

Business Results and Progress in the Medium-Term Management Plan

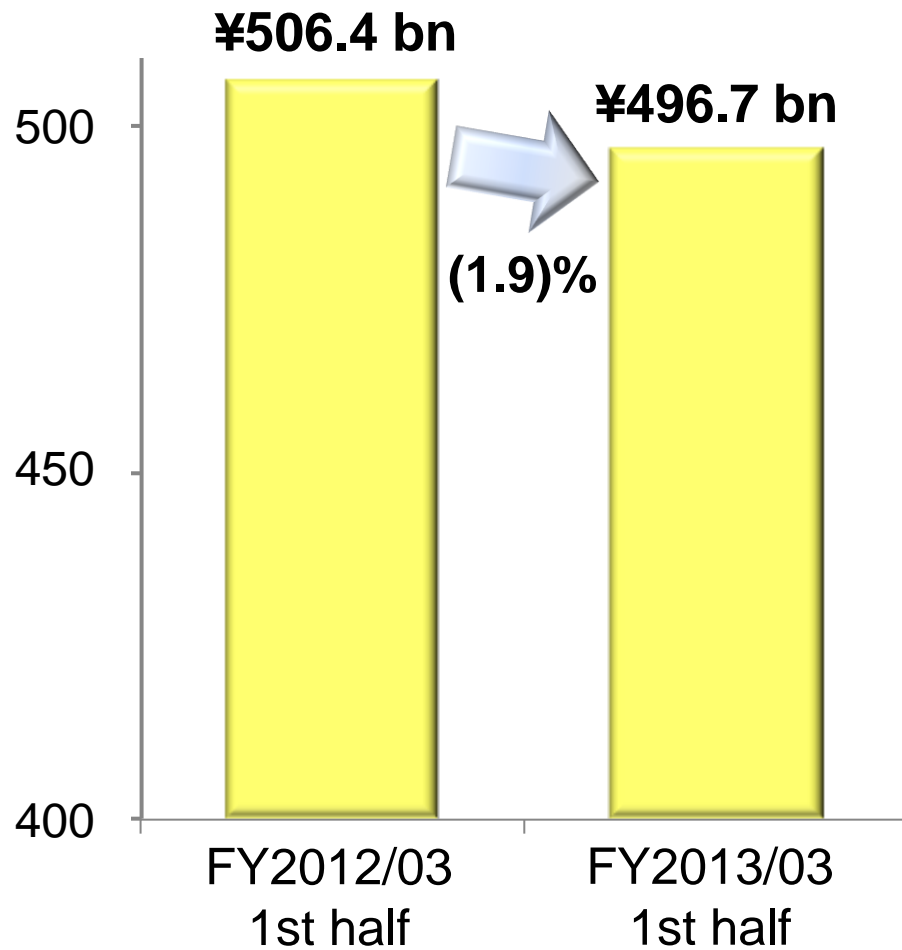
November 2, 2012

Nippon Meat Packers, Inc.

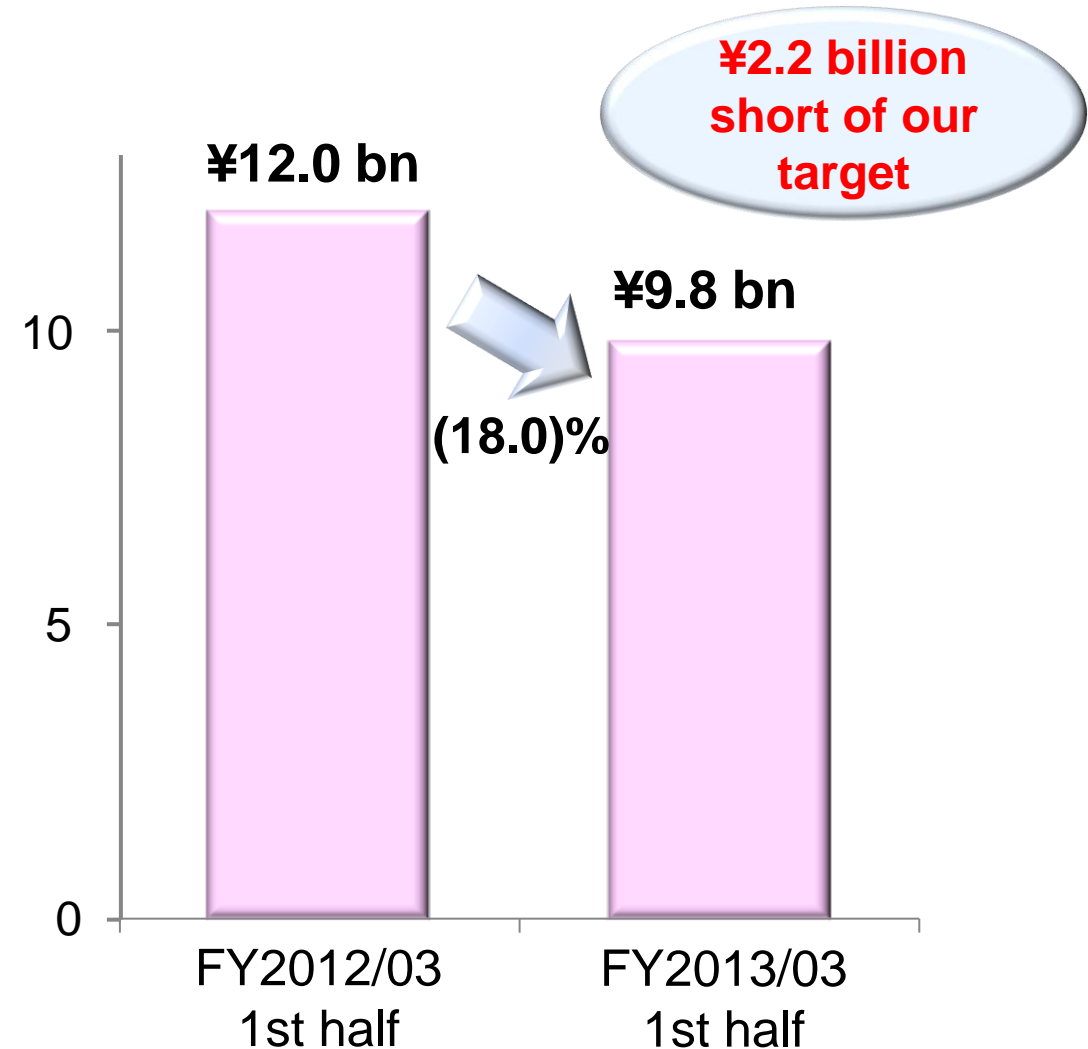
President and Representative Director

Noboru Takezoe

1. First Half Results Overview



Sales



Operating Income

Reasons for Operating Income Decrease

- Processed Foods Business Division: Lower volumes for commercial-use products
- Fresh Meats Business Division: Weak pork and poultry market prices. Profitability worsened in farming businesses
- Affiliated Business Division: Deteriorating profitability of marine products business
- Overseas Operations: Deteriorating pig-farming operations due to high feed prices

Full-year operating income
No change to target of ¥30.0 billion

**Earnings on target for 3rd quarter
and after**

- Positive factors
 - Steady sales of hams and sausages
 - Year-end demand to expand
 - Improved profitability in imported poultry
 - Growth in the number of fresh meats sold

- Negative factors
 - Deteriorating pig-farming operations in the U.S. due to high feed prices
 - Delay in the recovery of fresh meat market prices

(1) Aggressive investment in growth and efficiency strategies

- ▶ Operating income ratio target of 4%

(2) Shareholder-focused management

- ▶ Consolidated dividend payout ratio of 30%
- ▶ Acquisition of treasury stock, improved total returns ratio

(3) Capital strategy

- ▶ Establish ROE as new performance indicator

(4) Improve Group brand value

- ▶ Build corporate communications framework

(1) Aggressive investment in growth and efficiency strategies

● Processed Foods Business Division

- Rebuild Ibaraki Plant (investment: ¥7.0 billion)

→ Aim to improve production efficiency

- Rebuild Kamakura Ham Tomioka Co., Ltd.

(investment: ¥2.0 billion)

→ Strengthen high value-added products



(1) Aggressive investment in growth and efficiency strategies

● Fresh Meats Business Division

Enhance farming operations

- Build new facilities in Nippon White Farm Co., Ltd.
(investment: ¥2.0 billion) (increased to: 1.75 million fowl/year)
- Consolidate Niiburo Co., Ltd. into NH Group
(investment: ¥1.5 billion)
(Niiburo Co., Ltd. shipment target: 7 million fowl/year)

Improve logistics structure (investment: ¥7.0 billion)

(1) Aggressive investment in growth and efficiency strategies

● Affiliated Business Division

- Add new wing to Hoko Co., Ltd.'s Hachinohe Factory

→ Strengthen room-temperature products (canned)

(investment: ¥1.1 billion) (+6,500 tons/year)



● Overseas Operations

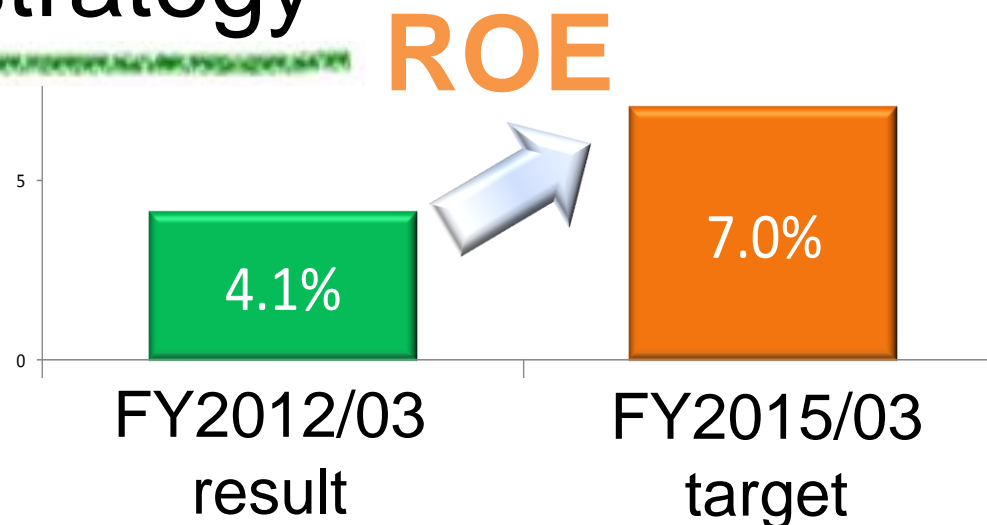
- Build new sales base in Vietnam

→ Strengthen direct marketing structure for hams and sausages

(2) Shareholder-focused management

- Acquire treasury stock
 - Common stock 15 million shares (limit), ¥15.0 billion (limit)
 - Acquired with the Company's surplus funds
- Continue acquisitions of treasury stock into the future
- Strategically improve ROE

(3) Capital strategy



(4) Corporate communications activities

- Cooking classes (food allergy classes, cooking classes for disabled people)
- Dietary education seminars and lectures at schools, sports festivals, etc.
- Sports lessons (children's baseball and soccer)
- Investor and shareholder relations (Overseas IR, investor briefings, shareholder forums)



Food allergy class



Cooking class for disabled people



Soccer lesson



Company briefing for overseas investors

→ Wide-ranging corporate communications activities to raise corporate value

1. Structural reform of Processed Foods
Business Division
2. Feed prices
3. Fresh meat market
4. Relaxed restrictions on imports of
US beef
5. Reform of Australian businesses

1. Structural reform of Processed Foods Business Division

- Company split of 4 plants from Nippon Meat Packers and turned them into a consolidated subsidiary
 - Strengthen corporate competitiveness and improve management efficiency (Starting October 1)
- Restructure domestic production bases
 - Optimized by function of production structure
- Reconstruct building at Ibaraki Plant
 - Install high-productivity line



2. Feed prices

Japan

- Increase in feed prices between October and December
- High feed prices not affected due to launch of a contingency fund

Overseas

- High feed prices to be a negative factor in US operations throughout the current fiscal year

3. Fresh meat market

- Imported poultry
 - Improvement expected from 2nd half and after due to inventory adjustments
- US live hog prices
 - Recovery expected from next spring (because shipments will decrease)

4. Relaxed restrictions on imports of US beef

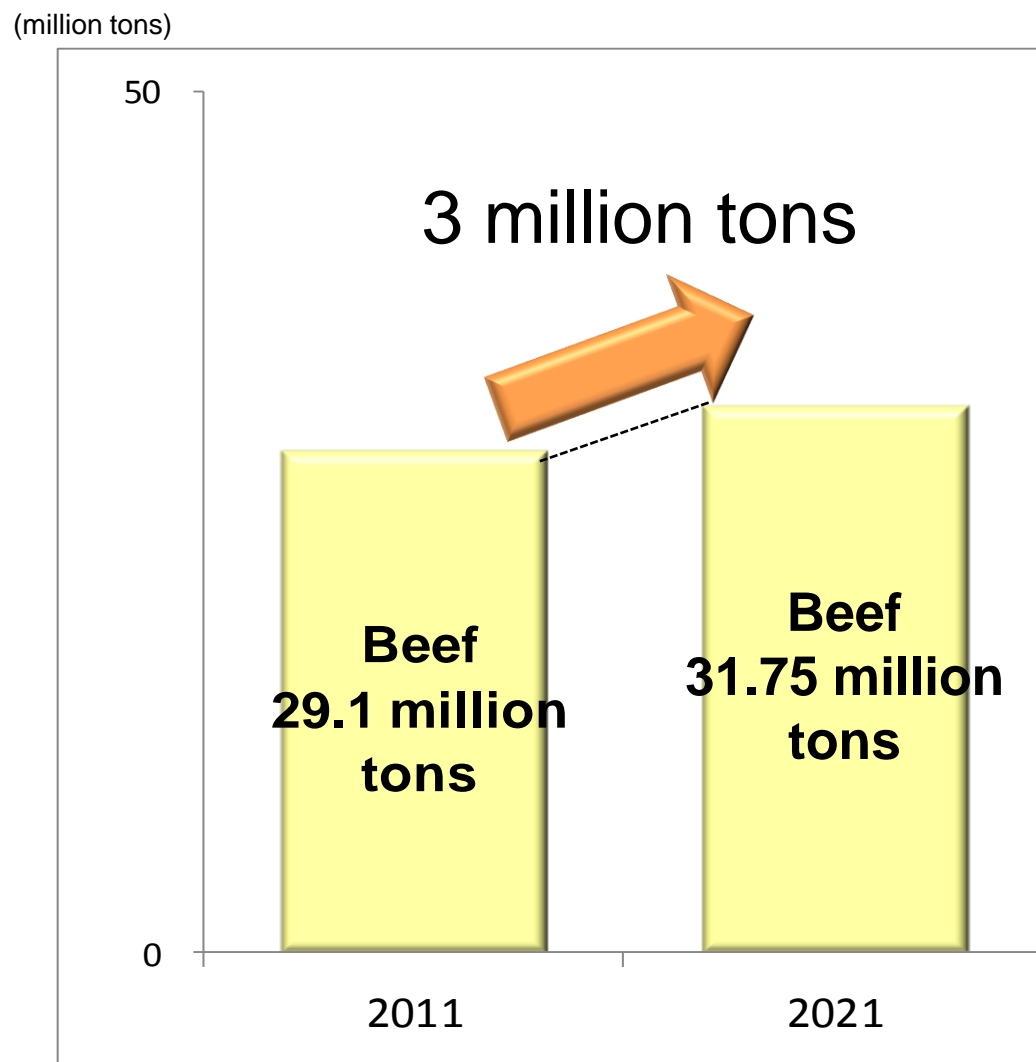
- Volumes of some kinds of beef imports are likely to increase (short plate, tongue, etc.)
- Expected sales volume growth is positive factor
- Parts not mentioned above
 - Significant increase in import volumes is unlikely (Decrease in number of live cattle in the United States, and other factors)

5. Reform of Australian businesses

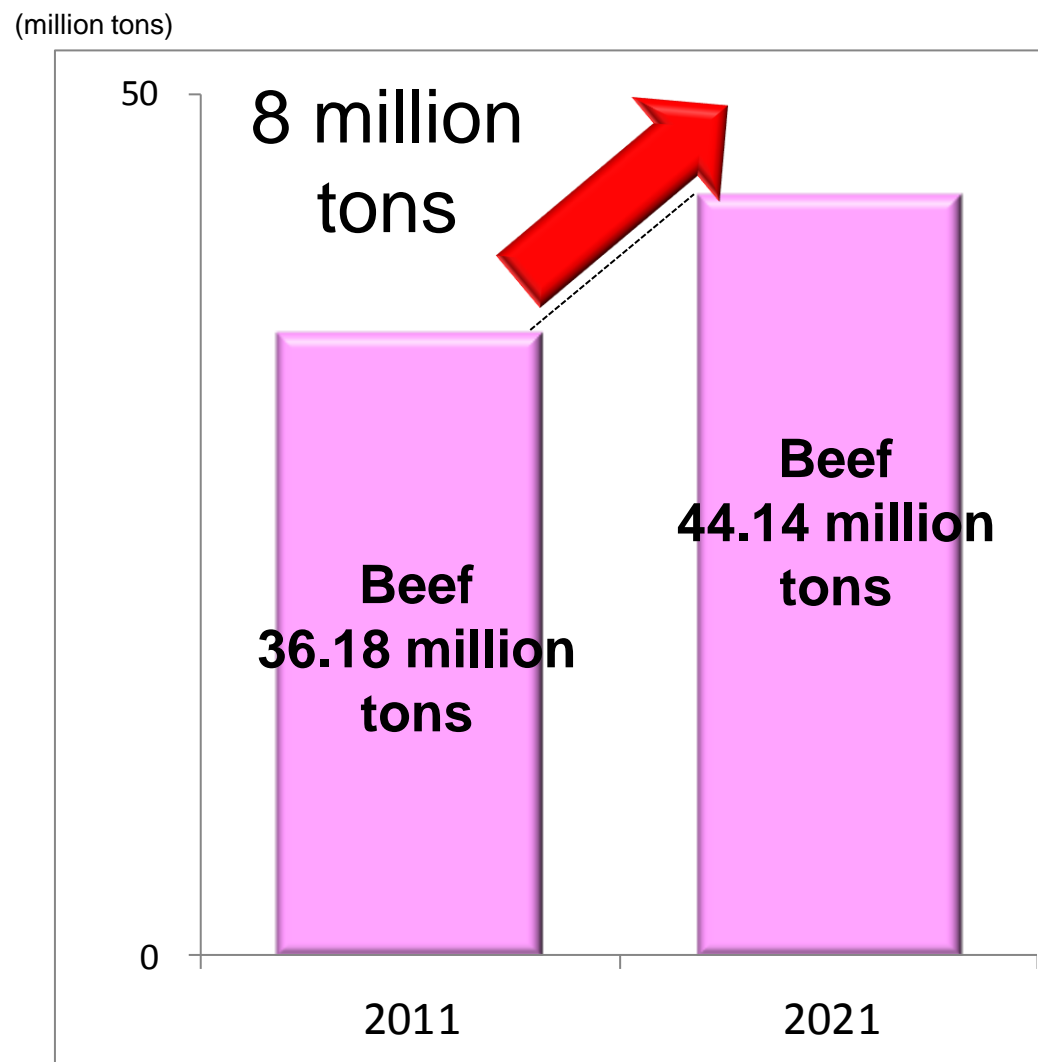
- Increased number of live cattle shipped
 - Procurement prices fall year on year, improving profitability
- Review of product range for export to Japan (measures to ensure profitability)
 - Launch of new Whyalleaf brand (From September, 90 tons/month)
- Strengthen marketing structure of Australian beef (measures to ensure profitability) (for China, ASEAN, Middle East, Europe, and other countries)



Increasing beef consumption in developing countries

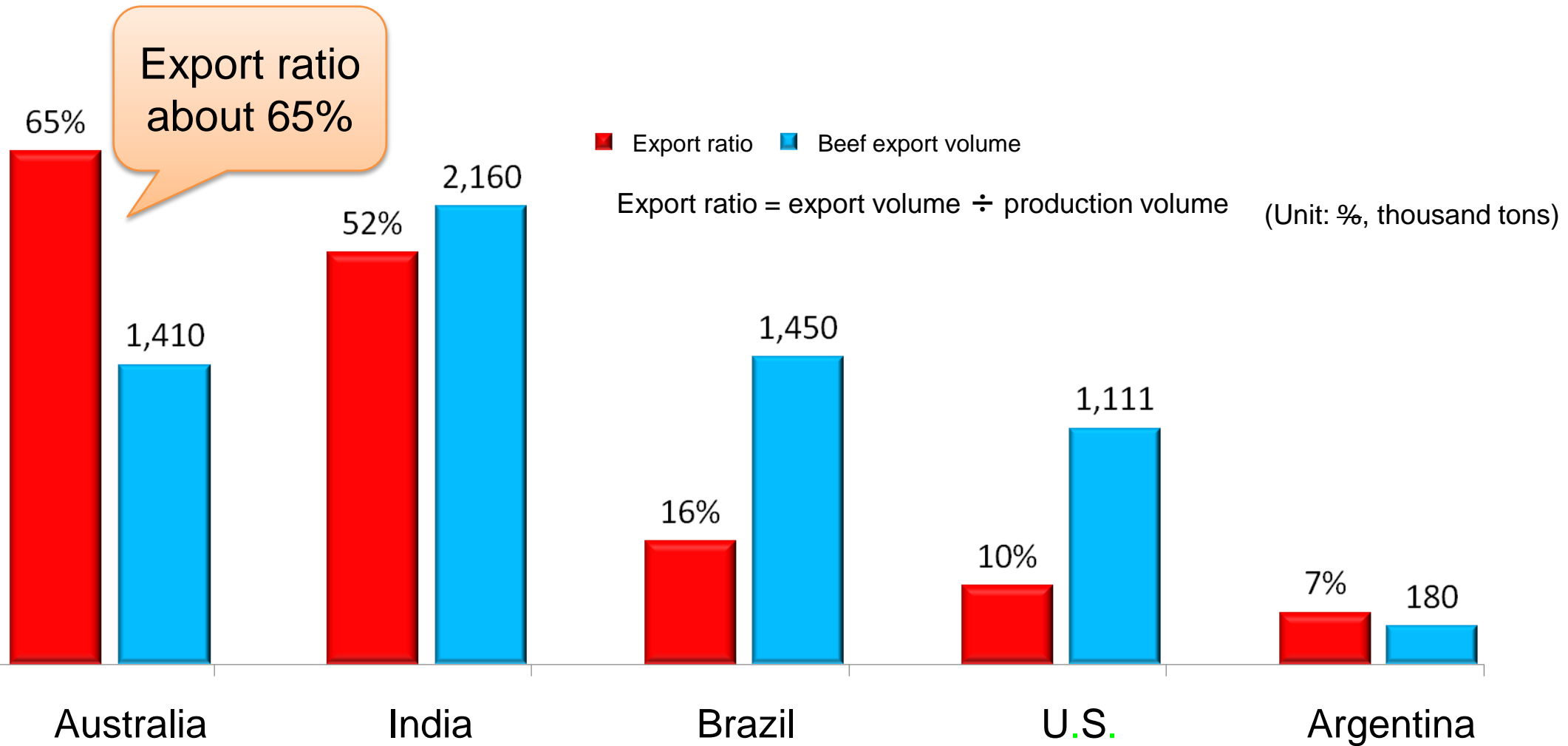


Beef consumption in developed countries



Beef consumption in developing countries

Rising Australian presence !



Source: World Markets and Trade, USDA Livestock and Poultry

- Australia has low BSE risk

Contact

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Actual performance may differ significantly from the outlook and targets in this presentation, and investment decisions should not be based exclusively on them.

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