

Business Results for the First Quarter of FY2013/3

August 2, 2012 (Thu.)

Nippon Meat Packers, Inc.

Contents

- I. Consolidated Business Results for FY2013/3 1Q (Apr. – Jun.)**
- II. Outlook for FY2013/3**
- III. Consolidated Financial Results for FY2013/3 1Q (Apr. – Jun.)**

I. Consolidated Business Results for FY2013/3 1Q (Apr. – Jun.)

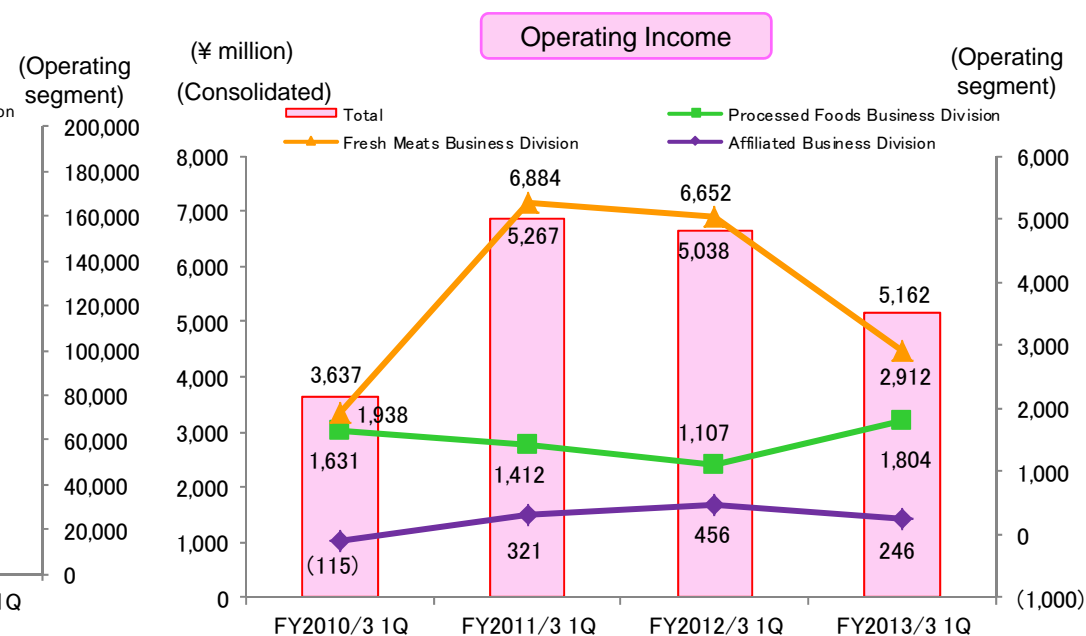
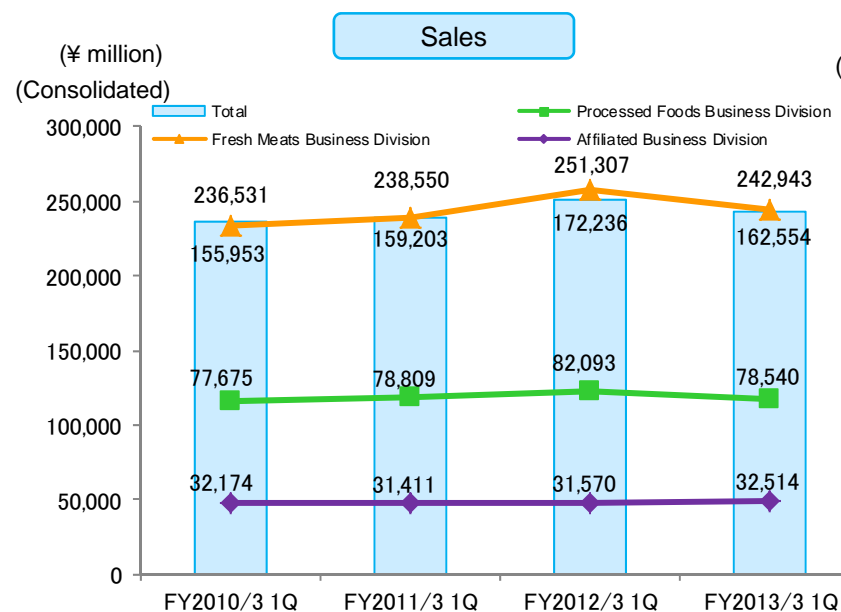
- 1. Business Results by Operating Segment: 1Q (Apr. – Jun.)**
- 2. Operating Segment Data: Processed Foods Business Division**
- 3. Operating Segment Data: Fresh Meats Business Division**
- 4. Operating Segment Data: Affiliated Business Division**
- 5. Business Results in Major Overseas Markets**

1. Business Results by Operating Segment: 1Q (Apr. – Jun.)

Copyright (C) 2012 Nippon Meat Packers, Inc.
All rights reserved.

(¥ million)

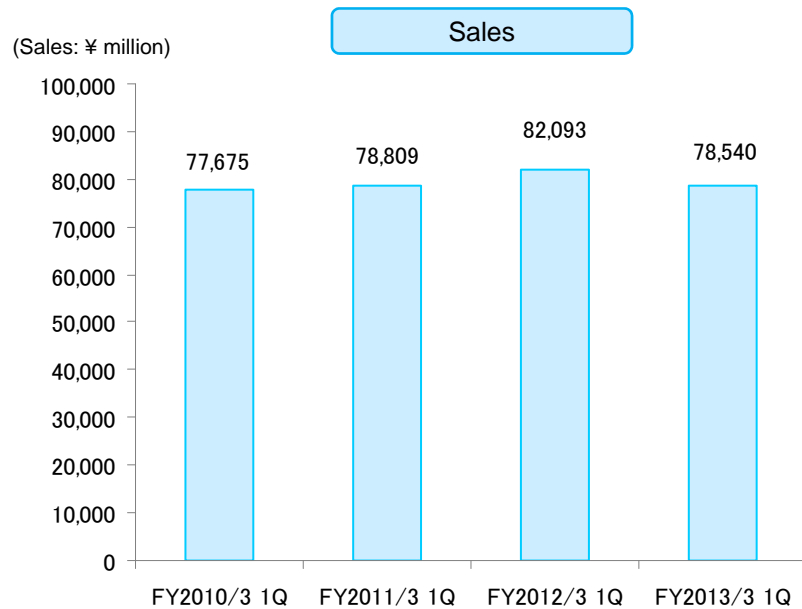
		FY2010/3 1Q	FY2011/3 1Q	FY2012/3 1Q	FY2013/3 1Q
Processed Foods Business Division	Sales	77,675	78,809	82,093	78,540
	Operating income	1,631	1,412	1,107	1,804
Fresh Meats Business Division	Sales	155,953	159,203	172,236	162,554
	Operating income	1,938	5,267	5,038	2,912
Affiliated Business Division	Sales	32,174	31,411	31,570	32,514
	Operating income	(115)	321	456	246
Elimination and other adjustments	Sales	(29,271)	(30,873)	(34,592)	(30,665)
	Operating income	183	(116)	51	200
Consolidated	Sales	236,531	238,550	251,307	242,943
	Operating income	3,637	6,884	6,652	5,162



- Sales by operating segment and sales values in Page 17 of this presentation (by category) do not necessarily correspond (due to intersegment transactions)
- Sales for each segment include intersegment sales

2. Operating Segment Data: Processed Foods Business Division (1)

Copyright (C) 2012 Nippon Meat Packers, Inc.
All rights reserved.

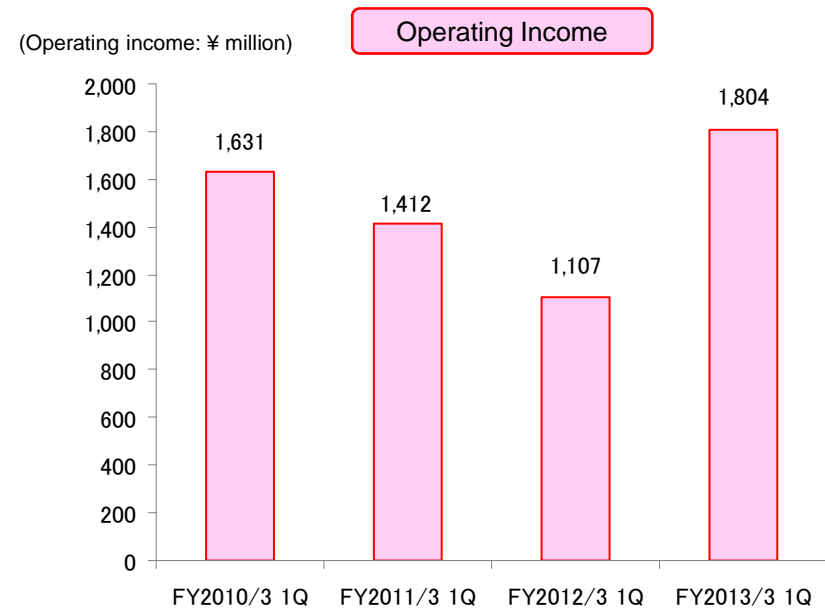


(¥ million,%)

	FY2012/3 1Q	FY2013/3 1Q	Variance	Variance (%)
Sales	82,093	78,540	(3,553)	(4.3)

Sales in FY2013/3 1Q (FY2012/3 1Q comparison)

- In hams and sausages, sales of the mainstay “SCHAU ESSEN” and “Irodori Kitchen” ranges rose in both sales volume and revenue terms, supported by successful TV commercials
 - In processed foods, sales were down in both sales volume and revenue terms, partly due to a correction from the demand surge of the previous year
- Recovery momentum set in motion in early June



(¥ million,%)

	FY2012/3 1Q	FY2013/3 1Q	Variance	Variance (%)
Operating income	1,107	1,804	697	63.0
Operating income ratio	1.3%	2.3%	-	-

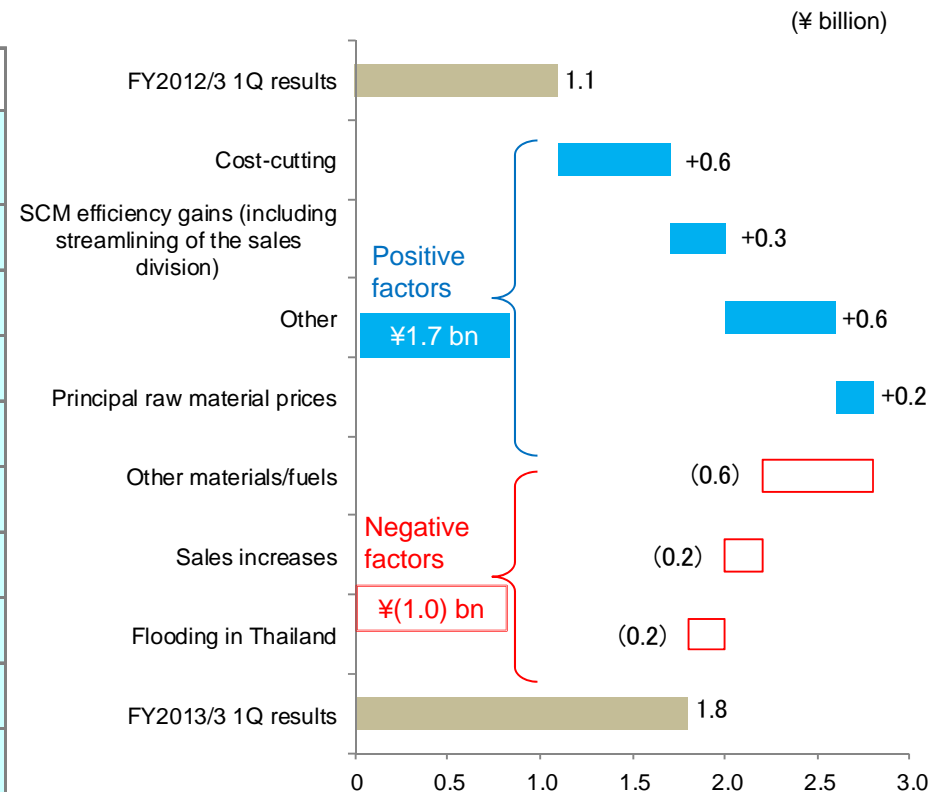
Earnings in FY2013/3 1Q (FY2012/3 1Q comparison)

- Volume growth in our priority “SCHAU ESSEN” range drove higher earnings
- Cost reduction measures offset the effects of soaring other material and fuel prices

Factor Analysis: Changes in operating income

	FY2013/3 Q1		
	Target	Results	Variance
Cost-cutting	0.6	0.6	0.0
Supply Chain Management (SCM) efficiency gains (including streamlining of the sales division)	0.1	0.3	0.2
Principal raw/other material prices			
Principal raw material prices	0.1	0.2	0.1
Other materials/fuels	(0.5)	(0.6)	(0.1)
Sales increases	0.2	(0.2)	(0.4)
Flooding in Thailand	(0.3)	(0.2)	0.1
Other	0.1	0.6	0.5
Total	0.3	0.7	0.4

*Due to rounding, item tallies in each division may not match totals



● Factor Analysis (1Q)

【Increase in sales volumes】

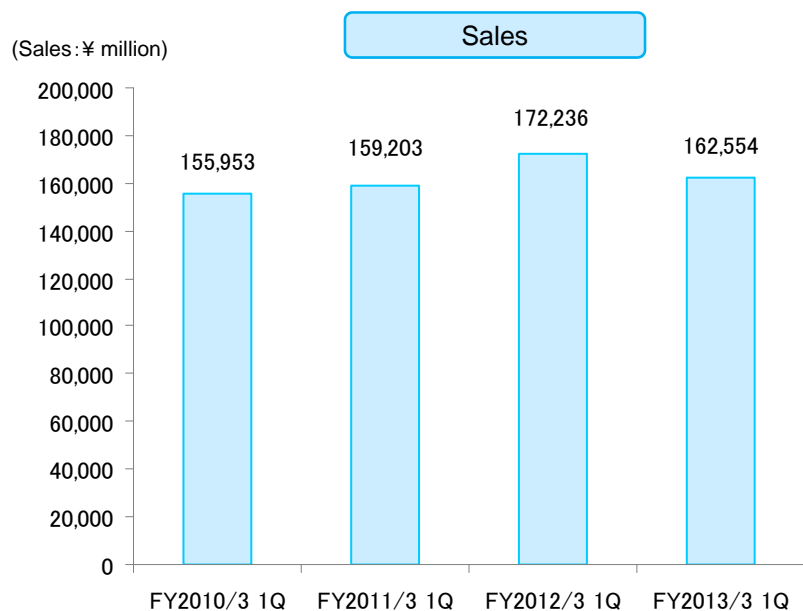
⇒ The increase fell short of our target due to a decline in processed food volumes

【Other factors】

⇒ Reduction in sales promotion expenses (correction following frontloading of TV commercial campaign costs in the previous year)

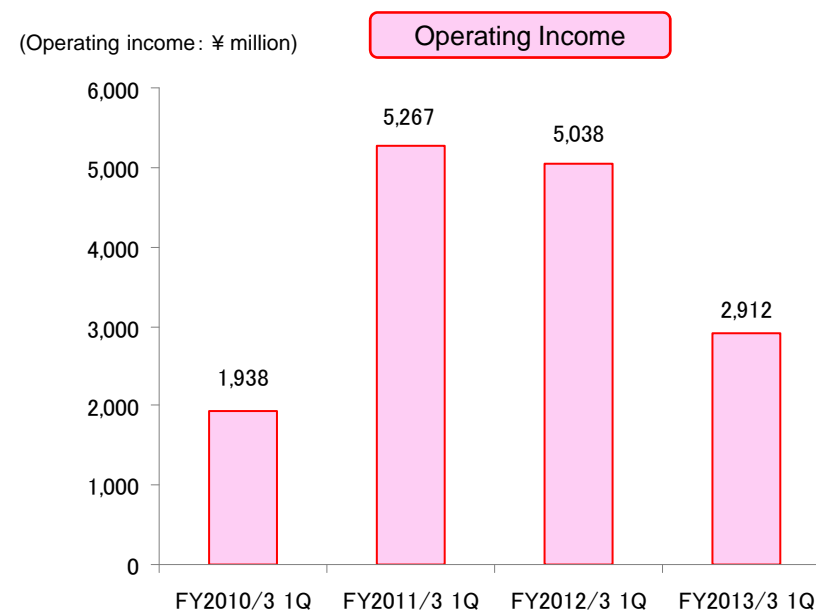
3. Operating Segment Data: Fresh Meats Business Division (1)

Copyright (C) 2012 Nippon Meat Packers, Inc.
All rights reserved.



(¥ million,%)

	FY2012/3 1Q	FY2013/3 1Q	Variance	Variance (%)
Sales	172,236	162,554	(9,682)	(5.6)



(¥ million,%)

	FY2012/3 1Q	FY2013/3 1Q	Variance	Variance (%)
Operating income	5,038	2,912	(2,126)	(42.2)
Operating income ratio	2.9%	1.8%	-	-

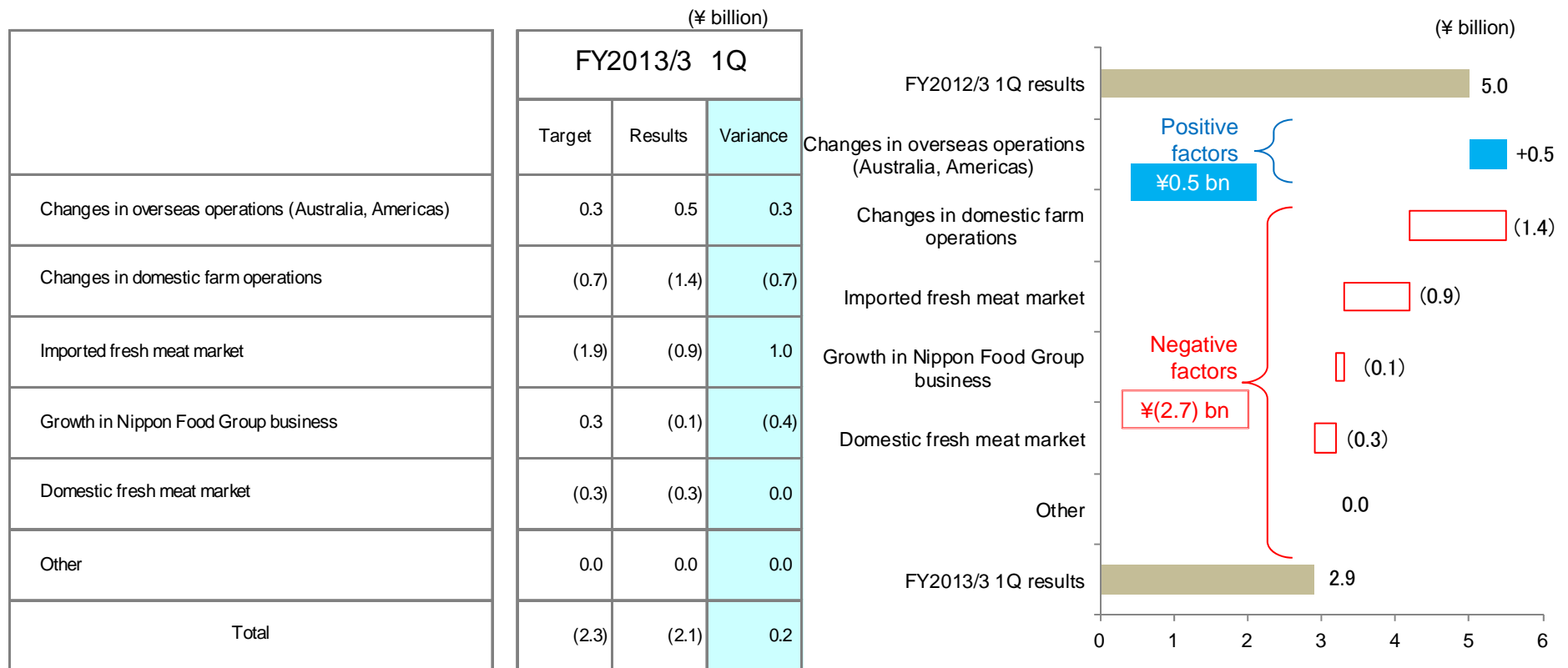
Sales in FY2013/3 1Q (FY2012/3 1Q comparison)

- Fresh meat volumes in Japan increased, but sales overall declined, due chiefly to falling unit prices in Japan for poultry
- Fresh meat sales overseas declined due chiefly to falling beef volumes and unit prices

Earnings in FY2013/3 1Q (FY2012/3 1Q comparison)

- Earnings were down in farm businesses in Japan due to weak pork and poultry markets
- Earnings fell due to very weak imported poultry market prices despite recovery momentum at the end of the previous period

Factor Analysis: Changes in operating income



*Due to rounding, item tallies in each division may not match totals

● Factor Analysis (1Q)

【Impact of price trends for imported fresh meat】

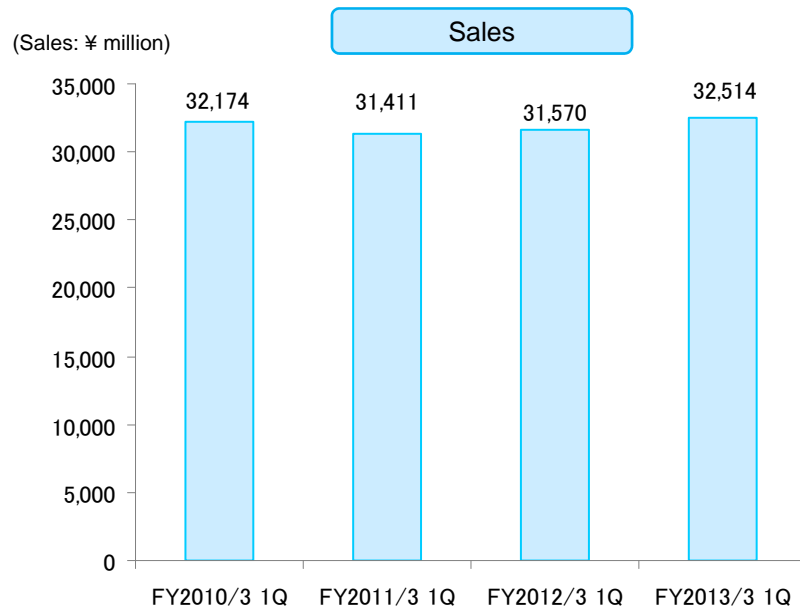
⇒ Imported poultry market prices were firmer than anticipated, and revenues beat targets

【Impact on domestic farm operations in Japan】

⇒ Revenues fell short of targets due to greater-than-anticipated weakness in pork and poultry markets

4. Operating Segment Data: Affiliated Business Division

Copyright (C) 2012 Nippon Meat Packers, Inc.
All rights reserved.



(¥ million,%)

	FY2012/3 Q1	FY2013/3 Q1	Variance	Variance (%)
Sales	31,570	32,514	944	3.0

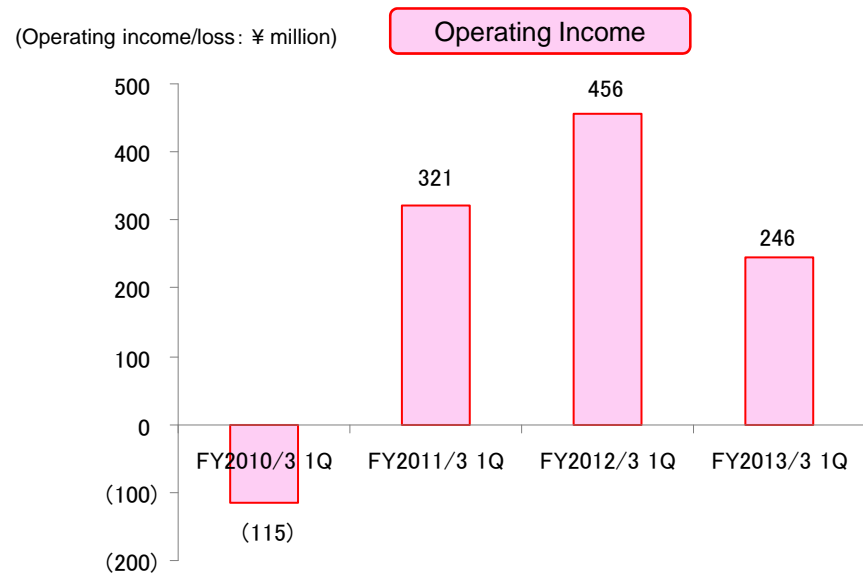
Sales in FY2013/3 1Q (FY2012/3 1Q comparison)

(Marine products business)

- Sales grew on the back of expanded sales of shrimp, salmon and other priority products, and stepped-up marketing to volume retailers

(Dairy products business)

- Sales grew in the cheese business on sales to cheese product manufacturers and volume retailers. In yogurts, sales of yogurt drinks did well at convenience stores



(¥ million,%)

	FY2012/3 Q1	FY2013/3 Q1	Variance	Variance (%)
Operating income	456	246	(210)	(46.1)
Operating income ratio	1.4%	0.8%	-	-

Earnings in FY2013/3 1Q (FY2012/3 1Q comparison)

(Marine products business)

- At Marine Foods, the operating income ratio slipped back due to falling market prices for some types of fish and higher procurement costs for shrimp and squid

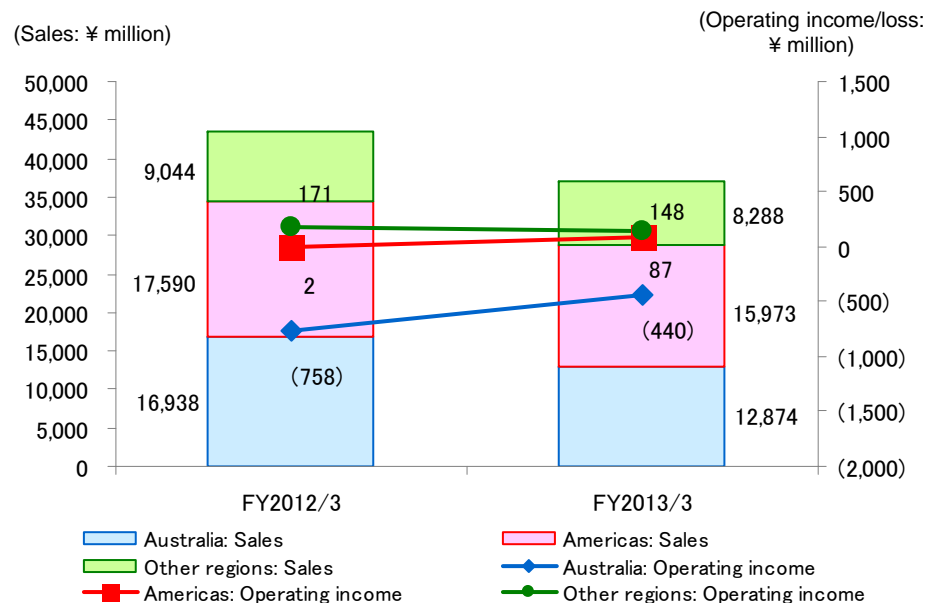
(Dairy products business)

- Strong sales across the board buoyed by stable raw material prices contributed to higher gross profit

5. Business Results in Major Overseas Markets

Copyright (C) 2012 Nippon Meat Packers, Inc.
All rights reserved.

1Q Results (Apr.-Jun.)



		(¥ million)			
		FY2012/3 1Q	FY2013/3 1Q	Variance	Variance (%)
Overseas total	Sales	42,918	36,617	(6,301)	(14.7)
	Operating income	(589)	(216)	373	-
Australia	Sales	16,938	12,874	(4,064)	(24.0)
	Operating income	(758)	(440)	318	-
Americas	Sales	17,590	15,973	(1,617)	(9.2)
	Operating income	2	87	85	-
Other regions	Sales	9,044	8,288	(756)	(8.4)
	Operating income	171	148	(23)	(13.5)

- Sales revenues represent amounts prior to consolidation adjustments
(The figures for all overseas segments do not match the overseas sales total, by reason of the elimination of intersegment transactions)
- Other overseas markets are in Asia and Europe
- The Americas include businesses in North and South America

FY2013/3 1Q

(Australia)

- Profitability improved as high live cattle prices that had persisted up to the previous year began to fall back

(Americas)

- Businesses in the Americas performed robustly overall, but we expect feed prices for pig-farming operations to rise in months ahead, leading to difficult market conditions

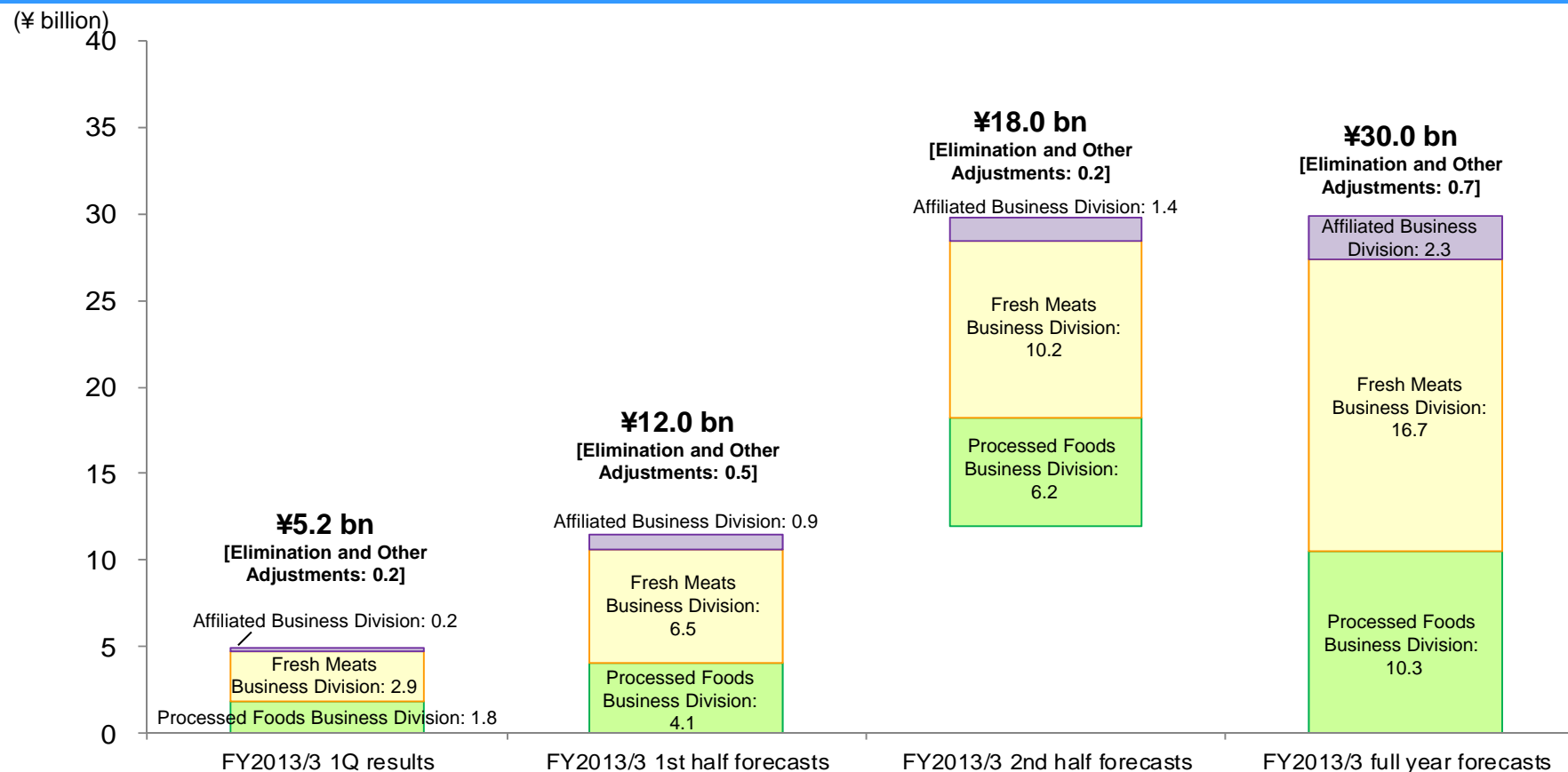
(Asia)

- Despite lingering impact from the flooding in Thailand in the first quarter, our production facilities in that country resumed full operations in mid-July

II. Outlook for FY2013/3

- 1. FY2013/3 Operating Income Forecasts**
- 2. Processed Foods Business Division: Outlook**
- 3. Fresh Meats Business Division: Outlook**
- 4. Affiliated Business Division: Outlook**

1. FY2013/3 Operating Income Forecasts



	FY2013/3 1Q results			FY2013/3 1st half forecasts			FY2013/3 2nd half forecasts			FY2013/3 full year forecasts		
	FY2012/3 1Q results		Variance	FY2012/3 1st half results		Variance	FY2012/3 2nd half results		Variance	FY2012/3 full year results		Variance
Processed Foods Business Division	1.1	1.8	up 0.7	2.4	4.1	up 1.7	5.6	6.2	up 0.6	8.0	10.3	up 2.3
Fresh Meats Business Division	5.1	2.9	down 2.1	8.7	6.5	down 2.2	7.1	10.2	up 2.8	16.2	16.7	up 0.5
Affiliated Business Division	0.5	0.2	down 0.2	1.0	0.9	down 0.1	0.9	1.4	up 0.5	2.0	2.3	up 0.3
Elimination and Other Adjustments	0.0	0.2	up 0.1	(0.2)	0.5	up 0.7	0.5	0.2	down 0.3	0.4	0.7	up 0.3
Total	6.7	5.2	down 1.5	12.0	12.0	no change	14.5	18.0	up 3.5	26.5	30.0	up 3.5

● Measures to increase sales of gift products

- Target 3% growth in both summer and year-end gift sets

FY2013/3 1Q vs. FY2012/3 1Q (per unit basis)

- Forecasts for summer gift-set performance

FY2013/3 1Q vs. FY2012/3 1Q (per unit basis, as of July 25, 2012)

Up 1% overall

The flagship brand “*Utsukushi-no-Kuni*” ... up 25%

Reference: Gift-giving season sales volume:
results for FY2012/3 and targets for FY2013/3

(Unit: 1,000)

	FY2012/3 results		FY2013/3 targets	
	Units	Variance FY2011/3	Units	Variance FY2012/3
Summer gift-giving season	2,003	102%	2,060	103%

● Measures to expand sales of major brands and new products

1) Hams and sausages

- Launched TV commercials for “*SCHAU ESSEN*” and “*Irodori Kitchen*” ranges in the first quarter

2) Processed foods

- In addition to core brands, develop and expand new categories such as “*Wa-sozai*” (Japanese-style ready-to-eat meals)

Reference: Year-on-year growth in sales of major brand products for FY2013/3 1Q

Hams and sausages	FY2013/3 1Q results	Hams and sausages	FY2013/3 1Q results
SCHAU ESSEN	102%	Ishigama Kobo	102%
Mori-no-Kaori coarse-ground wieners	94%	Chuka Meisai	95%
Irodori Kitchen (high-end hams)	103%	Prefried	93%
Hams	98%	Hamburgers / Meatballs	115%
Bacons	105%	Curries	111%

● Measures to expand sales, by channel

1) Consumer-use

- Build up brand by developing unrivaled product lines in both hams and sausages and processed foods, and expand sales focusing on priority brand products

2) Commercial-use

- Expand sales following resumption of operations of Thai Nippon Foods Co., Ltd. (Thailand) after the flooding

Reference: Year-on-year growth in sales by channel for FY2013/3 1Q

		Sales volume	Sales revenue
Hams and sausages	Consumer-use	104%	103%
	Commercial-use	97%	95%
	Total	102%	101%
Processed foods	Consumer-use	98%	98%
	Commercial-use	94%	93%
	Total	96%	96%

● Production businesses in Japan

1) Feed prices

- Rising corn and other grain prices are likely to push up the cost of mixed feed

2) Farming operations in Japan

Pig farming

- An increase in numbers of beasts shipped is likely to lower pork market prices. We aim to improve profitability by lowering production costs

Poultry

- Increasing supplies are likely to keep market prices low. We plan to lower production costs through productivity improvements

● Overseas businesses

1) Restructuring of Australian businesses

- Continue to improve productivity and cut general expenses and cost of sales, to improve the operating income ratio
- Through introduction of new products, reconfigure sales channels targeting Japan (new product launches in Japan scheduled from September) Also, strengthen marketing to customers within Australia and throughout Asia

2) Americas business

- We expect harsh conditions in pig farming operations due partly to soaring feed prices
- Strong performance likely by marine products businesses (sea urchins, etc.) in South America

● Nippon Food Group (meat product marketing companies)

- Aim to increase market share by expanding volumes (first quarter volume: up 5% year-on-year)

● Measures to increase marine product sales

(Marine Foods Corporation)

- Strengthen product development capability and expand sales of items from our factories in Japan
- Expand sales volume by strengthening proposal-based marketing to volume retailers and sushi restaurants

(Hoko Co., Ltd.)

- In raw materials businesses, continue to step up marketing to food-service companies
- In our room-temperature (canned) product business, grow sales from our Hachinohe factory, which is expanding production capacity

Reference: Marine Foods Corporation, sales growth for items produced in-house

	FY2013/3 1Q results
Items produced in-house	2,101 tons
FY2012/3 1Q comparison	87%

Reference: Marine Foods Corporation, sales growth by channel

	FY2012/3 1Q comparison
	FY2013/3 1Q results
Volume retailers	108%
Food service (restaurants)	96%

● Measures to increase dairy product sales

(Cheese)

- Grow sales volumes for commercial-use products by strengthening proposal-based marketing through principal retailing channels

- Strengthen product lineups and expand sales of consumer-use products

(Yogurt)

- Strengthen development of private-brand products for volume retailers and convenience stores and increase production and sales of yogurt drinks

- Continue to promote mainstay vanilla yogurt products chiefly to volume retailers and co-operative stores

● Trends in principal raw and other materials

- Due to stable production volumes in producer countries, prices for cheese ingredients will come down slightly in the second half
- Prices for fat-free milk powder made in Japan for yogurt will remain high due to a tight supply-demand

Reference: Dairy products, sales growth by product

	FY2012/3 1Q comparison
	FY2013/3 1Q results
Cheese	102%
Yogurt	125%

III. Consolidated Financial Results for FY2013/3 1Q (Apr. – Jun.)

- 1. FY2013/3 1Q Business Results at a Glance and FY2013/3 Forecasts**
- 2. Growth Rate by Sales Category, and by Geographical Segment**
- 3. Selling, General and Administrative Expenses / Other Operating Costs and Expenses (Income) / Other Income (Expenses)**
- 4. Balance Sheets / Property, Plant and Equipment / Depreciation and Amortization**

1. FY2013/3 1Q Business Results at a Glance and FY2013/3 Forecasts

Copyright (C) 2012 Nippon Meat Packers, Inc.
All rights reserved.

(¥ million, %)

Consolidated	FY2012/3 results				FY2013/3 results and forecasts					
	1Q (Apr.-Jun.)	Variance	1st half (Apr.-Sept.)	Full year (Apr.-Mar.)	1Q (Apr.-Jun.)	Variance	1st half (Apr.-Sept.)	Variance	Full year (Apr.-Mar.)	Variance
Net sales	251,307	5.3	506,367	1,017,784	242,943	(3.3)	515,000	1.7	1,040,000	2.2
Hams and sausages	31,216	1.4	65,628	137,286	31,808	1.9	67,000	2.1	140,000	2.0
Processed foods	48,873	2.7	99,980	203,167	48,673	(0.4)	102,000	2.0	206,000	1.4
Fresh meats	140,293	7.5	277,107	544,054	130,895	(6.7)	280,500	1.2	557,500	2.5
Beef	52,760	13.5	101,883	197,494	48,673	(7.7)	102,500	0.6	203,000	2.8
Pork	50,864	3.5	101,123	201,563	49,699	(2.3)	103,000	1.9	205,500	2.0
Poultry	30,745	5.3	62,009	122,873	27,792	(9.6)	63,000	1.6	126,500	3.0
Other fresh meats	5,924	2.7	12,092	22,124	4,731	(20.1)	12,000	(0.8)	22,500	1.7
Marine products	18,678	(0.5)	39,135	82,836	18,907	1.2	40,000	2.2	84,000	1.4
Dairy products	5,710	7.1	11,343	23,261	6,499	13.8	12,000	5.8	25,000	7.5
Others	6,537	18.9	13,174	27,180	6,161	(5.8)	13,500	2.5	27,500	1.2
Cost of goods sold	203,815	6.8	411,093	822,222	197,268	(3.2)				
Gross profit	47,492	(0.4)	95,274	195,562	45,675	(3.8)				
Gross profit ratio	18.9%	-	18.8%	19.2%	18.8%	-				
SG&A expenses	40,840	0.2	83,272	169,049	40,513	(0.8)				
Operating income	6,652	(3.4)	12,002	26,513	5,162	(22.4)	12,000	(0.0)	30,000	13.2
Income before income taxes	6,125	21.0	9,577	26,766	4,141	(32.4)	7,200	(24.8)	23,000	(14.1)
Net income attributable to Nippon Meat Packers, Inc.	3,574	9.1	4,799	11,655	1,924	(46.2)	3,600	(25.0)	12,000	3.0

* Reclassified amounts were originally calculated in accordance with U.S. accounting standards

* Variance: Year-on-year comparisons are expressed as % increases/decreases

Growth Rate by Sales Category

(%)

Category	FY2012/3 1Q (FY2011/3 1Q comparison)		FY2013/3 1Q (FY2012/3 1Q comparison)	
	Sales volume	Sales revenue	Sales volume	Sales revenue
Hams and sausages	1.1	1.4	4.1	1.9
Processed foods	3.3	2.7	(0.4)	(0.4)
Fresh meats	0.7	7.5	1.7	(6.7)
Beef	13.1	13.5	(11.5)	(7.7)
Pork	0.4	3.5	2.8	(2.3)
Poultry	(8.5)	5.3	13.6	(9.6)
Other fresh meats	0.8	2.7	(9.8)	(20.1)

FY2012/3 Business Results at a Glance and FY2013/3 Forecasts by Geographical Segment

(¥ million, %)

	FY2012/3 results			FY2013/3 results and forecasts					
	1Q (Apr.-Jun.)	1st half (Apr.-Sept.)	Full year (Apr.-Mar.)	1Q (Apr.-Jun.)	Variance	1st half (Apr.-Sept.)	Variance	Full year (Apr.-Mar.)	Variance
Domestic	230,046	464,720	939,524	225,261	(2.1)	472,500	1.7	960,000	2.2
External customers	229,751	464,279	938,846	225,119	(2.0)	472,000	1.7	959,000	2.1
Intersegment	295	441	678	142	(51.9)	500	13.4	1,000	47.5
Operating income	7,020	12,746	27,404	5,517	(21.4)	11,700	(8.2)	29,000	5.8
Operating income ratio	3.1%	2.7%	2.9%	2.4%	-	2.5%	-	3.0%	-
Overseas	42,918	85,896	157,721	36,617	(14.7)	87,500	1.9	161,000	2.1
External customers	21,556	42,088	78,938	17,824	(17.3)	43,000	2.2	81,000	2.6
Intersegment	21,362	43,808	78,783	18,793	(12.0)	44,500	1.6	80,000	1.5
Operating income	(589)	(894)	(1,397)	(216)	-	300	-	1,000	-
Operating income ratio	-1.4%	-1.0%	-0.9%	-0.6%	-	0.3%	-	0.6%	-

* Sales by geographic segment are before intersegment elimination

* Variance: Year-on-year comparisons are expressed as % increases/decreases

3. Selling, General and Administrative Expenses / Other Operating Costs and Expenses (Income) / Other Income (Expenses)

Copyright (C) 2012 Nippon Meat Packers, Inc.
All rights reserved.

(¥ million, %)

	FY2012/3	FY2013/3		
	1Q (Apr.-Jun.)	1Q (Apr.-Jun.)	Variance (%)	Variance
Selling, general and administrative expenses	40,840	40,513	(0.8)	(327)
Personnel	16,762	16,539	(1.3)	(223)
Advertising	2,487	2,462	(1.0)	(25)
Logistics	9,289	9,526	2.6	237
Others	12,302	11,986	(2.6)	(316)

Major reasons for increases/decreases

- ★① SG&A expenses: The ratio of SG&A expenses to sales increased 0.4 percentage point from 16.3% to 16.7%
- ★② Advertising: Flat from the previous year
- ★③ Logistics: Transportation cost increased by some ¥0.2 billion due to higher sales volumes

(¥ million, %)

	FY2012/3	FY2013/3		
	1Q (Apr.-Jun.)	1Q (Apr.-Jun.)	Variance (%)	Variance
Other operating costs and expenses (income) - net	329	(139)	-	(468)
Impairment loss on fixed assets	391	-	-	(391)
Special retirement allowances	14	-	-	(14)
Others	(76)	(139)	-	(63)
★① Other income (expenses) - net	294	(753)	-	(1,047)
Interest and dividends income	319	362	13.5	43
Loss on valuation of securities/ Loss on sales of securities	(40)	(77)	-	(37)
Foreign exchange gains(losses)	24	(1,039)	-	(1,063)
Others	(9)	1	-	10

Major reasons for increases/decreases

Interest expenses	492	407	(17.3)	(85)
-------------------	-----	-----	--------	------

- ★① Other income (expenses) -net Decreased by approximately ¥1.0 billion due to foreign exchange losses, etc

4. Balance Sheets / Property, Plant and Equipment / Depreciation and Amortization

Copyright (C) 2012 Nippon Meat Packers, Inc.
All rights reserved.

Consolidated balance sheets		FY2012/3 year-end	FY2013/3 1Q (Apr.-Jun.)	Variance (%)	Variance
(¥ million, %)					
★①	Total assets	589,125	594,177	0.9	5,052
	Cash and cash equivalents	63,651	34,188	(46.3)	(29,463)
★②	Trade notes and accounts receivable	119,959	122,589	2.2	2,630
★③	Inventories	112,516	126,065	12.0	13,549
	Property, plant and equipment - at cost, less accumulated depreciation	213,663	212,828	(0.4)	(835)
	Investments and other assets	28,889	27,943	(3.3)	(946)
	Deferred income taxes - non-current	13,368	13,752	2.9	384
	Total liabilities	296,857	304,137	2.5	7,280
	Trade notes and accounts payable	96,822	102,502	5.9	5,680
★④	Interest-bearing debt	139,187	136,430	(2.0)	(2,757)
	Liability under retirement and severance programs	17,170	16,811	(2.1)	(359)
	Total Nippon Meat Packers, Inc. shareholders' equity	290,020	287,733	(0.8)	(2,287)
	Noncontrolling interests	2,248	2,307	2.6	59
	Total equity	292,268	290,040	(0.8)	(2,228)

Major reasons for increases/decreases

- ★① Total assets: Increased by some ¥5.0 billion including ② and ③
- ★② Trade notes and accounts receivables: Increased by some ¥2.6 billion from the previous term-end due chiefly to increased sales
- ★③ Inventories: Increased by some ¥13.5 billion from the end of the previous year, due principally to an increase in fresh meat inventories
- ★④ Interest-bearing debt: Declined by some ¥2.8 billion due mainly to repayment of bank loans

Capital expenditures and depreciation	FY2012/3	FY2013/3		Variance	FY2013/3 Forecasts (Apr.-Mar.)
	1Q (Apr.-Jun.)	1Q (Apr.-Jun.)	Variance (%)		
Property, plant and equipment	2,597	4,745	82.7	2,148	43,000
Production facilities	1,276	1,693	32.7	417	12,600
Marketing and logistics facilities	346	649	87.6	303	12,700
Farms and processing facilities	483	1,200	148.4	717	8,100
Overseas operations facilities	272	713	162.1	441	4,800
Other facilities	220	490	122.7	270	4,800
Depreciation and amortization	5,792	4,716	(18.6)	(1,076)	22,000

Contact

**Public & Investor Relations Department
Nippon Meat Packers, Inc.
14F ThinkPark Tower
2-1-1 Osaki, Shinagawa-ku, Tokyo 141-6014
Tel: 81-3-4555-8024 Fax: 81-3-4555-8189**

Forward-looking statements

This presentation includes forecasts regarding targets, strategies and earnings. These forecasts are based on information available at the current time and contain certain assumptions about the future. They are subject to numerous external uncertainties in areas such as economic environment, market trends and exchange rates. Actual performance may differ from the targets in this presentation due to those factors, and investment decisions should not be based exclusively on them.