(Translation)

BRIEF STATEMENT OF ACCOUNTS FOR  
THE SECOND QUARTER OF THE YEAR  
ENDING MARCH 31, 2010

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**Supplementary  
Information**

NIPPON MEAT PACKERS, INC.

November 2009

(Note) In this supplementary information, in accordance with the Codification of Accounting Standards of the U.S. Financial Accounting Standards Board Topics 810 and 205, some figures in the statement of accounts for the fiscal year ended March 31, 2009 and theretofore have been reclassified and presented.

NIPPON MEAT PACKERS, INC. (2282)  
BRIEF STATEMENT OF ACCOUNTS FOR  
THE SECOND QUARTER OF THE YEAR  
ENDING MARCH 31, 2010

# I. Highlights

## (Consolidated financial statements)

(Millions of yen)

	Second-quarter cumulative period of the year ended March 31, 2006 (actual)	Second-quarter cumulative period of the year ended March 31, 2007 (actual)	Second-quarter cumulative period of the year ending March 31, 2008 (actual)	Second-quarter cumulative period of the year ended March 31, 2009 (actual)	Second-quarter cumulative period of the year ending March 31, 2010 (actual)	Comparison with the corresponding period of the previous year	Year ending March 31, 2010 (plan)
Net sales	476,328	484,672	505,167	535,705	474,973	(11.3%)	1,060,000
Gross profit on sales	90,642	89,703	91,831	104,730	94,520	(9.7%)	
Operating income	6,724	5,991	6,272	20,253	8,756	(56.8%)	24,000
Income from continuing operations before income taxes and equity in earnings (losses) of associated companies	4,216	4,523	2,056	11,379	8,520	(25.1%)	18,000
Net income attributable to the shareholders of the Company	3,072	2,533	(2,229)	6,476	5,405	(16.5%)	10,000

Ratio of operating income to net sales	1.4%	1.2%	1.2%	3.8%	1.8%	2.3%
Ratio of income from continuing operations before income taxes to total assets (ROA)	0.7%	0.8%	0.3%	1.8%	1.5%	

Total assets	615,086	609,605	619,672	635,764	588,192	(7.5%)
Shareholders' equity of the Company	283,283	290,188	291,605	290,271	273,023	(5.9%)
Interest-bearing debt	174,943	182,049	174,129	186,798	167,682	(10.2%)

Capital expenditure	11,263	8,588	9,632	9,670	10,431	7.9%	23,500
Depreciation and amortization	11,471	11,327	11,557	11,557	11,796	2.1%	23,400

## II. Breakdown of consolidated net sales

(Millions of yen)

	Second-quarter cumulative period of the year ended March 31, 2009 (actual)		Second-quarter cumulative period of the year ending March 31, 2010 (actual)		Comparison with the corresponding period of the previous year	Year ended March 31, 2009 (actual)		Year ending March 31, 2010 (plan)	
		(%)		(%)			(%)		(%)
Hams and sausages	65,054	12.2	66,636	14.0	2.4%	138,876	13.5	142,000	13.4
Processed foods	94,690	17.7	92,655	19.5	(-) 2.1%	187,456	18.2	192,000	18.1
Fresh meats	307,285	57.4	250,498	52.7	(-) 18.5%	566,423	55.1	585,500	55.2
Marine products	41,438	7.7	39,908	8.4	(-) 3.7%	83,759	8.1	86,500	8.2
Dairy products	10,936	2.0	11,344	2.4	3.7%	22,215	2.2	23,000	2.2
Others	16,302	3.0	13,932	3.0	(-) 14.5%	29,720	2.9	31,000	2.9
Total	535,705	100.0	474,973	100.0	(-) 11.3%	1,028,449	100.0	1,060,000	100.0

## III. Breakdown of consolidated selling, general and administrative expenses

(Millions of yen)

	Second-quarter cumulative period of the year ended March 31, 2009 (actual)	Second-quarter cumulative period of the year ending March 31, 2010 (actual)	Comparison with the corresponding period of the previous year	Year ended March 31, 2009 (actual)
Personal expenses	34,882	34,619	(-) 0.8%	69,045
Sales promotion expenses	6,596	7,328	11.1%	16,517
Logistics expenses	17,937	17,569	(-) 2.1%	36,877
Others	25,062	26,248	4.7%	51,029
Total	84,477	85,764	1.5%	173,468

#### IV. Breakdown of consolidated other income and other expenses

##### 1. Other income

(Millions of yen)

	Second-quarter cumulative period of the year ended March 31, 2009 (actual)	Second-quarter cumulative period of the year ending March 31, 2010 (actual)	Comparison with the corresponding period of the previous year	Year ended March 31, 2009 (actual)
Interest and dividend income	602	327	(-) 45.7%	1,030
Exchange gain	-	2,898	-	-
Others	136	21	(-) 84.6%	269
Total	738	3,246	339.8%	1,299

##### 2. Other expenses

(Millions of yen)

	Second-quarter cumulative period of the year ended March 31, 2009 (actual)	Second-quarter cumulative period of the year ending March 31, 2010 (actual)	Comparison with the corresponding period of the previous year	Year ended March 31, 2009 (actual)
Valuation loss of marketable securities	260	1,697	552.7%	587
Loss on impairment of fixed assets	1,084	425	(-) 60.8%	2,730
Special retirement allowances	1,720	-	-	1,835
Exchange loss	4,863	-	-	8,339
Others	314	299	(-) 4.8%	432
Total	8,241	2,421	(-) 70.6%	13,923

#### V. Segment information by geographic area

For the consolidated second-quarter cumulative period of the year ending March 31, 2010  
(April 1, 2009 through September 30, 2009):

(Millions of yen)

Item	Japan	Other areas	Total	Eliminations, adjustments and others	Consolidation
Net sales					
(1) External customers	442,215	32,758	474,973	-	474,973
(2) Intersegment	250	39,410	39,660	(39,660)	-
Total	442,465	72,168	514,633	(39,660)	474,973
Operating expenses	432,978	72,616	505,594	(39,377)	466,217
Operating income (loss)	9,487	(448)	9,039	(283)	8,756

- (Notes)
1. External customers are based on the locations of the consolidated companies.
  2. Operating income is calculated by deducting from net sales cost of goods sold and selling, general and administrative expenses.

For the consolidated second-quarter cumulative period of the year ended March 31, 2009  
(April 1, 2008 through September 30, 2008):

(Millions of yen)

Item	Japan	Other areas	Total	Eliminations, adjustments and others	Consolidation
Net sales					
(1) External customers	488,098	47,607	535,705	-	535,705
(2) Intersegment	497	47,064	47,561	(47,561)	-
Total	488,595	94,671	583,266	(47,561)	535,705
Operating expenses	468,865	94,120	562,985	(47,533)	515,452
Operating income	19,730	551	20,281	(28)	20,253

- (Notes) 1. External customers are based on the locations of the consolidated companies.  
2. Operating income is calculated by deducting from net sales cost of goods sold and selling, general and administrative expenses.

[Reference information – other areas]

For the consolidated second-quarter cumulative period of the year ending March 31, 2010  
(April 1, 2009 through September 30, 2009):

(Millions of yen)

Item	America	Australia	Others
Net sales			
(1) External customers	10,298	19,526	2,934
(2) Intersegment	21,211	8,125	11,493
Total	31,509	27,651	14,427
Operating expenses	31,723	28,614	13,713
Operating income (loss)	(214)	(963)	714

Due to eliminations of intersegment transactions, the figures in this table do not conform to those of the "other areas" in the segment information by geographic area.

For the consolidated second-quarter cumulative period of the year ended March 31, 2009  
(April 1, 2008 through September 30, 2008):

(Millions of yen)

Item	America	Australia	Others
Net sales			
(1) External customers	14,637	28,521	4,449
(2) Intersegment	25,122	11,575	12,514
Total	39,759	40,096	16,963
Operating expenses	39,984	39,427	16,843
Operating income (loss)	(225)	(669)	120

Due to eliminations of intersegment transactions, the figures in this table do not conform to those of the "other areas" in the segment information by geographic area.

For the consolidated second quarter of the year ending March 31, 2010 (July 1, 2009 through September 30, 2009):

(Millions of yen)

Item	Japan	Other areas	Total	Eliminations, adjustments and others	Consolidation
Net sales					
(1) External customers	222,329	16,113	238,442	-	238,442
(2) Intersegment	154	20,617	20,771	(20,771)	-
Total	222,483	36,730	259,213	(20,771)	238,442
Operating expenses	217,010	36,898	253,908	(20,585)	233,323
Operating income (loss)	5,473	(168)	5,305	(186)	5,119

- (Notes)
1. External customers are based on the locations of the consolidated companies.
  2. Operating income is calculated by deducting from net sales cost of goods sold and selling, general and administrative expenses.

For the consolidated second quarter of the year ended March 31, 2009 (July 1, 2008 through September 30, 2008):

(Millions of yen)

Item	Japan	Other areas	Total	Eliminations, adjustments and others	Consolidation
Net sales					
(1) External customers	246,913	23,079	269,992	-	269,992
(2) Intersegment	276	26,187	26,463	(26,463)	-
Total	247,189	49,266	296,455	(26,463)	269,992
Operating expenses	236,983	48,845	285,828	(26,351)	259,477
Operating income	10,206	421	10,627	(112)	10,515

- (Notes)
1. External customers are based on the locations of the consolidated companies.
  2. Operating income is calculated by deducting from net sales cost of goods sold and selling, general and administrative expenses.

[Reference information – other areas]

For the consolidated second quarter of the year ending March 31, 2010 (July 1, 2009 through September 30, 2009):

(Millions of yen)

Item	America	Australia	Others
Net sales			
(1) External customers	4,949	9,760	1,404
(2) Intersegment	11,255	3,806	6,102
Total	16,204	13,566	7,506
Operating expenses	15,960	14,281	7,210
Operating income (loss)	244	(715)	296

Due to eliminations of intersegment transactions, the figures in this table do not conform to those of the "other areas" in the segment information by geographic area.

For the consolidated second quarter of the year ended March 31, 2009 (July 1, 2008 through September 30, 2008):

(Millions of yen)

Item	America	Australia	Others
Net sales			
(1) External customers	7,259	13,678	2,142
(2) Intersegment	14,162	6,184	7,029
Total	21,421	19,862	9,171
Operating expenses	21,511	19,434	9,085
Operating income (loss)	(90)	428	86

Due to eliminations of intersegment transactions, the figures in this table do not conform to those of the "other areas" in the segment information by geographic area.