(Translation)

May 13, 2013

BRIEF STATEMENT OF ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2013

(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/en/
Representative:	Noboru Takezoe President and Representative Director
Further inquiries:	Yoshihide Hata Director and Managing Executive Officer, General Manager of Corporate Management Division
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Scheduled date of the Ordinary General Meeting of Shareholders: June 26, 2013

Scheduled date of payment of dividends:	June 6, 2013
Scheduled date of filing of securities report:	June 27, 2013
Preparation of supplementary information on statement of accounts:	Yes
Holding of 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 year ended March 31, 2013 (April 1, 2012 through March 31, 2013):

(1) Consolidated operating results:

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

	Net sales		Operating income		Income 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)	(%)
Year ended March 31, 2013	1,022,839	0.5	28,021	5.7	28,031	4.7	16,459	41.2
Year ended March 31, 2012	1,017,784	2.9	26,513	(20.1)	26,766	(9.3)	11,655	(30.3)

(Note) Comprehensive income attributable to Nippon Meat Packers, Inc.:

Year ended March 31, 2013: ¥23,212 million 87.8 %

Year ended March 31, 2012: ¥12,360 million (-)1.6 %

	Earning per share attributable to Nippon Meat Packers, Inc. shareholders (basic)	Earning per share attributable to Nippon Meat Packers, Inc. shareholders (diluted)	Ratio of net income attributable to total Nippon Meat Packers, Inc. to shareholders' equity	Ratio of income from continuing operations before income taxes and equity in earnings of associated companies to total assets	Ratio of operating income to net sales
	(yen)	(yen)	(%)	(%)	(%)
Year ended March 31, 2013	79.42	71.44	5.6	4.7	2.7
Year ended March 31, 2012	54.79	49.40	4.1	4.5	2.6

(For reference) Equity in earnings of associated companies:

Year ended March 31, 2013: ¥38 million

Year ended March 31, 2012: ¥495 million

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

(2) Consolidated financial position:

	Total assets	Total equity	Total Nippon Meat Packers, Inc. shareholders' equity	Total 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)
Year ended March 31, 2013	610,293	296,084	293,414	48.1	1,474.60
Year ended March 31, 2012	589,125	292,268	290,020	49.2	1,363.34

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

(3) Consolidated cash flows:

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of the year
	(millions of yen)	(millions of yen)	(millions of yen)	(millions of yen)
Year ended March 31, 2013	37,407	(54,813)	(10,964)	36,475
Year ended March 31, 2012	26,432	9,750	(23,745)	63,651

2. State of dividends:

	Annual dividend per share (yen)					Total Dividends (Annual)	Dividend propensity (consolidated)	Ratio of dividends to shareholders' equity (consolidated)
	First quarter -end	Second quarter -end	Third quarter -end	Year-end	Total	(millions of yen)	(%)	(%)
Year ended March 31, 2012	—	—	—	18.00	18.00	3,829	32.9	1.3
Year ended March 31, 2013	—	—	—	24.00	24.00	4,775	30.2	1.7
Year ending March 31, 2014 (forecast)	—	—	—	26.00	26.00		30.4	

(Note) Breakdown of the year-end dividends for the year ended March 31, 2012:

Ordinary dividend: ¥16.00

Commemorative dividend: ¥2.00

(Note) The ratio of dividends to shareholders' equity (consolidated) is calculated on the basis of the amount of Nippon Meat Packers, Inc. shareholders' equity.

3. Forecast of consolidated business results for the year ending March 31, 2014 (April 1, 2013 through March 31, 2014):

(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 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)	520,000	4.7	15,000	52.5	13,000	63.6	7,500	93.2	37.69
Whole-year period	1,060,000	3.6	34,000	21.3	30,000	7.0	17,000	3.3	85.44

* Notes:

(1) Changes in significant subsidiaries (changes in specific subsidiaries involving a change in the scope of consolidation) during the year: No

(2) Changes in accounting policies:

1) Changes associated with changes in accounting standards: Yes

2) Other changes: None

(For more information, please refer to “7. Important Matters Forming the Basis for Preparing Consolidated Financial Statements” on page 36.)

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

1) Number of shares issued (including shares of treasury stock) as of the end of the fiscal year:

Year ended March 31, 2013: 228,445,350 shares

Year ended March 31, 2012: 228,445,350 shares

2) Number of shares of treasury stock as of the end of the fiscal year:

Year ended March 31, 2013: 29,466,532 shares

Year ended March 31, 2012: 15,718,715 shares

3) Average number of shares outstanding during the fiscal year:

Year ended March 31, 2013: 207,241,892 shares

Year ended March 31, 2012: 212,723,786 shares

(For reference) Summary of the non-consolidated business results

1. Non-consolidated business results for the year ended March 31, 2013 (April 1, 2012 through March 31, 2013):

(1) Non-consolidated operating results

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

	Net sales		Operating income		Ordinary income		Net income	
	(millions of yen)	(%)	(millions of yen)	(%)	(millions of yen)	(%)	(millions of yen)	(%)
Year ended March 31, 2013	671,356	(2.1)	6,432	115.5	18,135	85.5	9,690	442.9
Year ended March 31, 2012	685,862	2.5	2,984	(64.3)	9,777	(36.1)	1,785	(75.4)

	Net income per share (basic)	Net income per share (diluted)
	(yen)	(yen)
Year ended March 31, 2013	46.76	42.06
Year ended March 31, 2012	8.39	7.57

(2) Non-consolidated financial position

	Total assets	Total net assets	Net worth ratio	Total net assets per share
	(millions of yen)	(millions of yen)	(%)	(yen)
Year ended March 31, 2013	413,867	177,336	42.8	890.38
Year ended March 31, 2012	404,114	185,976	46.0	873.36

(For reference)

Net worth: Year ended March 31, 2013: ¥177,169 million
Year ended March 31, 2012: ¥185,787 million

2. Forecast of non-consolidated business results for the year ending March 31, 2014 (April 1, 2013 through March 31, 2014):

(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		Ordinary income		Net income		Net income per share
	(millions of yen)	(%)	(millions of yen)	(%)	(millions of yen)	(%)	(yen)
Second quarter (cumulative)	355,000	4.6	8,235	(32.3)	6,200	(33.6)	31.16
Whole-year period	715,000	6.5	13,300	(26.7)	8,200	(15.4)	41.21

* Statement on the state of performance of audit procedures:

This brief statement of accounts is not subject to audit procedures under the Financial Instruments and Exchange Law of Japan. The audit procedures of financial statements in accordance with the Financial Instruments and Exchange Law has not been completed at the time of disclosure hereof.

* Explanation for the appropriate use of the forecast of business results and other special instructions

The descriptions herein about the future, including the forecast of business results, are based on the information currently available to Nippon Meat Packers, Inc. (the "Company"), all of its majority-owned direct or indirect subsidiaries, and any variable interest entities of which the Company and its subsidiaries are the primary beneficiary (collectively, the "Companies") and certain assumptions considered reasonable by the Companies and are not contemplated to ensure the fulfillment thereof. The actual results may materially differ from such forecast and plans depending on various factors. The Companies, therefore, wish to caution that readers should not place undue reliance on these descriptions to make investment decisions. Further, unless obligated by laws or ordinances or the rules of financial instruments exchanges, the Companies will not necessarily, or is not obligated to, revise such descriptions about the future, including the forecast of business results notwithstanding any information or event in the future or any result arising therefrom, or publicize such revised information. 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 "1. Analysis of Operating Results: (2) Prospect for the next fiscal year" on pages 9 to 13.

CONTENTS OF ATTACHMENT

* The Company is planning to hold a briefing for investors as follows. All materials distributed at the briefing will be disclosed on TDnet today and posted on its website.

- May 15, 2013 (Wednesday): 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.

I. OPERATING RESULTS

1. Analysis of Operating Results

(1) For the fiscal year under review

Overview of operating results in general

The Japanese economy during the fiscal year under review remained weak due to the impact of the deceleration of the global economy attributable to the slowdown of the Chinese economy and the financial crisis in Europe, among other factors, while demand arising from the reconstruction of regions devastated by the Great East Japan Earthquake provided underlying support to the economy. However, positive signs have started to emerge in some sectors: for example, the uptrend of the Japanese yen has reversed to a downtrend since October, giving a strong boost to the Nikkei Stock Average on the back of expectations for a recovery in corporate earnings especially in the export sector.

In the food and fresh meats industry, prices of domestic and imported beef tended to be firm compared to the previous fiscal year. In February 2013, restrictions on U.S. beef imports regarding the age of cattle were relaxed, but did not have a major impact. The conditions were harsh for domestic pork and poultry in that prices were lower than in the previous fiscal year due to domestic production volume being higher than in the previous fiscal year.

On the other hand, business conditions remained tough due to the huge impact of intensifying sales competition amid the still-ongoing deflationary trend, the rise in feed prices stemming from the surge in grain prices caused by the drought in the United States, and the stagnation of the gift market on the whole attributable to economic stagnation, among others.

Under these circumstances, the Nippon Ham Group (the “Group”), launched the “New Medium-Term Management Plan Part IV” during the fiscal year, and to “Improve Profitability of Domestic Operations and Reinforce the Foundation of Overseas Operations” as advocated in the Plan, carried out business activities based on its three management policies, namely: Brush up the concept of Management for No.1 Quality; Allocate management resources in prioritized areas; and Enhance the Group brand value. The Group worked on a wide range of concrete measures, including enhancing domestic upstream businesses, executing structural reforms on an ongoing basis, developing and expanding the sales of new products, establishing a unit dedicated to enhancing the brand management structure named “Corporate Strategic Task Force”, relocating the head office to strengthen intra-group teamwork, and engaging in human resources development.

As a result of these activities, for the fiscal year under review, consolidated net sales amounted to ¥1,022,839 million, up 0.5% from the previous fiscal year. Operating income amounted to ¥28,021 million, up 5.7% from the previous fiscal year, due to group-wide cost-cutting efforts, etc. Income before income taxes and equity in earnings of associated companies amounted to ¥28,031 million, up 4.7% from the previous fiscal year, due in part to foreign exchange gains associated with yen-denominated borrowings by overseas subsidiaries being recorded, in addition to insurance proceeds from the flood damage in Thailand. Net income attributable to Nippon Meat Packers, Inc. amounted to ¥16,459 million, up 41.2% from the previous fiscal year, due to the reduction of tax expenses as a result of the improved performance of overseas subsidiaries, among other factors.

Breakdown of consolidated net sales

Category	Year ended March 31, 2012 (April 1, 2011-March 31, 2012)		Year ended March 31, 2013 (April 1, 2012-March 31, 2013)		Rate of increase (decrease) from the previous year (%)
	Amount (millions of yen)	Component ratio (%)	Amount (millions of yen)	Component ratio (%)	
Hams and sausages	137,286	13.5	139,948	13.7	1.9
Processed foods	203,167	20.0	204,756	20.0	0.8
Fresh meats	544,054	53.4	541,598	52.9	(0.5)
Marine products	82,836	8.1	83,829	8.2	1.2
Dairy products	23,261	2.3	25,155	2.5	8.1
Others	27,180	2.7	27,553	2.7	1.4
Total	1,017,784	100.0	1,022,839	100.0	0.5

Overview of operating segments

(Processed foods business division)

In its hams and sausages business, new product “Mou Kittemasu-yo! Jikabi-yaki Yakibuta” had performed solidly since the beginning of the fiscal year. The Group has aggressively put on TV commercials and run promotional campaigns mainly for its leading brands “SCHAU ESSEN” and “Irodori Kitchen Loin Ham” in an effort to expand sales. In the summer and year-end gift-giving seasons, the Group actively ran TV commercials and mounted promotions at retailer stores for the flagship “Utsukushi-no-Kuni” gift product and other offerings under tough conditions in the gift market. This, among other efforts, resulted in an increase in sales of hams and sausages.

In its processed foods business, new products of hamburgers and meatballs including “Torokeru 4-shu-Cheese-no Hamburger” performed well, and “Chuka Meisai” and chilled pizza series also performed solidly. However, due to the extremely fierce competition in commercial-use products, sales of the processed foods business as a whole were slightly below sales in the previous fiscal year.

With regard to profits, due to cost reductions by enhanced productivity and improvement effects by the SCM reform in spite of the impact of higher prices of fuel and materials, revenues exceeded those in the previous fiscal year.

As a result, for the fiscal year under review, net sales of the processed foods business division amounted to ¥338,966 million, down 0.9% from the previous fiscal year, and operating income amounted to ¥9,565 million, up 19.1% from the previous fiscal year.

(Fresh meats business division)

Prices of domestic beef were more inclined to recover than in the previous year, but the impact of prices of domestic pork and poultry being lower than in the previous fiscal year turned out to be significant, resulting in prices of fresh meats as a whole falling short of the level in the previous fiscal year. Prices of crude oil and grains—which affect production costs—had a tendency to remain at high levels.

Under these harsh circumstances, the Group, by taking advantage of its global procurement capabilities covering a full line of livestock and marketing capabilities of its sales companies in Japan, engaged in aggressive expansion of sales in and outside of Japan, and as a result, managed to increase the sales volume from the previous fiscal year. Although the fall in the unit sales price had an impact, net sales exceeded the level of the previous fiscal year, thanks to the effects of the higher sales volume.

With regard to profits, sales of imported fresh meats have been on a recovery trend since the second quarter, but prices of domestic fresh meats remained low throughout the fiscal year; consequently, the domestic farm business struggled on the whole. Among overseas businesses, revenues of the business in Australia were on a recovery trend due to improvement activities, etc., whereas the farm business in Americas experienced a stagnation in local live hog prices and an increase in feed prices due to the impact of the massive drought especially in central and eastern parts of the United States. Due to such factors, among others, overseas businesses as a whole remained under harsh conditions.

As a result, for the consolidated fiscal year under review, net sales of the fresh meats business division amounted to ¥673,495 million, up 1.1% from the previous fiscal year, and operating income amounted to ¥15,531 million, down 3.9% from the previous fiscal year.

(Affiliated business division)

In its marine products business, the Group aggressively engaged in sales targeted at volume retailers, and enhanced its efforts in marine products sourced from Russia. Due in part to such efforts, sales volume increased, but the unit sales price decreased owing to the impact of the fall in the prices of salmon, crabs, etc., as a result of which sales increased only slightly.

In its dairy products business, with regard to yogurt and lactic acid probiotic beverages, aggressive sales promotion focusing on its mainstay “Vanilla Yogurt” and yogurt drinks targeted at the volume retailers channel and convenience store channel resulted in higher revenues. With regard to cheese, sales were higher than in the previous fiscal year, as a result of the increase in sales of consumer-use products in which the Group had enhanced its efforts, notwithstanding the struggling sales to bakeries and restaurants.

With regard to profits, in the marine products business, lower gross profit margins and trading losses arising from the fall in the price of some fish species, as well as the increase in expenses associated with higher sales to volume retailers, resulted in a decrease in profits. In the dairy products business, profits increased due to sales expansion and improvements in productivity associated with it.

As a result, for the consolidated fiscal year under review, net sales of the affiliated business division amounted to ¥137,645 million, up 1.8% from the previous fiscal year, and operating income amounted to ¥1,527 million, down 22.1% from the previous fiscal year.

(2) Prospect for the next fiscal year

Amid predictions for continuing harsh conditions to prevail in the business environment, the Group, has promoted the “New Medium-Term Management Plan Part IV,” starting from April 2012, which is based on the theme of “Improve Profitability of Domestic Operations and Reinforce the Foundation of Overseas Operations.” Under this Plan, the Group has promoted the management policies of “Brush up the concept of Management for No.1 Quality,” “Allocate management resources in prioritized areas,” and “Enhance the Group brand value.”

In the processed foods business division, the prices of raw materials, materials costs and fuel costs are expected to substantially increase. While the outlook for the business environment remains grim due to the polarization of consumption and intensification of price competition, the Group will promote growth strategies and efficiency enhancement strategies that integrate both the manufacturing and sales functions. In regard to growth strategies, the Group will expand its market share by promoting strategies to become top partners of its clients and by promoting strategies in the consumer and commercial fields. The Group will also propose new values through market analysis and product development from the consumers' perspective. With regard to efficiency enhancement strategies, the Group will rebuild its production system, implement high productivity lines, reduce product loss and reduce logistics costs through SCM reforms, as well as reduce lines of products, to enhance cost competitiveness.

In the fresh meats business division, conditions in the business environment are expected to remain harsh due to the protracted stagnation of meat prices in the domestic fresh meat market at low levels. Under such circumstances, the Group will expand its domestic market share by taking advantage of its unique integration system covering all the processes from production at its own farms to marketing, and by implementing brand strategies. Particularly in its upstream farm division, the Group will further enhance quality and cost competitiveness and improve production capabilities. The Group will focus on expanding its share and increasing sales volume for volume retailers and the restaurant chains by utilizing its long-nurtured procurement capabilities and marketing capabilities. The Group also intends to continue making a concerted effort to improve its overseas businesses.

In the affiliated business division, the Group will reinforce its product development and sales capabilities based on marketing. With this in mind, the Group will utilize the manufacturing facilities enhanced during the fiscal year under review, further improve quality and efficiency and expand sales focusing on merchandise produced in-house. In the marine products business, the Group will continue to enhance sales targeted at the volume retailers channel as it has done in the fiscal year under review, and further engage in proposal-based marketing in restaurant channels as well, in an effort to boost sales. In the dairy products business, for yogurt and lactic acid probiotic beverages, the Group will develop products that meet customers' needs and tap new markets. For cheese, the Group will strive to enhance commercial channels and further expand sales of consumer products by aggressively making capital investments and leveraging its manufacturing technologies where its strength lies.

As described above, under the policies and strategies set forth in the "New Medium-Term Management Plan Part IV," the Nippon Ham Group in unison will vigorously push forward its central theme of "Improve Profitability of Domestic Operations and Reinforce the Foundation of Overseas Operations."

With regard to operating results for the next fiscal year, net sales are estimated to amount to ¥1,060.0 billion, up 3.6% from the fiscal year under review.

Forecast of net sales by product category

Division	Year ending March 31, 2014 (April 1, 2013-March 31, 2014)	Rate of increase (decrease) from the previous year
	(billion yen)	(%)
Hams and sausages	141.5	1.1
Processed foods	209.0	2.1
Fresh meats	570.5	5.3
Marine products	85.0	1.4
Dairy products	26.0	3.4
Others	28.0	1.6
Total	1,060.0	3.6

In regard to profits, operating income, income before income taxes and equity in earnings of associated companies and net income attributable to Nippon Meat Packers, Inc. are estimated to amount to ¥34.0 billion (up 21.3% from the previous fiscal year), ¥30.0 billion (up 7.0% from the previous fiscal year) and ¥17.0 billion (up 3.3% from the previous fiscal year), respectively.

Cautionary notice on information about the future:

The plans, forecast of operating results and other prospects for the future described in this brief statements of accounts are based on the information currently available to the Companies and certain assumptions considered reasonable by the Companies and are not contemplated to ensure the fulfillment thereof. The actual results in the future may materially differ from such plans and forecast, depending on various factors including risk factors in business. The Companies, therefore, wish to caution that readers should not place undue reliance on these descriptions to make investment decisions. Further, unless obligated by laws or ordinances or the rules of financial instruments exchanges, the Companies will not necessarily, or is not obligated to, revise such descriptions about the future, including the forecast of business results notwithstanding any information or event in the future or any result arising therefrom, or publicize such revised information.

2. Analysis of the Financial Position

(Assets, liabilities and shareholders' equity)

Total assets at the end of the year increased by 3.6% from the end of the previous fiscal year, accounting for ¥610,293 million. By item, with regard to assets, cash and cash equivalents decreased by 42.7% from the end of the previous fiscal year, accounting for ¥36,475 million, while time deposits increased by 318.1% from the end of the previous fiscal year, accounting for ¥31,753 million, marketable securities increased by 96.2% from the end of the previous fiscal year, accounting for ¥10,200 million, trade notes and accounts receivable increased by 3.3% from the end of the previous fiscal year, accounting for ¥123,972 million. As a result, current assets increased by 3.2% from the end of the previous fiscal year, accounting for ¥334,917 million. Property, plant and equipment increased by 5.2% from the end of the previous fiscal year, accounting for ¥224,785 million due to the increase in capital investments. Investments and other assets increased by 6.2% from the end of the previous fiscal year, accounting for ¥30,685 million, principally as appraisal gain on other investment securities increased due to the upturn in stock markets, among other factors.

Liabilities increased by 5.8% from the end of the previous fiscal year, accounting for ¥314,209 million as long-term debt decreased by 7.8% from the end of the previous fiscal year, accounting for ¥66,448 million, while current maturities of long-term debt increased by 32.6% from the end of the previous fiscal year, accounting for ¥35,320 million, short-term bank loans increased by 18.8% from the end of the previous fiscal year, accounting for ¥48,053 million and trade notes and accounts payable increased by 5.5% from the end of the previous fiscal year, accounting for ¥102,148 million.

Shareholders' equity of Nippon Meat Packers, Inc. increased by 1.2% from the end of the previous fiscal year to account for ¥293,414 million, as treasury stock decreased by ¥32,641 million due to acquisition, etc., while unappropriated retained earnings increased by 5.2% from the end of the previous fiscal year to ¥252,383 million, and accumulated other comprehensive loss decreased by ¥6,753 million from the end of the previous fiscal year to ¥8,773 million due to such factors as the weak Japanese yen and the upturn in stock markets. Interest-bearing debt* increased by ¥10,634 million from the end of the previous fiscal year to account for ¥149,821 million.

As a result, the ratio of shareholders' equity of Nippon Meat Packers, Inc. to total assets decreased by 1.1 points from the end of previous fiscal year to 48.1%.

* Interest-bearing debt: “short-term bank loans”, “current maturities of long-term debt” and “long-term debt, less current maturities” (including zero coupon convertible bonds) in the consolidated balance sheets.

(Cash flows)

The states and causes of cash flows are as follows:

	Year ended March 31, 2012	Year ended March 31, 2013	Increase or decrease
	(millions of yen)	(millions of yen)	(millions of yen)
Cash flows from operating activities	26,432	37,407	10,975
Cash flows from investing activities	9,750	(54,813)	(64,563)
Cash flows from financing activities	(23,745)	(10,964)	12,781
Effect of exchange rate changes on cash and cash equivalents	(195)	1,194	1,389
Net increase (decrease) in cash and cash equivalents	12,242	(27,176)	(39,418)
Cash and cash equivalents at end of the year	63,651	36,475	(27,176)

With regard to operating activities, trade notes and accounts receivable, income taxes deferred and other current assets increased while depreciation and amortization, net income and trade notes and accounts payable increased. As a result, net cash from operating activities amounted to ¥37,407 million (¥26,432 million for the previous fiscal year).

With regard to investing activities, net cash from investing activities decreased by ¥54,813 million (in contrast with net cash provided by investing activities amounting to ¥9,750 million for the previous fiscal year) due to capital expenditures and increase in short-term investments, among others.

With regard to financing activities, while proceeds were provided from debt, due to repayments of debt and acquisition of treasury stock, net cash from financing activities decreased by ¥10,964 million (¥23,745 million for the previous fiscal year).

As a result, cash and cash equivalents at end of the year decreased by ¥27,176 million in comparison with the end of the previous fiscal year, to amount to ¥36,475 million.

The trends in cash flow indices are as shown below:

	Year ended March 31, 2009	Year ended March 31, 2010	Year ended March 31, 2011	Year ended March 31, 2012	Year ended March 31, 2013
Total Nippon Meat Packers, Inc. shareholders' equity ratio (%)	46.3	45.0	47.6	49.2	48.1
Ratio of shareholders' equity on a fair value basis (%)	40.1	41.6	37.8	38.0	50.6
Years for debt redemption (year)	4.5	2.8	4.2	5.3	4.0
Interest coverage ratio (time)	15.0	31.6	17.0	14.5	22.8

* Total Ratio of shareholders' equity of Nippon Meat Packers, Inc. to total assets:
Total shareholders' equity of Nippon Meat Packers, Inc. / Total assets

Ratio of shareholders' equity on a fair value basis:
Aggregate fair value of listed stock / Total assets

Years for debt redemption: Interest-bearing debt / Cash provided by operating activities

Interest coverage ratio: Cash provided by operating activities / Interest payments

(Notes)
1. Each of the indices is calculated based on financial data on a consolidated basis.
2. The aggregate fair value of listed stock is calculated based on the number of issued shares, excluding the shares of treasury stock.
3. As cash provided by operating activities, cash flows from operating activities in the statement of consolidated cash flows are used. For interest payments, the amount of interest paid in the statement of consolidated cash flows is used.

3. The Company's Fundamental Policy of Profit Allocation and Dividends for the Fiscal Year under Review and the Next Fiscal Year

With regard to its fundamental policy of profit allocation, it is the Company's intention to pay dividends according to business results on a consistent basis, while increasing its retained earnings in order to strengthen its corporate fundamentals as the basis for long-range development. The Company intends to make effective use of the retained earnings as capital for investments which will maintain its competitiveness and attain sustained growth for the years to come.

Under this basic policy, with regard to dividends, the Company aims to increase dividends in a constant and continuous manner, targeting for a consolidated dividend payout ratio of 30% from the fiscal year ending March 31, 2013, the first fiscal year for its “New Medium-Term Management Plan Part IV”; however, for the time being, the Company will fix the minimum dividend per share at ¥16. With regard to the acquisition of its own shares, the Company intends to act expediently to enhance its shareholder value per share and ROE by taking into account investment for growth and its financial position.

With regard to the dividends for the fiscal year under review, management intends to pay an ordinary dividend of ¥24 per share (consolidated dividend payout ratio: 30.2%) as publicized in the "Notice of Earnings Forecast and Adjustment to the Forecast of Dividends" on May 8, 2013. For the next fiscal year, management plans to pay an ordinary dividend of ¥26 per share, based on the consolidated dividend payout ratio of 30% with net income attributable to Nippon Meat Packers Inc. forecasted to be ¥17.0 billion.

4. Risk Factors in Business

The major risks that may affect the operating results and financial position of the Group are (but not limited to) those described below. These items contain future factors, which are envisioned as of the end of the fiscal year under review.

(1) Risks of commodity prices

The Group trades in fresh meats and fresh meat-related processed products. Let alone fresh meats for sale, materials for hams and sausages and other processed foods are fresh meats. Hence, the Group is exposed to risks associated with market conditions of livestock products. Furthermore, its production and breeding business to supply fresh meats are subject to fluctuations in commodity prices and feedstuff prices. The Group's marine products and dairy products business also is exposed to risks associated with commodity market conditions and fluctuations in prices of raw materials.

To hedge such risks associated with price fluctuations, the Group has taken measures to diversify materials purchase routes, use commodities futures contracts, develop high value-added products and formulate distinctive marketing strategies, as well as secure raw materials on a constant basis in anticipation of product demand and maintain a reasonable inventory level of fresh meats. However, there is no assurance that such risks can completely be averted.

In addition, the outbreak of epidemics (such as BSE, avian influenza and foot-and-mouth disease) among livestock and the implementation of safeguard measures (emergency import restrictions) may have a material effect on the operating results and financial position of the Group.

(2) Safety risks

The Group follows the basic policy of promoting "OPEN Quality" – open food production – to meet consumers' expectations and trust. As its quality policies, the Group has set up "compliance with law", "quality assurance network", "objective evaluations", "historical management" and "communications with consumers". In accordance with the policies, the Group has established strict quality assurance systems through the acquisition of third-party certifications (such as ISO and HACCP) and the establishment of a system of traceability of fresh meats and other raw materials used in hams and sausages and processed foods to ensure safety and security starting with raw materials, and has exerted its further efforts to enhance qualities to secure safety. Furthermore, the Group has devised measures to place first priority on consumers' safety, such as prompt information disclosure and the thorough prevention of the spread of damage if any problem should occur in the products offered by the Group.

However, if any event occurs beyond the scope of the measures the Group has developed or any problem for the public at large occurs that may threaten food safety, it may affect the operating results and financial position of the Group.

(3) Risks associated with procurement of materials

The Group has at all times exerted its efforts to improve production efficiencies and reduce inventory loss and logistics cost. However, if any rise in materials cost, fuel cost and logistics cost due to price hikes of crude oil and other factors cannot be set off by its efforts to reduce cost or passed on to selling prices, it may have a material effect on the operating results and financial position of the Group.

(4) Risks of foreign exchange

Yen translations of expenses and incomes of foreign currency transactions by the Group and foreign currency receivables and payables may be affected by currency fluctuations.

To hedge such risks of currency fluctuations, the Group uses hedge transactions, including forward foreign exchange contracts, currency swap contracts, currency option contracts and cross currency swap contracts. However, there is no assurance that such risks can completely be averted. Even if a hedge transaction is employed to avert such risks, another risk, such as an opportunity loss, may be incurred if the exchange market fluctuates beyond the scope of the assumption.

In addition, translation differences that may arise upon the translation of the financial statements prepared by the overseas consolidated subsidiaries in foreign currencies into the yen involve risks of fluctuations of the shareholders' equity in the consolidated financial statements through foreign currency translation adjustments. These factors of fluctuations in the exchange market may affect the operating results and financial position of the Group.

To hedge risks associated with foreign currency transactions, the Group has instituted “Foreign Exchange Exposure Management Rules” to monitor foreign exchanges constantly and evaluate risks of currency fluctuations periodically. All forward foreign exchange contracts, currency swap contracts, and currency option contracts and cross currency swap contracts are executed pursuant to such “Foreign Exchange Exposure Management Rules” and the Company's internal regulations stipulating the transaction authority and the maximum transaction amount.

(5) Interest rate risks

The Group raises substantial part of its required funds by loans from third parties and other interest-bearing debt. Most of interest-bearing debt in the amount of approximately ¥149.8 billion as of March 31, 2013 was fixed-rate debt and an interest rate hike may have no significant direct effect for the time being. However, in a rising rate environment in the future, an increase in interest accruing in fund-raising may affect the operating results and financial position of the Group.

(6) Stock price risks

Marketable securities held by the Group consist of the shares of its business partners and hence are exposed to risks of declines in stock prices associated with quoted price fluctuations. As of March 31, 2013, such marketable securities overall represent unrealized capital gains. However, stock movements in the future may have a material effect on the operating results and financial position of the Group.

In addition, if a slumping stock market lessens the value of the pension plan assets of the Group, pension expenses may increase or the Group may be required to add pension plan assets.

(7) Risks associated with loss on impairment of fixed assets

If the values of the fixed assets owned by the Group decline due to changes in the economic conditions or otherwise, it may be required to account for such impairment. In such case, it may have a material effect on the operating results and financial position of the Group.

(8) Risks of natural calamities, accidents and social systems

The Group engages in business operations in Japan, as well as all over the world. The areas of such operations involve risks of the following events. If such any event occurs, it may affect the operating results and financial position of the Group.

- Occurrence of a large-scale natural calamity, such as an earthquake and flood, and the resulting destruction of the social infrastructure, including roads, ports and railways, and disruption or shortage of supply of gas, water, electricity, etc.
- Pollution of the environment, such as air, water and soil due to the occurrence of an accident or any other fortuitous circumstance
- Social disorder caused by the spread of an infectious disease, such as influenza
- Establishment, amendment or repeal of any unforeseeable law or regulations
- Occurrence of any unforeseeable adverse economic or political event
- Social or economic disorder caused by the occurrence of a war, strife, terrorist attack, etc.

(9) Information leakage risks

The Group has established "Rules for Personal Information Management" and "Nippon Ham Group Rules for Insider Trading Regulation" to obligate its directors and employees to protect personal information they possess and protect and manage important information of the Group and has endeavored to exercise strict control over such information through compliance training, education of its employees by rank and other means. The Group also has implemented measures for security on its information systems and contingency planning. However, if there is a leakage, falsification or loss of information or a prolonged halt or upset of its information systems due to any natural calamity beyond the scope of the assumption, prolonged blackout, serious defect in hardware or software, the infection of any computer virus or unauthorized access or other events, it may affect the operating results and financial position of the Group.

(10) Compliance risks

The Group has exerted its continued efforts to raise and establish strict awareness of compliance with law to become a transparent, honest corporate group. In these efforts, the Group has a system under which the President and Representative Director of the Company commands general control over the entire Group as the Chairman of the Compliance Committee and the Compliance Department of the Company continuously implements measures to raise awareness of compliance among all directors and employees of the Group and respond quickly when it perceives any risk.

However, if any problem of compliance, including any violation of law by any individual director or employee, occurs, it may affect the operating results and financial position of the Group.

(11) Environmental risks

The Group has established "Nippon Ham Group Environmental Policy" and exerted its efforts to practice corporate activities in harmony with the environment to help materialize a sustainable society. The Group also has made serious efforts for the acquisition of third-party certifications on the environment (ISO 14001) and evaluations of appropriateness from third-party institutions and promoted management giving consideration to harmony between the environment and business activities through environmental audits conducted by the Social & Environmental Affairs Office of the Company and other measures. Simultaneously, the Group has exerted its efforts to ensure appropriateness and transparency with regard to environmental and other CSR issues. However, if there is an environmental contamination due to any accident or negligence and the resulting liability for restitution and/or damages or a substantial increase in environmental investment due to amendment to related laws and ordinances, it may affect the operating results and financial position of the Group.

II. STATE OF CORPORATE GROUP

The Group is composed of the Company, its 84 subsidiaries and five associated companies. The business divisions supervising their businesses and positioning thereof are as follows:

Processed foods business division

Hams and sausages and processed foods are produced at the Company and its production subsidiaries, Nippon Ham Factory Co., Ltd., Minami Nippon Ham Co., Ltd., Nippon Ham Shokuhin Co., Ltd. and Nippon Ham Sozai Co., Ltd. and marketed through the Company's nationwide business offices and its marketing subsidiaries, Nippon Ham Hokkaido Hanbai Co., Ltd., Nippon Ham Higashi Hanbai Co., Ltd., Nippon Ham Nishi Hanbai Co., Ltd. and others.

Fresh meats business division

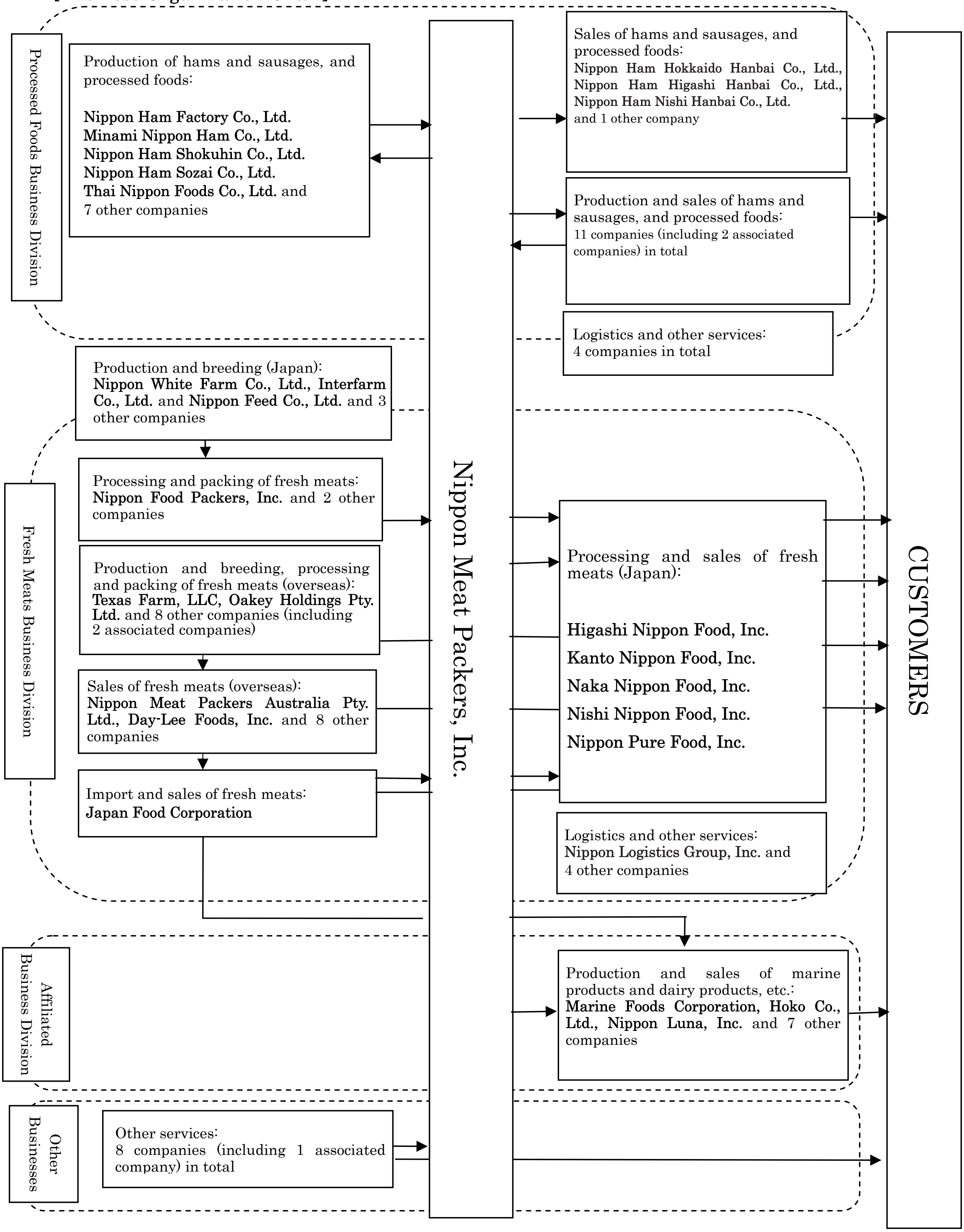
With regard to fresh meats, its subsidiaries such as Nippon White Farm Co., Ltd. Interfarm Co., Ltd., Texas Farm, LLC and Oakey Holdings Pty, Ltd. produce and breed swine, cattle and poultry. Fresh meats which are processed and produced by the Company's subsidiaries such as Nippon Food Packers, Inc. are marketed, together with fresh meats purchased from outside suppliers, by the Company and through its nationwide marketing subsidiaries such as Higashi Nippon Food, Inc., Kanto Nippon Food, Inc., Naka Nippon Food, Inc. and Nishi Nippon Food, Inc. and others.

Affiliated business division

Marine products and dairy products are produced and marketed by the Company's subsidiaries, Marine Foods Corporation, Hoko Co., Ltd. and Nippon Luna, Inc. and others.

The above-mentioned matters are shown in the following business organization chart.

[Business Organization Chart]



III. BUSINESS POLICY

1. The Company's Fundamental Business Policy

The Group advocates, as two key factors of its corporate philosophy: Under the basic theme of "Joy of Eating", our company creates a culture that marks an epoch and contributes to society; Our company is a place where employees can feel truly happy and fulfilled. The Group engages in a wide range of businesses with a mission of management to contribute to people's happy and healthy life through supply of safe, secure and high-quality foods. The "joy of eating" represents the excitement of good eating and preciousness of health and we will actively focus our efforts on proposals of various occasions for eating and the creation of a food culture, as well as support of health promotion through sports, among others. We also believe that the Group's business is a socially important business as it will secure a stable supply of foods into the future by nurturing living nature and producing foods while feeling grateful for blessings of nature. We believe that by engaging in such business, our employees will feel happy and do their work with a sense of satisfaction, which will consequently lead us to provide foods and services acceptable to consumers.

2. Target Management Indices

For the final fiscal year of the "New Medium-Term Business Plan Part IV" (from April 1, 2012 through March 31, 2015), which started in April 2012, the Group aims to book net sales of ¥1,080.0 billion, operating income of ¥43.0 billion and attain 4.0% in the ratio of operating income to net sales and 7.0% in the ROE on a consolidated basis.

* The "New Medium-Term Management Plan Part IV" and its revised or amended plans (collectively, the "Medium-Term Management Plan"), which consist of the plans and targets prepared based on the information currently available to the Group and certain assumptions considered reasonable by the Group, contain potential risks and uncertainties. Hence, the Medium-Term Management Plan does not ensure the fulfillment thereof or the operating results in the future. The actual results may materially differ from the Medium-Term Management Plan. The Company, therefore, wishes to caution that readers should not place undue reliance on the Medium-Term Management Plan to make investment decisions. Notwithstanding any information or event in the future or any result arising therefrom, the Group will not necessarily revise the Medium-Term Management Plan nor will it be obligated to do so.

3. The Company's Medium- and Long-Range Business Strategies and Issues to be Addressed by the Company

The Company formulated in April 2012 the "New Medium-Term Management Plan Part IV", the theme of which is "Improve Profitability of Domestic Operations and Reinforce the Foundation of Overseas Operations".

In consideration of the difficult operational environments represented by the contraction of the domestic market due to the rapid aging of the population resulting from the decline in the birthrate, the protracted deflationary economy, higher prices of resources and grain, fierce competition in the domestic market and intensifying global competition resulting from the progress of trade liberalization, among other things, the Company will designate the three years of the New Medium-Term Management Plan Part IV (from the fiscal year ending March 31, 2013 to the fiscal year ending March 31, 2015) as a period to focus its efforts on “further increasing profitability in domestic operations” and “expanding business in overseas markets with growth potential”. In the New Medium-Term Management Plan Part IV, three management policies are laid down: “Brush up the concept of 'Management for No.1 Quality'“, “Allocate management resources in prioritized areas” and “Enhance the Group brand value”.

Management Policies:

(1) Brush up the concept of “Management for No.1 Quality”:

The Group will provide “security and safety” and stable supply of products and goods to meet consumers' expectations, as well as “Joy of Eating” more than they expect. With regard to quality assurance, the Group will strengthen its system by improving its testing equipment and training systems. The Group will also make positive efforts to develop products to contribute to people's good dietary life. Let alone the quality of products and goods, the Group will simultaneously enhance the “quality of management” that covers the spread of its corporate philosophy among its Group employees, business activities based on such philosophy, compliance and governance, environments, corporate social responsibility (CSR), dietary education and sports.

(2) Allocate management resources in prioritized areas:

Even under difficult operational environments, the Group will exert its efforts to generate cash and inject such cash into its existing, overseas and new operations with growth potential, as well as productivity enhancement measures in a proactive manner to advance growth, and enhance profitability, of the Group. Simultaneously, the Group will allocate its management resources of “personnel”, “facilities” and “information” from the perspective of total optimization to enhance the strategic formation and management efficiencies of the Group.

(3) Enhance the Group brand value:

The Group will furthermore promote a balanced group management. Simultaneously, the Group will disclose information property to its stakeholders and strategically disseminate information on its orientation, environment-related efforts, and attitudes toward the security and safety of foods and health to enhance the value of the Group brand.

By enhancing its social valuation and brand value, the Group will promote management that may enhance the competitiveness of the Group and the motivation of its employees, and invigorate the whole Group.

To achieve the abovementioned targets, the Company has formulated the following five management strategies to further enhance its corporate value.

Management Strategies:

(a) Strengthening of business bases and aggressive development of overseas business:

As food is becoming strategic resources, the Group will reinforce its “integration system”, which is the source of its corporate value, in and outside of Japan. While paying attention to global food demand and supply, consumer tastes, policy changes and other country risks, as well as the advancement of processing technologies and giving thought to an alliance with non-Group companies as an option, the Group will strengthen its supply capability in harmony with manufacturing and procurement.

For manufacturing in Japan, the Group recognizes that while market competition is intensifying, it is essential to further enhance cost competitiveness and qualities. The Group will restructure its manufacturing sections and implement measures to integrate product items and make concentrated investment that may materialize higher productivity and qualities to improve profitability, and focus its efforts on strengthening its marketing capability to increase its market share. In the business sectors of room-temperature products, dried products, sauces and dressings and frozen foods in which the Group engages, the Group will also promote growth strategies by taking advantage of its group synergy.

With regard to overseas business, the Group will specifically focus on overseas sales to raise the ratio thereof to consolidated net sales to 10%.

(b) Procurement and cultivation of human resources:

The Group will promote skill transfers by skilled workers, develop its employees' respective abilities and raise their incentives, whereby promoting vigorous business activities. The Group will also procure and cultivate human resources to act as engines for overseas business development, whereby expanding overseas operations.

(c) Strengthening of R&D and quality assurance systems:

The Group will strengthen its testing system on a global basis based on its testing and analyzing technologies and quality assurance system, and research and develop new technologies for food processing, quality preservation, improved palatability, food testing and manufacturing, whereby securing its competitive superiority.

(d) Promotion of Group brand management:

The Group will strive to strategically disseminate information on the expansion of its business areas and the results of its operations to enhance its brand value. The Group will also execute brand strategies, including the use of the Group brand to expand overseas sales, and implement measures that may help enhance its brand value and competitiveness. Simultaneously, the Group will improve its internal control systems, such as JSOX (Japanese SOX), to strengthen its functions of governance.

(e) Enhancement of capital efficiency and optimization of efficient use of funds:

The Group will employ ROE (return on equity) as a new management index to enhance its capital efficiency and promote management by taking into account the cost of capital to enhance the capital efficiency of the Group. Simultaneously, the Group will further promote the centralization of the funds of the whole Group and the optimum allocation thereof to enhance its capital efficiency.

IV. CONSOLIDATED FINANCIAL STATEMENTS

1. Consolidated Balance Sheets

(millions of yen)

	Year ended March 31, 2012 (as of March 31, 2012)	Year ended March 31, 2013 (as of March 31, 2013)	Increase (decrease)
Assets			
Current assets:			
Cash and cash equivalents	63,651	36,475	(27,176)
Time deposits	7,595	31,753	24,158
Marketable securities	5,199	10,200	5,001
Trade notes and accounts receivable	119,959	123,972	4,013
Allowance for doubtful receivables	(518)	(399)	119
Inventories	112,516	113,187	671
Deferred income taxes	6,087	6,637	550
Other current assets	9,979	13,092	3,113
Total current assets	324,468	334,917	10,449
Property, plant and equipment - at cost, less accumulated depreciation	213,663	224,785	11,122
Intangible assets, less accumulated amortization	8,737	7,375	(1,362)
Investments and other assets:			
Investments in and advances to associated companies	2,510	2,550	40
Other investment securities	17,790	20,392	2,602
Other assets	8,589	7,743	(846)
Total investments and other assets	28,889	30,685	1,796
Deferred income taxes - non-current	13,368	12,531	(837)
Total Assets	589,125	610,293	21,168

(millions of yen)

	Year ended March 31, 2012 (as of March 31, 2012)	Year ended March 31, 2013 (as of March 31, 2013)	Increase (decrease)
Liabilities and Equity			
Current liabilities:			
Short-term bank loans	40,460	48,053	7,593
Current maturities of long-term debt	26,636	35,320	8,684
Trade notes and accounts payable	96,822	102,148	5,326
Accrued income taxes	4,371	6,066	1,695
Deferred income taxes	2,038	728	(1,310)
Accrued expenses	19,006	19,635	629
Other current liabilities	14,338	16,711	2,373
Total current liabilities	203,671	228,661	24,990
Liability under retirement and severance programs	17,170	15,005	(2,165)
Long-term debt, less current maturities	72,091	66,448	(5,643)
Deferred income taxes - non-current	2,616	2,525	(91)
Other long-term liabilities	1,309	1,570	261
Total liabilities	296,857	314,209	17,352
Nippon Meat Packers, Inc. shareholders' equity:			
Common stock	24,166	24,166	-
Capital surplus	50,786	50,761	(25)
Retained earnings:			
Appropriated for legal reserve	7,350	7,518	168
Unappropriated	239,921	252,383	12,462
Accumulated other comprehensive loss	(15,526)	(8,773)	6,753
Treasury stock, at cost	(16,677)	(32,641)	(15,964)
Total Nippon Meat Packers, Inc. shareholders' equity	290,020	293,414	3,394
Noncontrolling interests	2,248	2,670	422
Total equity	292,268	296,084	3,816
Total Liabilities and Equity	589,125	610,293	21,168

(Note) Accumulated other comprehensive loss – breakdown

	Year ended March 31, 2012	Year ended March 31, 2013	Increase (decrease)
Net unrealized gains on securities available-for-sale	1,950	3,616	1,666
Pension liability adjustments	(8,229)	(6,625)	1,604
Foreign currency translation adjustments	(9,247)	(5,764)	3,483

2. Consolidated Statements of Income

(millions of yen)

	Year ended March 31, 2012 (April 1, 2011 through March 31, 2012)	Year ended March 31, 2013 (April 1, 2012 through March 31, 2013)	Increase (decrease)
Net sales	1,017,784	1,022,839	5,055
Cost of goods sold	822,222	827,058	4,836
Selling, general and administrative expenses	169,049	167,760	(1,289)
Other operating costs and expenses (income) - net	2,319	131	(2,188)
Gain from the transfer through the posting system	4,017	−	(4,017)
Interest expense	1,727	1,582	(145)
Other income (expenses) - net	282	1,723	1,441
Income before income taxes and equity in earnings of associated companies:	26,766	28,031	1,265
Income taxes:			
Current	11,781	14,275	2,494
Deferred	3,679	(2,916)	(6,595)
Total income taxes	15,460	11,359	(4,101)
Income before equity in earnings of associated companies	11,306	16,672	5,366
Equity in earnings of associated companies - net of applicable income taxes	495	38	(457)
Net income	11,801	16,710	4,909
Net income attributable to noncontrolling interests	(146)	(251)	(105)
Net income attributable to Nippon Meat Packers, Inc.	11,655	16,459	4,804

Operating income (based on Japanese accounting practices)	26,513	28,021	1,508

3. Consolidated Statements of Comprehensive Income

(millions of yen)

	Year ended March 31, 2012 (April 1, 2011 through March 31, 2012)	Year ended March 31, 2013 (April 1, 2012 through March 31, 2013)
Net income	11,801	16,710
Other comprehensive income (loss) - net of applicable income taxes		
Net unrealized gains on securities available-for-sales	984	1,668
Net unrealized gains on derivative financial instruments	277	-
Pension liability adjustments	980	1,604
Foreign currency translation adjustments	(1,536)	3,598
Total other comprehensive income (loss)	705	6,870
Comprehensive income	12,506	23,580
Comprehensive income attributable to noncontrolling interests	(146)	(368)
Comprehensive income attributable to Nippon Meat Packers, Inc.	12,360	23,212

4. Consolidated Statements of Changes in Equity

For the year ended March 31, 2012 (April 1, 2011 through March 31, 2012)

(millions of yen)

	Nippon Meat Packers, Inc. shareholders' equity								
	Common stock	Capital surplus	Retained earnings appropriated for legal reserve	Unappropriated retained earnings	Accumulated other comprehensive income (loss)	Treasury stock	Total	Noncontrolling interests	Total equity
Balance, April 1, 2011	24,166	50,809	7,248	231,771	(16,231)	(16,696)	281,067	2,137	283,204
Net income				11,655			11,655	146	11,801
Other comprehensive income					705		705	0	705
Cash dividends				(3,403)			(3,403)	(71)	(3,474)
Transfer to retained earnings appropriated for legal reserve			102	(102)			-	-	-
Acquisition of treasury stock						(4)	(4)	-	(4)
Disposition of treasury stock		(23)		0		23	0	-	0
Others							-	36	36
Balance, March 31, 2012	24,166	50,786	7,350	239,921	(15,526)	(16,677)	290,020	2,248	292,268

For the year ended March 31, 2013 (April 1, 2012 through March 31, 2013)

(millions of yen)

	Nippon Meat Packers, Inc. shareholders' equity								
	Common stock	Capital surplus	Retained earnings appropriated for legal reserve	Unappropriated retained earnings	Accumulated other comprehensive income (loss)	Treasury stock	Total	Noncontroll-ing interests	Total equity
Balance, April 1, 2012	24,166	50,786	7,350	239,921	(15,526)	(16,677)	290,020	2,248	292,268
Net income				16,459			16,459	251	16,710
Other comprehensive income					6,753		6,753	117	6,870
Cash dividends				(3,829)			(3,829)	(57)	(3,886)
Transfer to retained earnings appropriated for legal reserve			168	(168)			-	-	-
Acquisition of treasury stock						(16,006)	(16,006)	-	(16,006)
Disposition of treasury stock		(25)				42	17	-	17
Others							-	111	111
Balance, March 31, 2013	24,166	50,761	7,518	252,383	(8,773)	(32,641)	293,414	2,670	296,084

5. Consolidated Statements of Cash Flows

(millions of yen)

	Year ended March 31, 2012 (April 1, 2011 through March 31, 2012)	Year ended March 31, 2013 (April 1, 2012 through March 31, 2013)
Operating Activities:		
Net income	11,801	16,710
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	24,234	19,781
Impairment loss of long-lived assets	2,213	1,519
Income taxes deferred	3,679	(2,916)
Foreign exchange transaction adjustment	118	(1,627)
Increase in trade notes and accounts receivable	(15,532)	(3,178)
Decrease (increase) in inventories	(4,567)	1,722
Decrease (increase) in other current assets	73	(2,068)
Increase in trade notes and accounts payable	6,496	4,473
Increase (decrease) in accrued income taxes	(4,492)	1,660
Increase in accrued expenses and other current liabilities	1,513	615
Others – net	896	716
Net cash provided by operating activities	26,432	37,407
Investing Activities:		
Capital expenditures	(17,311)	(29,904)
Proceeds from sales of capital assets	2,218	2,538
Decrease (increase) in short-term investments	23,783	(27,330)
Purchases of marketable securities and other investment securities	(444)	(332)
Proceeds from sales and maturities of marketable securities and other investment securities	302	277
Net decrease in cash and cash equivalents resulting from purchase of business	(198)	(817)
Others – net	1,400	755
Net cash provided by (used in) investing activities	9,750	(54,813)
Financing Activities:		
Cash dividends	(3,474)	(3,886)
Decrease in short-term bank loans	(2,977)	(3,355)
Proceeds from debt	12,462	44,533
Repayments of debt	(29,753)	(32,362)
Acquisition of treasury stock	(4)	(16,006)
Others – net	1	112
Net cash used in financing activities	(23,745)	(10,964)
Effect of exchange rate changes on cash and cash equivalents	(195)	1,194
Net increase (decrease) in cash and cash equivalents	12,242	(27,176)
Cash and cash equivalents at beginning of the year	51,409	63,651
Cash and cash equivalents at end of the year	63,651	36,475
Additional cash flow information:		
Cash payment for the year		
Interest paid	1,826	1,644
Income taxes paid	15,796	12,894
Capital lease obligations incurred	2,676	2,429

6. Notes on the Premises of a Going Concern

Not applicable

7. Important Matters Forming the Basis for Preparing Consolidated Financial Statements

(1) Matters concerning the scope of consolidation and application of equity method

i) Number of consolidated subsidiaries: 84 companies

ii) Number of equity-method companies: 5 companies

(2) Summary of principal accounting policies

i) Basis of preparation of consolidated financial statements:

The consolidated financial statements of the Companies are prepared in accordance with the accounting principles generally accepted in the United States.

As from the consolidated first-quarter cumulative period of the fiscal year under review, the Companies have changed the method of presentation in its consolidated statements of income.

Previously, the Companies have presented total "revenues" and total "cost and expenses" and reported insignificant items included in revenues and cost and expenses, respectively, as "other". However, the Companies now do not present total "revenues" and total "cost and expenses", and categorizes "other" items included in revenues and cost and expenses as "other operating expenses (revenues) - net" and "other revenues (expenses) - net", respectively, according to their nature for presentation.

The Companies regard the change, by which operating costs and expenses other than "cost of goods sold" and "selling, general and administrative expenses" are specified, is a useful change for readers of these consolidated financial statements.

The Companies have revised the presentation for the previous fiscal year to comply with the presentation for the fiscal year under review.

ii) Method and basis of evaluation of inventories:

Inventories are stated at the lower of cost or market. Cost is determined by the average cost method.

iii) Method and basis of valuation of marketable securities:

The Company accounts for its debt and equity securities in accordance with the Codification of Accounting Standards ("ASC") of the U.S. Financial Accounting Standards Board ("FASB") Topic ("ASC Topic") 320 "Debt and Equity

Securities”.

Investments classified as Held-to-Maturity:

Stated at amortized cost.

Investments classified as Available-for-Sale:

Stated at fair value using quoted prices at the balance sheet date. (Relevant unrealized gains (losses) are reported in shareholders' equity after taking into account the related tax effect, and cost of sale is calculated based on the average method.)

iv) Method of depreciation and amortization of fixed assets:

Property, plant and equipment:

By the straight line method.

Intangible fixed assets: By the straight line method (however, in accordance with ASC Topic 350 “Goodwill and Other”, intangible fixed assets with indefinite useful lives are not amortized but are tested for impairment at least once a year).

v) Basis of accounting for liability under retirement and severance program:

In accordance with ASC Topic 715 “Compensation - Retirement Benefits”, to prepare for the payment of retirement and severance benefits to employees, the Company accounts for liability under retirement and severance program based on the projected benefit obligations and the fair value of plan assets at the fiscal year-end.

Unrecognized prior service cost is amortized in equal amounts over the average remaining period of services for the affected employees.

With regard to unrecognized actuarial differences, a portion in excess of a corridor charge (= 10% of the greater of the projected benefit obligations or the fair value of plan assets) is amortized in equal amounts over the average remaining period of services of the affected employees when such differences are generated.

vi) Accounting treatment of consumption tax:

Consumption taxes are excluded from revenues and cost and expenses in the consolidated statement of income.

(3) Changes in accounting policies and changes in accounting estimates

i) Changes in accounting policies

As from the consolidated first-quarter cumulative period of the fiscal year under review, the Companies have applied the Accounting Standards Updates (“ASU”) No. 2011-05 and ASU No. 2011-12, which have updated the FASB Accounting Standards Codification (ASC) 220 “Comprehensive Income”.

These updates eliminate the option to report other components of comprehensive income in the consolidated statement of changes in equity and requires an entity to report total comprehensive income, components of net income and other components of comprehensive income in either a continuous statement of comprehensive income or two separate but consecutive statements.

As a result of the application of these updates, the Companies, as from the consolidated first-quarter cumulative period of the fiscal year under review, has adopted the method of reporting other components of comprehensive income in the two separate but consecutive statements to present the same in its consolidated statement of comprehensive income and applies the method retrospectively to all periods reported.

(ii) Changes in accounting estimates

Effective from April 1, 2012, the Company and its domestic subsidiaries have changed their depreciation method of property, plant, and equipment (mainly for manufacturing facilities of hams and sausages and processed foods) from the declining-balance method to the straight-line method.

This change aimed for enhancement of production efficiency due to selection and concentration, and the Company and its domestic subsidiaries consider the restructuring of hams and sausages’ manufacturing bases and progress collection and integration of hams and sausages’ and processed foods’ manufacturing items and lines. Thereby they leveled out the usage of manufacturing facilities over the estimated useful lives and led to the environment where straight-line method became suitable.

In addition, the estimated useful lives were revised according to the actual status of use as well.

This change is applied into the future as a change in accounting estimate, in compliance with ASC Topic 250 “Accounting Changes and Error Corrections”.

This change caused an increase in “income before income taxes and equity in earnings of associated companies”, “net income attributable to Nippon Meat

Packers, Inc.", "basic earnings per share attributable to Nippon Meat Packers, Inc. shareholders" and "diluted earnings per share attributable to Nippon Meat Packers, Inc. shareholders" by ¥4,789 million, ¥2,969 million, ¥14.33 and ¥12.89, respectively, in the fiscal year under review.

8. Notes on Consolidated Financial Statements

(1) Segment information

Operating segment information:

The operating segments of the Companies are comprised of the following three business groups. The businesses thereof are as follows:

Processed foods business division	–	Production and sales of mainly hams and sausages and processed foods
Fresh meats business division	–	Production and sales of mainly fresh meats
Affiliated business division	–	Production and sales of mainly marine products and dairy products

For the year ended March 31, 2012 (April 1, 2011 through March 31, 2012): (millions of yen)

	Processed foods business division	Fresh meats Business division	Affiliated Business division	Total	Eliminations, adjustments and others	Consolidated
Net sales						
(1) External customers	320,722	577,176	132,470	1,030,368	(12,584)	1,017,784
(2) Intersegment	21,464	89,050	2,719	113,233	(113,233)	-
Total	342,186	666,226	135,189	1,143,601	(125,817)	1,017,784
Operating expenses	334,156	650,066	133,229	1,117,451	(126,180)	991,271
Segment profit	8,030	16,160	1,960	26,150	363	26,513
Assets, depreciation and amortization and capital expenditures						
Assets	171,336	294,322	49,206	514,864	74,261	589,125
Depreciation and amortization	9,695	9,493	1,747	20,935	2,821	23,756
Capital expenditures	8,752	8,494	1,604	18,850	637	19,487

For the year ended March 31, 2013 (April 1, 2012 through March 31, 2013): (millions of yen)

	Processed foods business division	Fresh meats Business division	Affiliated Business division	Total	Eliminations, adjustments and others	Consolidated
Net sales						
(1) External customers	317,192	583,159	134,769	1,035,120	(12,281)	1,022,839
(2) Intersegment	21,774	90,336	2,876	114,986	(114,986)	-
Total	338,966	673,495	137,645	1,150,106	(127,267)	1,022,839
Operating expenses	329,401	657,964	136,118	1,123,483	(128,665)	994,818
Segment profit	9,565	15,531	1,527	26,623	1,398	28,021
Assets, depreciation and amortization and capital expenditures						
Assets	170,725	322,264	50,507	543,496	66,797	610,293
Depreciation and amortization	7,261	8,403	1,400	17,064	2,259	19,323
Capital expenditures	9,656	18,567	2,606	30,829	2,456	33,285

(Notes)
1. “Eliminations, adjustments and others” includes unallocated 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 cost of goods sold and selling, general and administrative expenses from net sales.

(2) Calculation of earnings per share attributable to Nippon Meat Packers, Inc. shareholders

	Year ended March 31, 2012 (April 1, 2011 through March 31, 2012)	Year ended March 31, 2013 (April 1, 2012 through March 31, 2013)
	(millions of yen)	
Net income (Numerator):		
Net income attributable to Nippon Meat Packers, Inc.	11,655	16,459
	(thousand shares)	
Shares (Denominator):		
Weighted average number of shares to calculate net income attributable to Nippon Meat Packers, Inc. per share (basic)	212,724	207,242
Dilutive effect of stock options granted and the issuance of the 5th convertible-bonds-type bonds with stock acquisition rights	23,185	23,155
Average number of shares to calculate net income attributable to Nippon Meat Packers, Inc. per share (diluted)	235,909	230,397

(3) Significant subsequent events

For the Year ended March 31, 2012 (from April 1, 2011 through March 31, 2012)

Not applicable.

For the year ended March 31, 2013 (from April 1, 2012 through March 31, 2013)

Not applicable.

(Omission of disclosure)

Disclosure of the notes on the lease transactions, related-party transactions, tax effect accounting, marketable securities, derivative transactions, retirement benefits, stock options, etc. and business combinations, etc. is omitted as the necessity of disclosure thereof in this brief statements of accounts is not considered to be great.

V. NON-CONSOLIDATED FINANCIAL STATEMENTS

1. Non-Consolidated Balance Sheets

(millions of yen)

	Year ended March 31, 2012 (as of March 31, 2012)	Year ended March 31, 2013 (as of March 31, 2013)
Assets		
Current assets:		
Cash on hand and in banks	49,799	21,492
Notes receivable – trade	304	278
Accounts receivable – trade	88,030	84,648
Marketable securities	5,200	30,200
Finished goods and merchandise	33,332	27,749
Work-in-process	478	69
Raw materials and supplies	12,345	9,264
Prepaid expenses	617	568
Deferred tax assets	1,169	924
Short-term loans receivable from affiliated companies	75,691	88,384
Accounts receivable – other	8,092	8,252
Other current assets	1,462	1,033
Allowance for doubtful receivables	(332)	(10)
Total current assets	276,187	272,851
Fixed assets:		
Tangible fixed assets		
Buildings	48,647	28,648
Accumulated depreciation	(32,049)	(18,568)
Buildings (net)	16,598	10,080
Structures	7,740	4,925
Accumulated depreciation	(5,492)	(3,477)
Structures (net)	2,248	1,448
Machinery and equipment	49,377	14,701
Accumulated depreciation	(41,665)	(12,876)
Machinery and equipment (net)	7,712	1,825
Vehicles and transportation equipment	1,119	75
Accumulated depreciation	(1,092)	(59)
Vehicles and transportation equipment (net)	27	16
Tools, furniture and fixtures	3,923	2,519
Accumulated depreciation	(3,531)	(2,005)
Tools, furniture and fixtures (net)	392	514
Land	28,805	22,749
Leased assets	1,135	404
Accumulated depreciation	(619)	(249)
Leased assets (net)	516	155
Construction in progress	149	15
Total tangible fixed assets	56,447	36,802
Intangible fixed assets		
Leasehold rights	170	170
Software	5,629	4,572
Leased assets	9	52
Other intangible fixed assets	73	46
Total intangible fixed assets	5,881	4,840

(millions of yen)

	Year ended March 31, 2012 (as of March 31, 2012)	Year ended March 31, 2013 (as of March 31, 2013)
Investments and other assets		
Investment securities	13,998	16,091
Capital stock of affiliated companies	27,738	27,934
Capital contribution	330	327
Long-term loans receivable from employees	403	333
Long-term loans receivable from affiliated companies	25,435	60,667
Claims in bankruptcy and reorganization	31	19
Long-term prepaid expenses	77	61
Prepaid pension expenses	4,999	4,784
Deferred tax assets	1,301	1,409
Other investments	3,296	2,901
Allowance for doubtful receivables	(12,009)	(15,152)
Total investments and other assets	65,599	99,374
Total fixed assets	127,927	141,016
Total Assets	404,114	413,867
Liabilities		
Current liabilities:		
Notes payable – trade	885	599
Accounts payable – trade	80,080	81,242
Short-term bank loans	4,825	15,666
Current maturities of long-term debt	2,457	2,473
Corporate bonds due within one year	20,000	-
Corporate bonds with stock acquisition rights due within one year	-	29,985
Lease liabilities	228	78
Accounts payable - others	4,579	2,902
Accrued expenses	10,430	9,696
Accrued income taxes	1,786	3,368
Deposits received	1,364	1,072
Deposits received from affiliated companies	29,950	30,010
Notes payable – equipment	359	187
Other current liabilities	16	717
Total current liabilities	156,959	177,995
Long-term liabilities:		
Corporate bonds	10,000	30,000
Bonds with stock acquisition rights	30,000	-
Long-term debt	20,223	27,750
Lease liabilities	298	131
Long-term accounts payable	74	70
Liability for retirement benefits	270	292
Other fixed liabilities	314	293
Total long-term liabilities	61,179	58,536
Total Liabilities	218,138	236,531

(millions of yen)

	Year ended March 31, 2012 (as of March 31, 2012)	Year ended March 31, 2013 (as of March 31, 2013)
Net Assets		
Shareholders' Equity:		
Common stock	24,166	24,166
Capital surplus		
Capital reserve	43,084	43,084
Total capital surplus	43,084	43,084
Retained earnings		
Legal reserve	6,041	6,041
Other retained earnings		
Reserve for deferral of capital gain on property	681	673
General reserve	115,000	115,000
Net retained earnings forwarded	12,308	18,174
Total retained earnings	134,030	139,888
Treasury stock, at cost	(16,677)	(32,641)
Total shareholders' equity	184,603	174,497
Valuation and translation adjustments:		
Unrealized gains on other marketable securities	1,175	2,652
Deferred gains on derivatives under hedge accounting	9	20
Total valuation and translation adjustments	1,184	2,672
Stock acquisition rights	189	167
Total Net Assets	185,976	177,336
Total Liabilities and Net Assets	404,114	413,867

2. Non-Consolidated Statements of Income

(millions of yen)

	Year ended March 31, 2012 (April 1, 2011 through March 31, 2012)	Year ended March 31, 2013 (April 1, 2012 through March 31, 2013)
Net sales	685,862	671,356
Cost of goods sold		
Beginning inventory of finished goods and merchandise	28,756	33,332
Manufacturing cost of goods produced for the year	72,185	44,999
Amount of goods purchased for the year	547,414	547,936
Total	648,355	626,267
Transfer to other accounts	1,120	1,871
Ending inventory of finished goods and merchandise	33,332	27,749
Total cost of goods sold	613,903	596,647
Gross profit	71,959	74,709
Selling, general and administrative expenses	68,975	68,277
Operating income	2,984	6,432
Non-operating income		
Interest income	1,376	1,733
Dividend income	5,957	9,997
Rent on real estate	1,268	1,126
Sundry income	763	1,074
Total non-operating income	9,364	13,930
Non-operating expenses		
Interest expense	493	488
Bond interest	493	491
Rental expense	947	813
Sundry loss	638	435
Total non-operating expenses	2,571	2,227
Ordinary income	9,777	18,135
Extraordinary income		
Gain from sales of fixed assets	577	466
Other extraordinary income	40	21
Total extraordinary income	617	487
Extraordinary loss		
Loss on sales of fixed assets	168	150
Loss from dispositions of fixed assets	166	367
Special retirement allowances	106	128
Provision for doubtful receivables	4,987	2,887
Loss on impairment of fixed assets	452	1,578
Loss on revaluation of investment securities	698	77
Head office relocation expense	-	1,304
Other extraordinary loss	68	123
Total extraordinary loss	6,645	6,614
Income before income taxes	3,749	12,008
Current income taxes	1,115	2,851
Deferred income taxes	849	(533)
Total income taxes	1,964	2,318
Net income	1,785	9,690

3. Non-Consolidated Statements of Changes in Net Assets

(millions of yen)

	Year ended March 31, 2012 (April 1, 2011 through March 31, 2012)	Year ended March 31, 2013 (April 1, 2012 through March 31, 2013)
Shareholders' equity		
Common stock		
Balance as of the beginning of the year	24,166	24,166
Changes during the year		
Total changes during the year	-	-
Balance as of the end of the year	24,166	24,166
Capital surplus		
Capital reserve		
Balance as of the beginning of the year	43,084	43,084
Changes during the year		
Total changes during the year	-	-
Balance as of the end of the year	43,084	43,084
Total capital surplus		
Balance as of the beginning of the year	43,084	43,084
Changes during the year		
Total changes during the year	-	-
Balance as of the end of the year	43,084	43,084
Retained earnings		
Legal reserve		
Balance as of the beginning of the year	6,041	6,041
Changes during the year		
Total changes during the year	-	-
Balance as of the end of the year	6,041	6,041
Other retained earnings		
Reserve for deferral of capital gain on property		
Balance as of the beginning of the year	628	681
Changes during the year		
Reversal of reserve for deferral of capital gain on property	-	(8)
Increase in reserve for deferral of capital gain on property due to changes in the statutory effective tax rate	53	-
Total changes during the year	53	(8)
Balance as of the end of the year	681	673
General reserve		
Balance as of the beginning of the year	115,000	115,000
Changes during the year		
Total changes during the year	-	-
Balance as of the end of the year	115,000	115,000

(millions of yen)

	Year ended March 31, 2012 (April 1, 2011 through March 31, 2012)	Year ended March 31, 2013 (April 1, 2012 through March 31, 2013)
Net retained earnings forwarded		
Balance as of the beginning of the year	13,989	12,308
Changes during the year		
Reversal of reserve for deferral of capital gain on property	-	8
Increase in reserve for deferral of capital gain on property due to changes in the statutory effective tax rate	(53)	-
Cash dividends	(3,403)	(3,829)
Net income	1,785	9,690
Disposition of treasury stock	(10)	(3)
Total changes during the year	(1,681)	5,866
Balance as of the end of the year	12,308	18,174
Total retained earnings		
Balance as of the beginning of the year	135,658	134,030
Changes during the year		
Reversal of reserve for deferral of capital gain on property	-	-
Increase in reserve for deferral of capital gain on property due to changes in the statutory effective tax rate	-	-
Cash dividends	(3,403)	(3,829)
Net income	1,785	9,690
Disposition of treasury stock	(10)	(3)
Total changes during the year	(1,628)	5,858
Balance as of the end of the year	134,030	139,888
Treasury stock, at cost		
Balance as of the beginning of the year	(16,696)	(16,677)
Changes during the year		
Acquisition of treasury stock	(4)	(16,006)
Disposition of treasury stock	23	42
Total changes during the year	19	(15,964)
Balance as of the end of the year	(16,677)	(32,641)
Total shareholders' equity		
Balance as of the beginning of the year	186,212	184,603
Changes during the year		
Cash dividends	(3,403)	(3,829)
Net income	1,785	9,690
Acquisition of treasury stock	(4)	(16,006)
Disposition of treasury stock	13	39
Total changes during the year	(1,609)	(10,106)
Balance as of the end of the year	184,603	174,497

(millions of yen)

	Year ended March 31, 2012 (April 1, 2011 through March 31, 2012)	Year ended March 31, 2013 (April 1, 2012 through March 31, 2013)
Valuation and translation adjustments		
Unrealized gain (loss) on other marketable securities		
Balance as of the beginning of the year	(43)	1,175
Changes during the year		
Changes in items other than shareholders' equity during the year – net	1,218	1,477
Total changes during the year	1,218	1,477
Balance as of the end of the year	1,175	2,652
Deferred gains on derivatives under hedge accounting		
Balance as of the beginning of the year	9	9
Changes during the year		
Changes in items other than shareholders' equity during the year – net	0	11
Total changes during the year	0	11
Balance as of the end of the year	9	20
Total valuation and translation adjustments		
Balance as of the beginning of the year	(34)	1,184
Changes during the year		
Changes in items other than shareholders' equity during the year – net	1,218	1,488
Total changes during the year	1,218	1,488
Balance as of the end of the year	1,184	2,672
Stock acquisition rights		
Balance as of the beginning of the year	202	189
Changes during the year		
Changes in items other than shareholders' equity during the year – net	(13)	(22)
Total changes during the year	(13)	(22)
Balance as of the end of the year	189	167
Total net assets		
Balance as of the beginning of the year	186,380	185,976
Changes during the year		
Cash dividends	(3,403)	(3,829)
Net income	1,785	9,690
Acquisition of treasury stock	(4)	(16,006)
Disposition of treasury stock	13	39
Changes in items other than shareholders' equity during the year – net	1,205	1,466
Total changes during the year	(404)	(8,640)
Balance as of the end of the year	185,976	177,336

4. Notes on the Premises of a Going Concern

Not applicable.

5. Changes in Significant Accounting Policies

Change in depreciation method of property, plant and equipment

Effective from the fiscal year ended March 31, 2013, the Company has changed the depreciation method of property, plant and equipment (mainly for manufacturing facilities of hams, sausages and processed foods) from the declining-balance method to the straight-line method. This change aimed for enhancement of production efficiency due to selection and concentration, and the Company considers the restructuring of hams and sausages' manufacturing bases and progresses collection and integration of hams and sausages' and processed foods' manufacturing items and lines. Thereby they leveled out the usage of manufacturing facilities over the estimated useful lives and led to the environment where straight-line method became suitable. As a result of this change, operating income increased by ¥286 million, and ordinary income and income before income taxes increased by ¥274 million compared to the results calculated using the old method.

6. Changes in Accounting Estimates

Revision of useful lives of property, plant and equipment

The Company revised the estimated useful lives of property, plant and equipment according to the actual status of use.

As a result of this change, operating income increased by ¥278 million, and ordinary income and income before income taxes increased by ¥316 million compared to the results calculated using the old method.

- END -