

(Translation)

August 2, 2011

**BRIEF STATEMENT OF ACCOUNTS**  
**FOR THE FIRST QUARTER OF THE YEAR ENDING MARCH 31, 2012**  
(Based on the accounting principles generally accepted in the United States)  
(Consolidated)

Name of listed company: Nippon Meat Packers, Inc.

Listing exchange: Tokyo Stock Exchange and  
Osaka Securities Exchange

Code number: 2282

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

Representative: Hiroshi Kobayashi  
President and Representative Director

Further inquiries: Yoshihide Hata  
Director, Executive Officer and General Manager  
of Accounting & Finance Department

Scheduled date of filing of quarterly report: August 5, 2011

Scheduled date of payment of dividends: -

Preparation of supplementary information on  
quarterly statement of accounts: Yes

Holding of quarterly results briefing: Yes (results briefing for institutional investors  
and analysts)

(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 first quarter of the year ending March 31, 2012  
(April 1, 2011 through June 30, 2011):**

(1) Consolidated operating results (cumulative):

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

	Net sales		Operating income		Income from continuing operations before income taxes and equity in earnings of associated companies		Net income attributable to Nippon Meat Packers, Inc.	
	(millions of yen)	%	(millions of yen)	%	(millions of yen)	%	(millions of yen)	%
First quarter of the year ending March 31, 2012	251,307	5.3	6,652	(3.4)	6,125	21.0	3,574	9.1
First quarter of the year ended March 31, 2011	238,550	0.9	6,884	89.3	5,061	2.2	3,276	3.6

(Note) Quarterly comprehensive income:

First quarter of the year ending March 31, 2012: ¥3,129 million (67.7%)  
 First quarter of the year ended March 31, 2011: ¥1,866 million ((-)61.4%)

	Earnings per share attributable to Nippon Meat Packers, Inc. shareholders (basic)	Earnings per share attributable to Nippon Meat Packers, Inc. shareholders (diluted)
	(yen)	(yen)
First quarter of the year ending March 31, 2012	16.80	15.15
First quarter of the year ended March 31, 2011	15.41	13.89

(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.

(2) Consolidated financial condition:

	Total assets	Total equity	Total Nippon Meat Packers, Inc. shareholders' equity	Nippon Meat Packers, Inc. shareholders' equity ratio	Total Nippon Meat Packers, Inc. shareholders' equity per share
	(millions of yen)	(millions of yen)	(millions of yen)	(%)	(yen)
First quarter of the year ending March 31, 2012	611,910	282,968	280,744	45.9	1,319.76
Year ended March 31, 2011	590,688	283,204	281,067	47.6	1,321.37

(Note) The "shareholders' equity" represents the amount of "Total Nippon Meat Packers, Inc. shareholders' equity".

## 2. State of dividends:

	Annual dividend (yen)				
	First quarter-end	Second quarter-end	Third quarter-end	Year-end	Total
Year ended March 31, 2011	—	—	—	16.00	16.00
Year ending March 31, 2012	—				
Year ending March 31, 2012 (forecast)		—	—	16.00	16.00

(Note) Adjustment to the most recently publicized forecast of dividends: None

**3. Forecast of consolidated business results for the year ending March 31, 2012 (April 1, 2011 through March 31, 2012):**

(The percentages indicate the rates of increase (decrease) from the previous fiscal year in respect of the whole-year period, and from the second quarter (cumulative) of the previous fiscal year in respect of the second quarter (cumulative), respectively.)

	Net sales		Operating income		Income from continuing operations before income taxes and equity in earnings of associated companies		Net income attributable to Nippon Meat Packers, Inc.		Earnings per share attributable to Nippon Meat Packers, Inc. shareholders (basic)
	(millions of yen)	(%)	(millions of yen)	(%)	(millions of yen)	(%)	(millions of yen)	(%)	(yen)
Second quarter (cumulative)	500,000	3.5	14,500	12.3	13,000	14.5	7,500	10.6	35.27
Whole-year period	1,020,000	3.1	35,000	5.5	30,000	1.6	17,000	1.6	79.94

(Note) Adjustment to the most recently publicized forecast of business: Yes

**4. Others:**

- (1) Changes in important subsidiaries during the period under review: None
- (2) Application of simplified accounting treatments and special accounting treatments: None
- (3) Changes in accounting policies:
  - 1) Changes associated with changes in accounting standards: None
  - 2) Other changes: None

For more information, please refer to "2. Other Information" on page 10 hereof.

- (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:
 

First quarter of the year ending March 31, 2012:	228,445,350 shares
Year ended March 31, 2011:	228,445,350 shares
  - 2) Number of shares of treasury stock as of the end of the period:
 

First quarter of the year ending March 31, 2012:	15,721,612 shares
Year ended March 31, 2011:	15,736,839 shares
  - 3) Average number of shares during the period (consolidated quarterly cumulative period):
 

First quarter of the year ending March 31, 2012:	212,713,583 shares
First quarter of the year ended March 31, 2011:	212,623,083 shares

\* Statement on the state of performance of quarterly review procedures:

This brief statement of accounts for the period under review is not subject to quarterly review procedures under the Financial Instruments and Exchange Law of Japan. The review of this brief statement of accounts for the period under review in accordance with the Financial Instruments and Exchange Law has not been completed at the time of disclosure hereof.

\* 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. For information on the conditions precedent to the forecast of business results and cautionary notes for the use of the forecast of business results, please refer to "(3) Qualitative Information on the Forecast of Consolidated Business Results" on page 9 hereof.

## CONTENTS OF ATTACHMENT

1. Qualitative Information on the Consolidated Business Results and Others for the First Quarter of the Fiscal Year under Review .....	6
(1) Qualitative Information on the Consolidated Operating Results.....	6
(2) Qualitative Information on the Consolidated Financial Condition.....	9
(3) Qualitative Information on the Forecast of Consolidated Business Results.....	9
2. Other Information .....	10
(1) Outline of Changes in Significant Subsidiaries during the Period under Review .....	10
(2) Application of Simplified Accounting Treatments and Special Accounting Treatments.....	10
(3) Outline of Changes in Accounting Policies. ....	10
(4) Basis of Preparation of Consolidated Financial Statements .....	10
3. Consolidated Quarterly Financial Statements.....	11
(1) Consolidated Quarterly Balance Sheets.....	11
(2) Consolidated Quarterly Statements of Income .....	13
(for the first-quarter cumulative period of the year) .....	13
(3) Consolidated Quarterly Statements of Cash Flows .....	14
(4) Note on the Premises of a Going Concern.....	15
(5) Segment Information .....	15
(6) Note on Material Change (If Any) in the Amount of Shareholders' Equity .....	16
* The Company is planning to hold a briefing for investors as follows. All materials to be distributed at the briefing will be disclosed on TDnet and posted on its website today.	
▪ August 5, 2011 (Friday):	Results briefing for institutional investors and analysts
* In addition to the above-mentioned briefing, the Company will hold briefings of its operations and business results for individual investors from time to time. For information on the schedules of such briefings, etc., please make sure on its website.	

1. Qualitative Information on the Consolidated Business Results and Others for the First Quarter of the Fiscal Year under Review

(1) Qualitative Information on the Consolidated Operating Results:

Overview of Operating Results in General

The Japanese economy during the first quarter of the fiscal year under review has shown greater uncertainty as direct damages caused by the Great West Japan Earthquake and power shortages resulting from subsequent security measures for nuclear power plants have had no small impact on corporate activities.

In the food and fresh meats industry, while prices of fresh meats, such as poultry and pork, have shown a tone of recovery from last year, business conditions have been very difficult due to increasing prices of raw meats and materials and fuels, higher prices of feedstuff arising from a steep rise in grain prices, among others.

Under these circumstances, upon entering the final year of its "New Medium-Term Management Plan Part III" that commenced in April 2009, the Nippon Ham Group has strenuously implemented various management measures to meet "Challenges: Reinforce Domestic Operations While Growing as a Global Player" listed as the theme of the plan.

With regard to one of its management policies "Establish and evolve the concept of 'Management for No.1 Quality'", the Group has implemented various measures to enhance its corporate value. We have endeavored to enhance the integration that is unique to the Group while, for the summer gift season, we aggressively promoted sales of "*Utsukushi-no-Kuni*," our premium gift products that use only pork produced at our own farms, to boost summer gift sales.

With regard to another management policy "Improve profitability through greater selectivity and focus", to enhance competitiveness of its core business, the Group has continued to restructure its marketing centers and improve efficiencies through a supply chain management (SCM) reform that has been pursued as a strategy to improve efficiencies in its processed foods business. In addition, in response to a deflationary situation in the market where price competition has intensified, the Group has engaged in active sale by putting on TV commercials for new products, among others.

With regard to the third management policy "Create a global business structure", the Group has put on track the production line of a Thai subsidiary whose production capacity was increased during the previous fiscal year. In addition, the Group has acquired a production and marketing company in Vietnam and established a foothold to cultivate a market in Vietnam and its neighboring nations.

As a result of these activities, for the consolidated first-quarter cumulative period of the fiscal year under review, net sales amounted to ¥251,307 million, up 5.3% from the corresponding period of the previous fiscal year. Operating income amounted to ¥6,652 million, down 3.4% from the corresponding period of the previous fiscal year. Income from continuing operations before income taxes and equity in earnings of associated companies amounted to ¥6,125 million, up 21.0% from the corresponding period of the previous fiscal

year and net income attributable to Nippon Meat Packers, Inc. shareholders amounted to ¥3,574 million, up 9.1% 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 ran promotional campaigns for its new products "*Mori-no-Kaori Shin Arabiki Wiener Sausage*" and "*Irodori Kitchen Roast Ham*" to develop them as mainstay products. Specifically, the Group has put on TV commercials for "*Irodori Kitchen Roast Ham*" since June to enhance its name recognition and expand sales. In the summer gift season, the Group actively engaged in advertising and publicity activities and promotional activities at retailers' stores for its flagship brand of gift products "*Utsukushi-no-kuni*", among others. In its processed foods business, the Group focused on promoting sales of its new product "*Hanetsuki Gyoza*" and increasing sales of a line of room-temperature products, including curry, and "*Chuka Meisai*" series in response to consumers' eating-at-home trend. In its industrial channels, the Group actively promoted suggestive selling activities targeting convenience stores and chain restaurants by combining its production and marketing divisions to increase sales.

With regard to profits, in spite of cost reductions by enhanced productivity and improvement effects by the SCM reform, prices of raw meats, materials and fuels were higher in comparison with the corresponding period of the previous fiscal year. Consequently, earnings slightly fell below those in the corresponding period of the previous fiscal year.

As a result, for the consolidated first-quarter cumulative period of the fiscal year under review, net sales of the processed foods business division amounted to ¥82,093 million, up 4.2% from the corresponding period of the previous fiscal year and operating income amounted to ¥1,107 million, down 21.6% from the corresponding period of the previous fiscal year.

### Fresh Meats Business Division

Due to last year's exceptionally hot summer and livestock illnesses since last year, as well as farms in the Tohoku area affected by the quake, the quantity of production of poultry and pork in Japan has remained smaller in comparison with the corresponding period of the previous fiscal year and consequently, the pork and poultry market remained favorable in comparison with the corresponding period of the previous fiscal year. On the other hand, demand for beef, which was comparatively expensive, has continued to remain weak since the previous fiscal year. In addition, due to a decline in demand from hotels and restaurants after the quake and food-poisoning scandals, the beef market has remained stagnant. Furthermore, due to higher prices of crude oil and a steep rise in grain prices, higher fuel and feedstuff prices have become cost-hike factors. Under these adverse circumstances, the Group, by taking advantage of its global procurement capabilities covering a full line of livestock and nationwide marketing capabilities of its sales companies in Japan, engaged in aggressive expansion of sales in and outside of Japan, and bolstered net sales in comparison with the corresponding period of the previous fiscal year by increasing sales volume and improving selling prices.

With regard to profits, its domestic farm business achieved a turnaround in comparison with the corresponding period of the previous fiscal year due to the improved fresh meats market and the effects of cost reductions and productivity improvements. However, its farm business in the United States had a hard time and its overseas business has remained in a difficult condition.

As a result, for the consolidated first-quarter cumulative period of the fiscal year under review, net sales of the fresh meats business division amounted to ¥172,236 million, up 8.2% from the corresponding period of the previous fiscal year and operating income amounted to ¥5,038 million, down 4.3% from the corresponding period of the previous fiscal year.

#### Affiliated Business Division

In its marine products business, the Group enhanced selling activities focused on specific products and sales in the mass-retail channel increased. However, due to higher prices, sales of raw marine materials to wholesalers and process manufacturers have been slack. Consequently, sales slightly decreased in comparison with the corresponding period of the previous fiscal year.

In its dairy products business, with regard to yogurts and lactic acid probiotic beverages, sales of its mainstay product "*Vanilla Yogurt*" and drink yogurts, among others, in its convenience store channel increased and revenues increased. With regard to cheese, the Group was affected by bakeries, its major channel, streamlining their product lines. However, due to a steady growth in sales in the channels of food manufacturers and convenience stores and its efforts to expand sales of consumer products, sales increased in comparison with the corresponding period of the previous fiscal year.

With regard to earnings, in the marine products business, profit margins improved as gross margins increased as a result of an increase in production at our own plants, among others. In the dairy products business, while overall sales increased favorably, profit margins improved due to a change in its product items and stable prices of raw materials. Consequently, earnings exceeded those for the corresponding period of the previous fiscal year.

As a result, for the consolidated first-quarter cumulative period of the fiscal year under review, net sales of the affiliated business division amounted to ¥31,570 million, up 0.5% from the corresponding period of the previous fiscal year and operating income amounted to ¥456 million, up 42.1% from the corresponding period of the previous fiscal year.



(2) Qualitative Information on the Consolidated Financial Condition:

<Financial position>

At the end of the first quarter of the fiscal year under review, total assets increased by 3.6% from the end of the previous fiscal year to account for ¥611,910 million, as cash and cash equivalents and inventories increased by ¥5,796 million and ¥16,038 million from the end of the previous fiscal year, respectively, among others, though property, plant, and equipment decreased by ¥2,967 million. Liabilities increased by 7.0% from the end of the previous fiscal year to account for ¥328,942 million as short-term bank loans and trade notes and accounts payable increased by ¥14,008 million and ¥7,068 million, respectively, from the end of the previous fiscal year, among others. Interest-bearing debt increased by ¥12,750 million from the end of the previous fiscal year, accounting for ¥168,013 million, due to an increase in short-term bank loans, among others.

Total Nippon Meat Packers, Inc. shareholders' equity slightly decreased from the end of the previous fiscal year to account for ¥280,744 million. However, due to an increase in total assets, the Nippon Meat Packers, Inc. shareholders' equity ratio decreased by 1.7 points from the end of the previous fiscal year to 45.9%.

<Cash flows>

With regard to operating activities, inventories increased by ¥16,112 million while trade notes and accounts payable increased by ¥7,087 million and accrued expenses and other current liabilities increased by ¥8,473 million. As a result, net cash from operating activities amounted to a negative ¥115 million.

With regard to investing activities, capital expenditure amounted to ¥3,713 million. As a result, net cash from investing activities amounted to a negative ¥3,273 million.

With regard to financing activities, short-term bank loans increased by ¥15,646 million, while repayments of long-term debt and cash dividends amounted to ¥4,562 million and ¥3,466 million, respectively. As a result, net cash from financing activities amounted to ¥9,348 million.

As a result, cash and cash equivalents at end of the first quarter of the fiscal year under review increased by ¥5,796 million in comparison with the end of the previous fiscal year to amount to ¥57,205 million.

(3) Qualitative Information on the Forecast of Consolidated Business Results:

With regard to the forecast of consolidated business results for the second-quarter cumulative period and whole-year period of the year ending March 31, 2012, the Company has made no adjustment to the forecast publicized in the Brief Statements of Accounts for the Year Ended March 31, 2011 on May 13, 2011.

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.

2. Other Information

(1) Outline of Changes in Significant Subsidiaries during the Period under Review:

None

(2) Application of Simplified Accounting Treatments and Special Accounting Treatments:

None

(3) Outline of Changes in Accounting Policies:

None

(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 financial statements for the previous fiscal year have been made to conform to the current year's presentation.

### 3. Consolidated Quarterly Financial Statements

#### (1) Consolidated Quarterly Balance Sheets:

	(millions of yen)	
	Year ended March 31, 2011 (as of March 31, 2011)	First quarter of the year ending March 31, 2012 (as of June 30, 2011)
<u>Assets</u>		
Current assets:		
Cash and cash equivalents	51,409	57,205
Time deposits	17,191	26,862
Marketable securities	20,197	10,199
Trade notes and accounts receivable	104,501	104,954
Allowance for doubtful receivables	(625)	(530)
Inventories	107,599	123,637
Deferred income taxes	7,150	8,682
Other current assets	9,941	11,193
Total current assets	317,363	342,202
Property, plant, and equipment - at cost, less accumulated depreciation	219,324	216,357
Intangible assets, less accumulated amortization	10,244	9,999
Investments and other assets:		
Investments in and advances to associated companies	2,309	2,232
Other investment securities	16,333	16,173
Other assets	9,122	9,165
Total investments and other assets	27,764	27,570
Deferred income taxes - non-current	15,993	15,782
Total Assets	590,688	611,910

(millions of yen)

	Year ended March 31, 2011 (as of March 31, 2011)	First quarter of the year ending March 31, 2012 (as of June 30, 2011)
<u>Liabilities and Equity</u>		
Current liabilities:		
Short-term bank loans	43,344	57,352
Current maturities of long-term debt	23,907	23,788
Trade notes and accounts payable	90,317	97,385
Accrued income taxes	8,885	3,524
Deferred income taxes	689	380
Accrued expenses	19,530	24,160
Other current liabilities	11,124	13,713
Total current liabilities	197,796	220,302
Liability under retirement and severance programs	17,581	17,644
Long-term debt, less current maturities	88,012	86,873
Deferred income taxes - non-current	2,589	2,562
Other long-term liabilities	1,506	1,561
Total liabilities	307,484	328,942
Nippon Meat Packers, Inc. shareholders' equity:		
Common stock	24,166	24,166
Capital surplus	50,809	50,785
Retained earnings:		
Appropriated for legal reserve	7,248	7,346
Unappropriated	231,771	231,851
Accumulated other comprehensive loss	(16,231)	(16,724)
Treasury stock, at cost	(16,696)	(16,680)
Total Nippon Meat Packers, Inc. shareholders' equity	281,067	280,744
Noncontrolling interests	2,137	2,224
Total equity	283,204	282,968
Total Liabilities and Equity	590,688	611,910

(Note) Accumulated other comprehensive loss – breakdown

	Year ended March 31, 2011	First quarter of the year ending March 31, 2012
Net unrealized gains on securities available- for- sales	968	884
Net unrealized losses on derivative financial instruments	(277)	(179)
Pension liability adjustments	(9,209)	(9,074)
Foreign currency translation adjustments	(7,713)	(8,355)

(2) Consolidated Quarterly Statements of Income:  
 (for the first-quarter cumulative period of the year)

(millions of yen)

	First-quarter cumulative period of the year ended March 31, 2011 (April 1, 2010 through June 30, 2010)	First-quarter cumulative period of the year ending March 31, 2012 (April 1, 2011 through June 30, 2011)	(For reference)  Year ended March 31, 2011 (April 1, 2010 through March 31, 2011)
Revenues:			
Net sales	238,550	251,307	989,308
Other	565	420	1,030
Total	239,115	251,727	990,338
Cost and expenses:			
Cost of goods sold	190,888	203,815	785,878
Selling, general and administrative expenses	40,778	40,840	170,255
Interest expense	559	492	2,125
Other	1,829	455	2,557
Total	234,054	245,602	960,815
Income before income taxes and equity in earnings of associated companies	5,061	6,125	29,523
Income taxes	1,897	2,570	12,821
Income before equity in earnings of associated companies	3,164	3,555	16,702
Equity in earnings of associated companies - net of applicable income taxes	103	54	223
Net income	3,267	3,609	16,925
Net (income) loss attributable to noncontrolling interests	9	(35)	(194)
Net income attributable to Nippon Meat Packers, Inc.	3,276	3,574	16,731

(3) Consolidated Quarterly Statements of Cash Flows:

(millions of yen)

	First-quarter cumulative period of the year ended March 31, 2011 (April 1, 2010 through June 30, 2010)	First-quarter cumulative period of the year ending March 31, 2012 (April 1, 2011 through June 30, 2011)	(For reference)  Year ended March 31, 2011 (April 1, 2010 through March 31, 2011)
<b>Operating Activities:</b>			
Net income	3,267	3,609	16,925
Adjustments to reconcile net income to net cash provided by (used in) operating activities:			
Depreciation and amortization	6,012	5,910	24,643
Impairment loss of long-lived assets	36	391	1,422
Income taxes deferred	(1,047)	(1,757)	(68)
Foreign exchange transaction adjustments	348	(944)	(1,325)
Increase in trade notes and accounts receivable	(2,809)	(430)	(4,230)
Increase in inventories	(12,043)	(16,112)	(7,529)
Decrease (increase) in other current assets	209	(1,268)	(1,247)
Increase in trade notes and accounts payable	8,767	7,087	6,465
Increase (decrease) in accrued income taxes	(3,774)	(5,362)	2,284
Increase (decrease) in accrued expenses and other current liabilities	6,434	8,473	(941)
Other – net	(165)	288	362
<b>Net cash provided by (used in) operating activities</b>	<b>5,235</b>	<b>(115)</b>	<b>36,761</b>
<b>Investing Activities:</b>			
Capital expenditures	(3,555)	(3,713)	(15,913)
Proceeds from sales of capital assets	548	550	2,614
Decrease in short-term investments	15,251	305	21,848
Purchases of marketable securities and other investment securities	(10,217)	(223)	(10,346)
Proceeds from sales and maturities of marketable securities and other investment securities	233	200	10,386
Acquisitions of subsidiaries, net of cash acquired	-	(237)	-
Other – net	(27)	(155)	156
<b>Net cash provided by (used in) investing activities</b>	<b>2,233</b>	<b>(3,273)</b>	<b>8,745</b>
<b>Financing Activities:</b>			
Cash dividends	(3,413)	(3,466)	(3,455)
Increase (decrease) in short-term bank loans	5,771	15,646	(3,711)
Proceeds from long-term debt	4,473	1,731	25,931
Repayments of long-term debt	(11,769)	(4,562)	(55,711)
Others – net	(4)	(1)	(5)
<b>Net cash provided by (used in) financing activities</b>	<b>(4,942)</b>	<b>9,348</b>	<b>(36,951)</b>
Effect of exchange rate changes on cash and cash equivalents	(370)	(164)	(664)
<b>Net increase in cash and cash equivalents</b>	<b>2,156</b>	<b>5,796</b>	<b>7,891</b>
Cash and cash equivalents at beginning of the period (year)	43,518	51,409	43,518
Cash and cash equivalents at end of the period (year)	45,674	57,205	51,409
<b>Additional cash flow information:</b>			
Cash payment for the period (year)			
Interest paid	698	645	2,158
Income taxes paid	6,466	9,626	11,089
Capital lease obligations incurred	515	463	1,958

(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 first-quarter cumulative period of the year ended March 31, 2011 (April 1, 2010 through June 30, 2010):

(millions of yen)

Item	Processed foods business division	Fresh meats business division	Affiliated business division	Total	Eliminations, adjustments and others	Consolidated
Net sales						
(1) External customers	73,470	137,342	30,720	241,532	(2,982)	238,550
(2) Intersegment	5,339	21,861	691	27,891	(27,891)	-
Total	78,809	159,203	31,411	269,423	(30,873)	238,550
Operating expenses	77,397	153,936	31,090	262,423	(30,757)	231,666
Operating income	1,412	5,267	321	7,000	(116)	6,884

For the consolidated first-quarter cumulative period of the year ending March 31, 2012 (April 1, 2011 through June 30, 2011):

(millions of yen)

Item	Processed foods business division	Fresh meats business division	Affiliated business division	Total	Eliminations, adjustments and others	Consolidated
Net sales						
(1) External customers	75,924	147,785	30,852	254,561	(3,254)	251,307
(2) Intersegment	6,169	24,451	718	31,338	(31,338)	-
Total	82,093	172,236	31,570	285,899	(34,592)	251,307
Operating expenses	80,986	167,198	31,114	279,298	(34,643)	244,655
Operating income	1,107	5,038	456	6,601	51	6,652

- (Notes)
1. "Eliminations, adjustments and others" include unallocatable items and intersegment eliminations.
  2. Except for a few unallocated items, corporate overhead expenses and profit and loss of certain subsidiaries are allocated to each reportable operating segment. These subsidiaries provide indirect services and operational support for the Companies included in each reportable operating segment.
  3. Operating income is calculated by deducting from net sales cost of goods sold and selling, general and administrative expenses.
  4. As of January 1, 2011, some changes were made in the business divisions to supervise the subsidiaries. Consequently, the relevant operating segments are reclassified for the consolidated first-quarter cumulative period of the previous fiscal year.

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

Not applicable.