

Business Results for the Third Quarter of FY2014/3

February 3, 2014 (Mon.)

Nippon Meat Packers, Inc.

Contents

- I. Consolidated Business Results for FY2014/3 1Q - 3Q (Apr. - Dec.)**
- II. Outlook for FY2014/3**
- III. Consolidated Financial Results for FY2014/3 1Q - 3Q (Apr. - Dec.)**

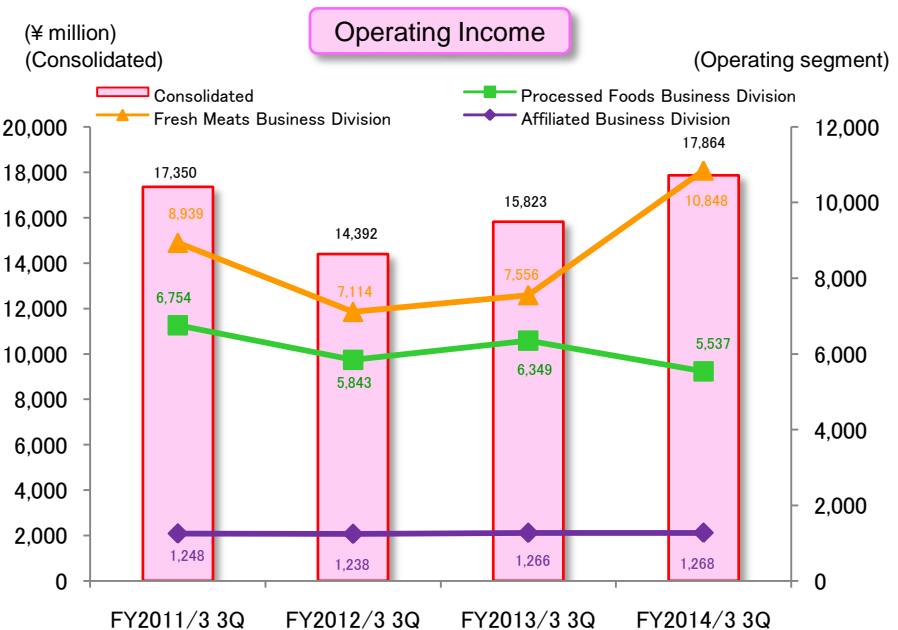
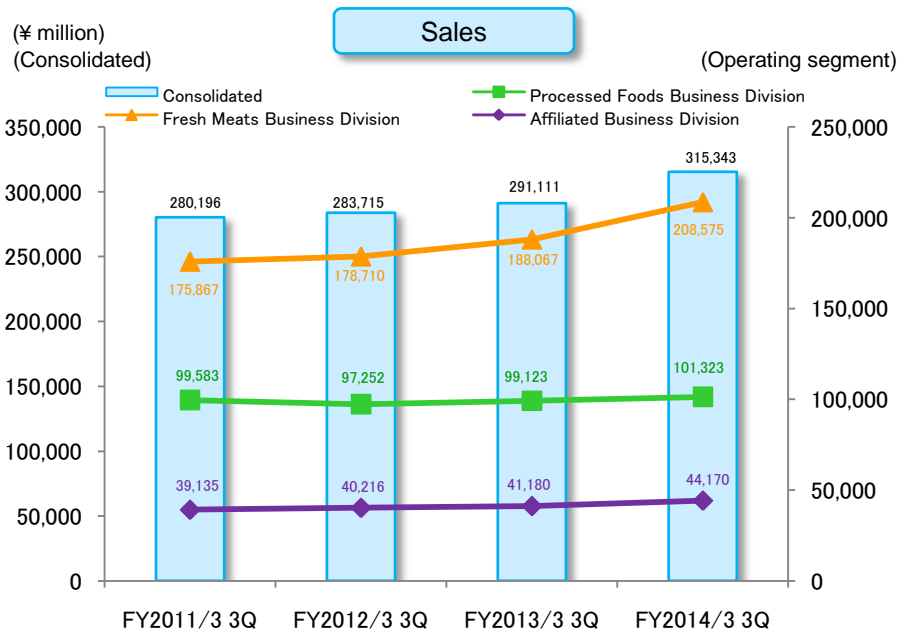
I. Consolidated Business Results for FY2014/3 1Q - 3Q (Apr. - Dec.)

- 1. Business Results by Operating Segment Data: 3Q (Oct. - Dec.)**
- 2. Business Results by Operating Segment Data: 1Q - 3Q (Apr. - Dec.)**
- 3. Operating Segment Data: Processed Foods Business Division**
- 4. Operating Segment Data: Fresh Meats Business Division**
- 5. Operating Segment Data: Affiliated Business Division**
- 6. Business Results in Major Overseas Geographical Areas**
- 7. External Customer Net Sales Results in Major Overseas Geographical Areas**

1. Operating Segment Data: 3Q (Oct. - Dec.)

(¥ million)

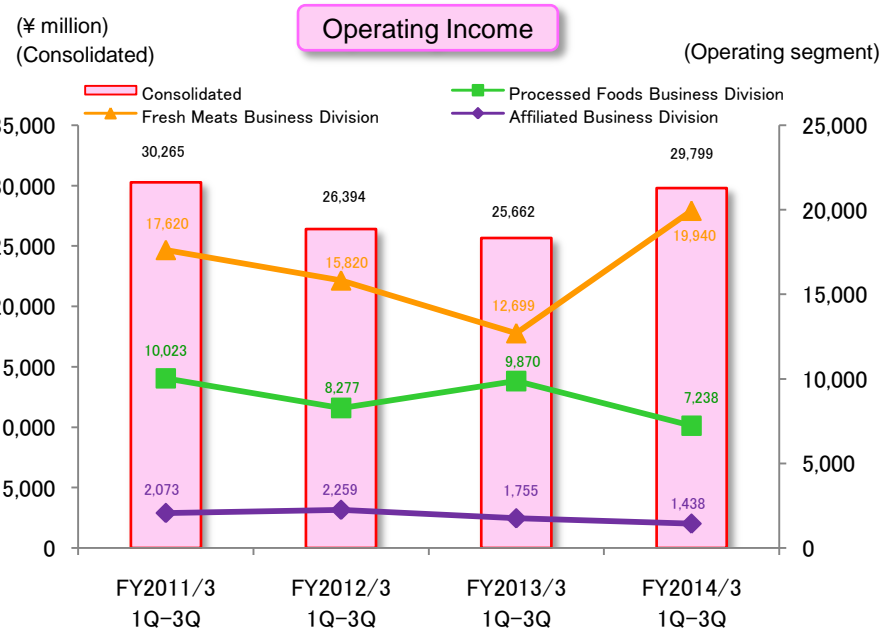
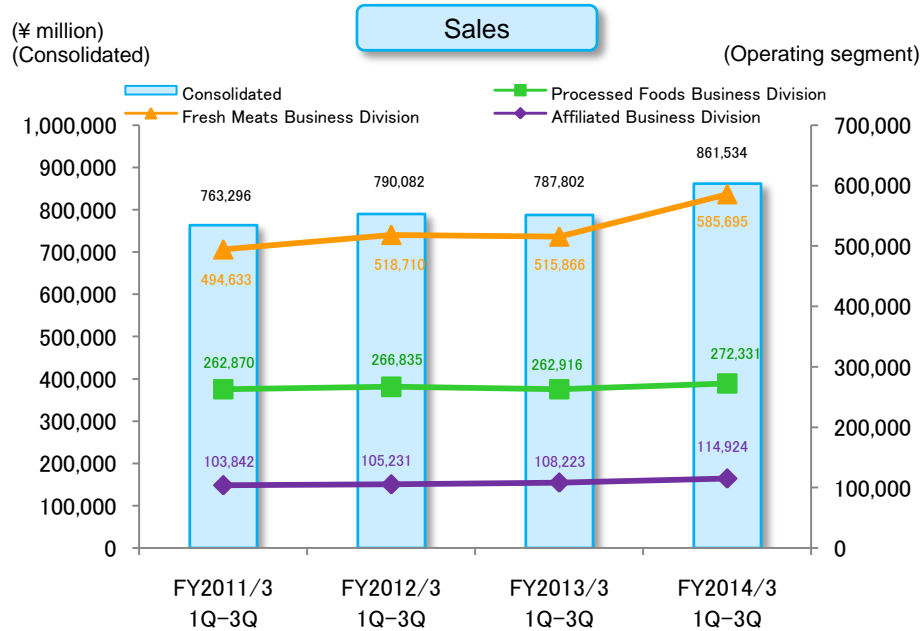
		FY2011/3 3Q	FY2012/3 3Q	FY2013/3 3Q	FY2014/3 3Q	Variance	Variance (%)
Processed Foods Business Division	Sales	99,583	97,252	99,123	101,323	2,200	2.2
	Operating income	6,754	5,843	6,349	5,537	(812)	(12.8)
Fresh Meats Business Division	Sales	175,867	178,710	188,067	208,575	20,508	10.9
	Operating income	8,939	7,114	7,556	10,848	3,292	43.6
Affiliated Business Division	Sales	39,135	40,216	41,180	44,170	2,990	7.3
	Operating income	1,248	1,238	1,266	1,268	2	0.2
Eliminations, adjustments and others	Sales	(34,389)	(32,463)	(37,259)	(38,725)	(1,466)	3.9
	Operating income	409	197	652	211	(441)	(67.6)
Consolidated	Sales	280,196	283,715	291,111	315,343	24,232	8.3
	Operating income	17,350	14,392	15,823	17,864	2,041	12.9



- Sales by operating segment and sales values in Page 21 of this presentation (by category) do not necessarily correspond (due to intersegment transactions)
- Sales for each segment include intersegment sales
- Previous-year results for each segment are restated to comply with changes in segmentation at certain subsidiaries

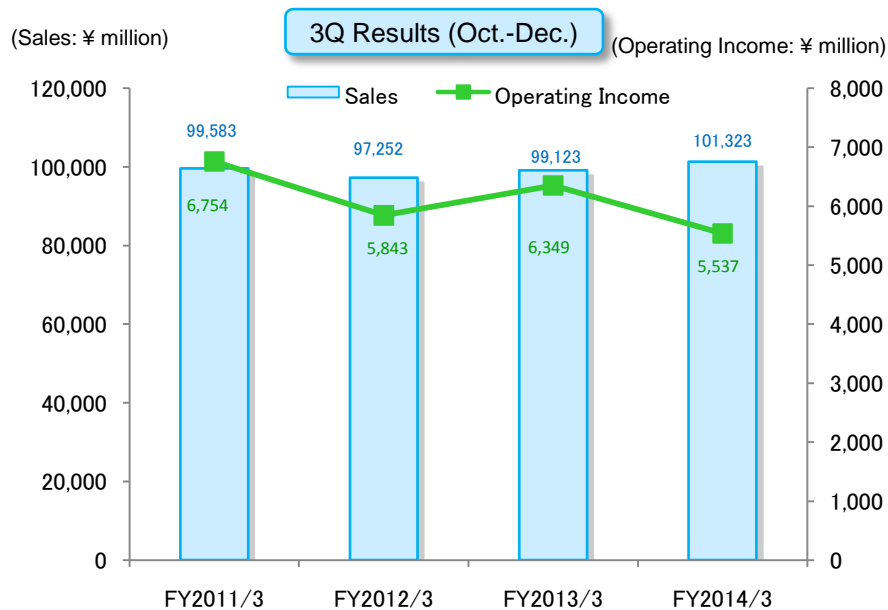
(¥ million)

		FY2011/3 1Q-3Q	FY2012/3 1Q-3Q	FY2013/3 1Q-3Q	FY2014/3 1Q-3Q	Variance	Variance (%)
Processed Foods Business Division	Sales	262,870	266,835	262,916	272,331	9,415	3.6
	Operating income	10,023	8,277	9,870	7,238	(2,632)	(26.7)
Fresh Meats Business Division	Sales	494,633	518,710	515,866	585,695	69,829	13.5
	Operating income	17,620	15,820	12,699	19,940	7,241	57.0
Affiliated Business Division	Sales	103,842	105,231	108,223	114,924	6,701	6.2
	Operating income	2,073	2,259	1,755	1,438	(317)	(18.1)
Eliminations, adjustments and others	Sales	(98,049)	(100,694)	(99,203)	(111,416)	(12,213)	12.3
	Operating income	549	38	1,338	1,183	(155)	(11.6)
Consolidated	Sales	763,296	790,082	787,802	861,534	73,732	9.4
	Operating income	30,265	26,394	25,662	29,799	4,137	16.1



- Sales by operating segment and sales values in Page 21 of this presentation (by category) do not necessarily correspond (due to intersegment transactions)
- Sales for each segment include intersegment sales
- Previous-year results for each segment are restated to comply with changes in segmentation at certain subsidiaries

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



(¥ million, %)

	FY2013/3 3Q	FY2014/3 3Q	Variance	Variance (%)
Sales	99,123	101,323	2,200	2.2
Operating income	6,349	5,537	(812)	(12.8)
Operating income ratio	6.4%	5.5%	-	-

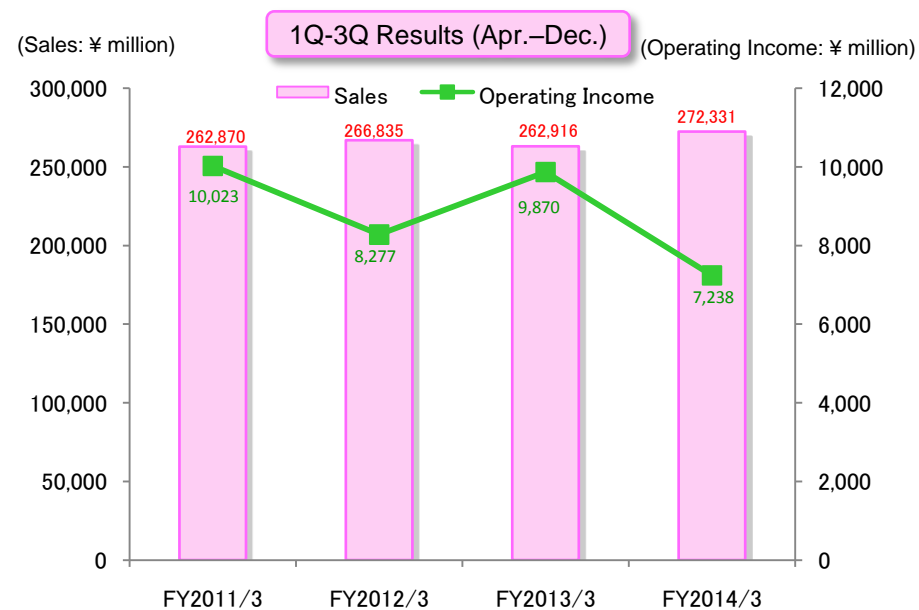
【FY2014/3 3Q (Oct.-Dec.)】

(Sales)

- In hams and sausages, sales increased due to higher monetary amounts from a hike in unit prices. This occurred despite a fall in sales volume

(Operating Income)

- Earnings decreased because of the declining impacts of cost reductions and Supply Chain Management accompanying lower sales volume which were unable to offset higher principal raw material and fuel prices



(¥ million, %)

	FY2013/3 1Q-3Q	FY2014/3 1Q-3Q	Variance	Variance (%)
Sales	262,916	272,331	9,415	3.6
Operating income	9,870	7,238	(2,632)	(26.7)
Operating income ratio	3.8%	2.7%	-	-

【FY2014/3 1Q-3Q (Apr.-Dec.)】

(Sales)

- In hams and sausages, sales of main "SCHAU ESSEN" were strong
- In processed foods, revenues increased due to robust sales of consumer-use products, including hamburgers

(Operating Income)

- Major factors for the decrease in operating income include higher prices of principal raw materials and the deteriorating operating income ratio for products manufactured overseas

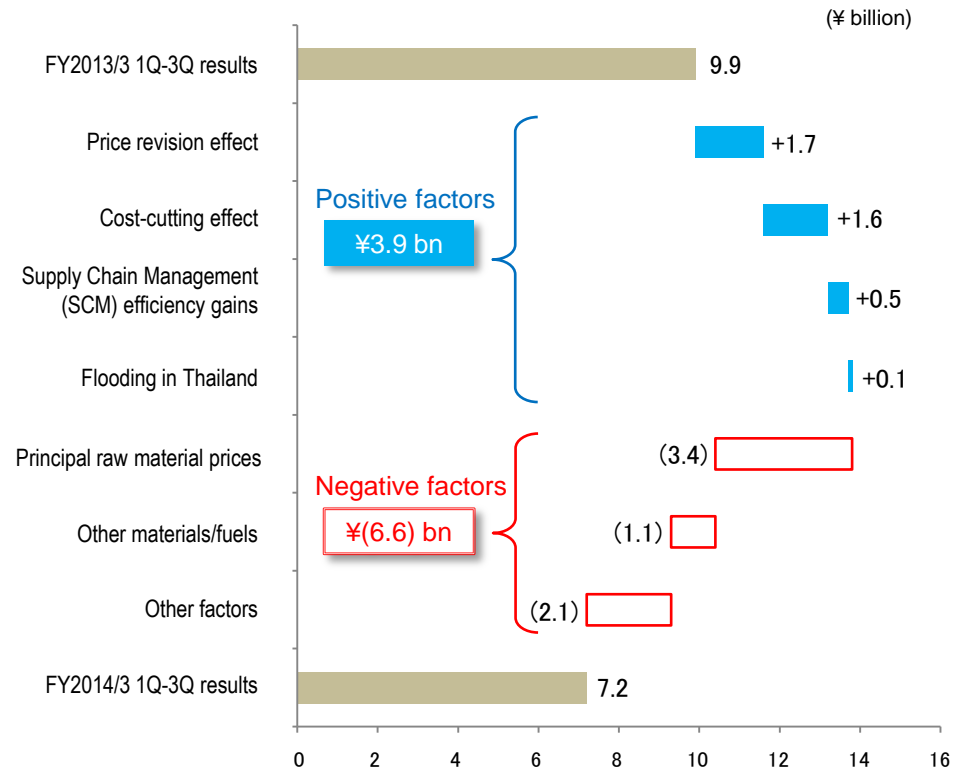
Factor Analysis: Changes in operating income

(¥ billion)

	FY2014/3 1Q-3Q (Apr.-Dec.) forecasts and results				
	1st half results	3Q results	1Q-3Q forecasts	1Q-3Q results	Variance
Price revision effect	0.8	0.9	1.7	1.7	(0.0)
Cost-cutting effect	1.0	0.6	1.9	1.6	(0.3)
Supply Chain Management (SCM) efficiency gains	0.4	0.1	0.6	0.5	(0.1)
Flooding in Thailand	0.1	0.0	0.1	0.1	0.0
Principal raw/other material prices	(2.3)	(2.2)	(4.4)	(4.5)	(0.1)
Principal raw material prices	(1.7)	(1.7)	(3.0)	(3.4)	(0.4)
Other materials/fuels	(0.6)	(0.5)	(1.4)	(1.1)	0.3
Other factors	(1.8)	(0.3)	(2.2)	(2.1)	0.1
Including Impact of products manufactured overseas	(1.2)	0.0	(1.2)	(1.2)	0.0
Total	(1.8)	(0.8)	(2.3)	(2.6)	(0.4)

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

Factor Analysis Graph: Changes in operating income (1Q-3Q)



● Forecasts Variation Factor Analysis (1Q-3Q)

【Cost-cutting effect】

⇒ Cost-cutting effect decreased accompanying lower sales volumes for hams and sausages, and processed foods

【Other factors】

⇒ The income ratio of products manufactured overseas deteriorated following the weakening of the yen (1Q: ¥(0.9) billion, 2Q: ¥(0.3) billion)

● Year-end gift product sales results

- FY2014/3 results: down 2% (unit basis) year on year
- “*Utsukushi-no-Kuni*” sets sold: up approximately 7% (unit basis) year on year (Sales ratio: approximately 17%)

Reference: Market data (unit basis) of the 2013 year-end gift season
 *Nippon Meat Packers, Inc. survey
 Overall gift set market: lower than last year
 Hams and sausages gift market: lower than last year

【Reference: Year-end gift product sales results】

(Unit: 1,000)

		FY2013/3 Results	FY2014/3 Results	
		Unit	Unit	Variance
Year-end gift sets sold Results	Overall sales volume	4,759	4,675	98%
	“ <i>Utsukushi-no-Kuni</i> ”	727	780	107%

● Major brands sales results

【Reference: Year-on-year sales comparison of major brand products】

Hams and sausages	FY2014/3 Results			Processed Foods	FY2014/3 Results		
	1st half	3Q	1Q-3Q		1st half	3Q	1Q-3Q
<i>SCHAU ESSEN</i>	101%	107%	103%	<i>Ishigama Kobo</i>	104%	101%	103%
<i>Mori-no-Kaori Arabiki wiener sausages</i>	83%	98%	88%	<i>Chuka Meisai</i>	104%	97%	102%
Loin Hams	97%	92%	96%	Prefried	93%	96%	94%
Bacons	104%	106%	104%	Hamburgers / Meatballs	124%	112%	120%
Yakibutas	108%	93%	102%	Curries	109%	115%	111%



“Irodori Kitchen Half Bacon”



“Four Cheese Hamburg”

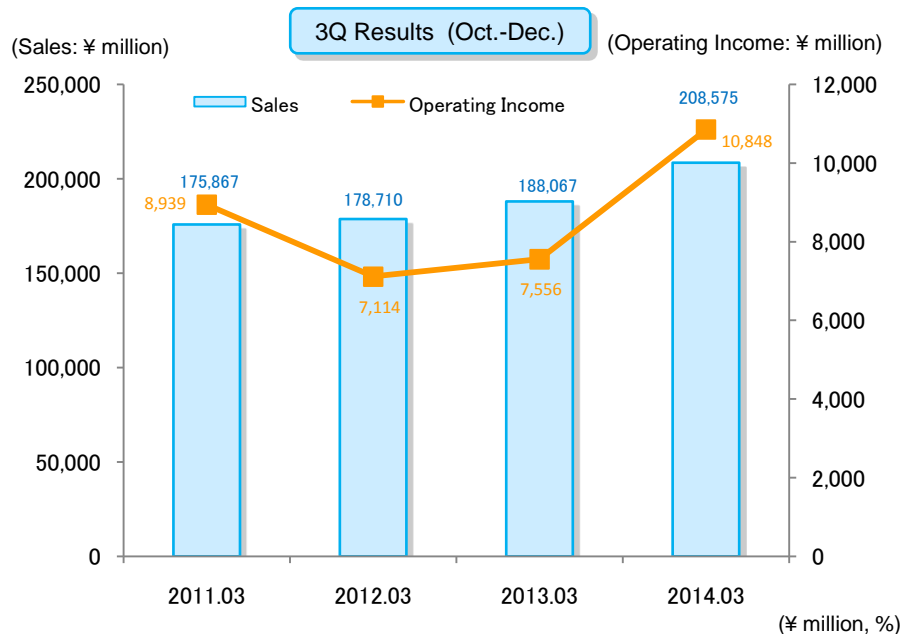
● Sales results by channel

- 1) Consumer-use products
Sales of hams and sausages and processed foods were firm
- 2) Commercial-use products
Sales of hams and sausages, and processed foods to convenience stores were firm

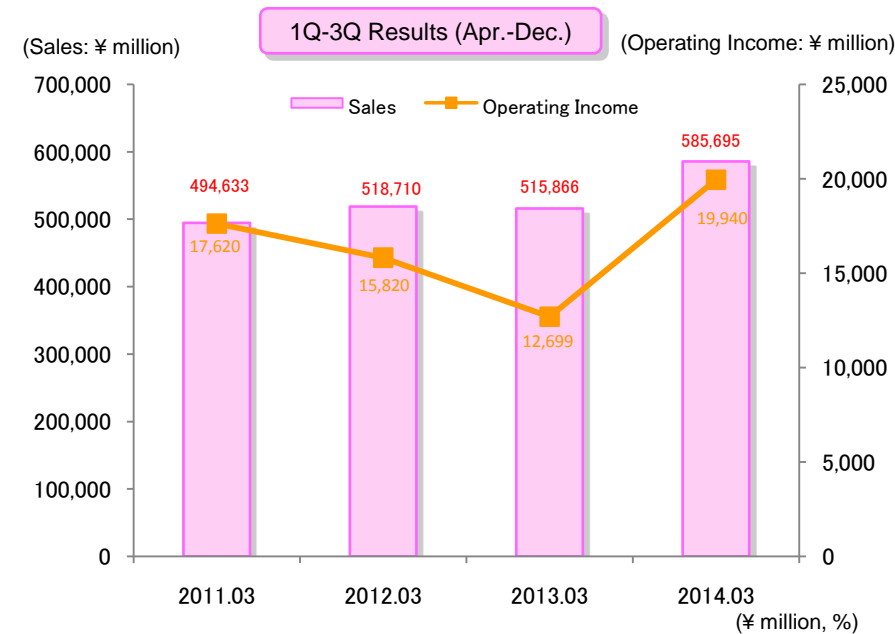
【Reference: FY2014/3 1Q-3Q (Year-on-year growth in sales by channel)】

		Volume	Amount
Hams and sausages	Consumer-use	100%	103%
	Commercial-use	99%	99%
	Total	99%	101%
Processed foods	Consumer-use	99%	103%
	Commercial-use	102%	102%
	Total	101%	103%

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



	FY2013/3 3Q	FY2014/3 3Q	Variance	Variance (%)
Sales	188,067	208,575	20,508	10.9
Operating income	7,556	10,848	3,292	43.6
Operating income ratio	4.0%	5.2%	-	-



	FY2013/3 1Q-3Q	FY2014/3 1Q-3Q	Variance	Variance (%)
Sales	515,866	585,695	69,829	13.5
Operating income	12,699	19,940	7,241	57.0
Operating income ratio	2.5%	3.4%	-	-

【FY2014/3 3Q (Oct. - Dec.)】

(Sales)

- Sales grew owing to increase in unit prices accompanying a recovery in market prices in Japan

(Operating Income)

- In Japan, farming operations improved thanks to a rebound in fresh meat market prices
- Overseas earnings increased, reflecting an improvement of Australian businesses

【FY2014/3 1Q-3Q (Apr. - Dec.)】

(Sales)

- Sales increased due to higher sales of Australian beef in its volume and monetary amounts, and increased unit prices accompanying a recovery in domestic market prices from the summer onward

(Operating Income)

- Earnings increased due to an improvement in farming operations in Japan, reflecting higher market prices, and a major enhancement of Australian businesses

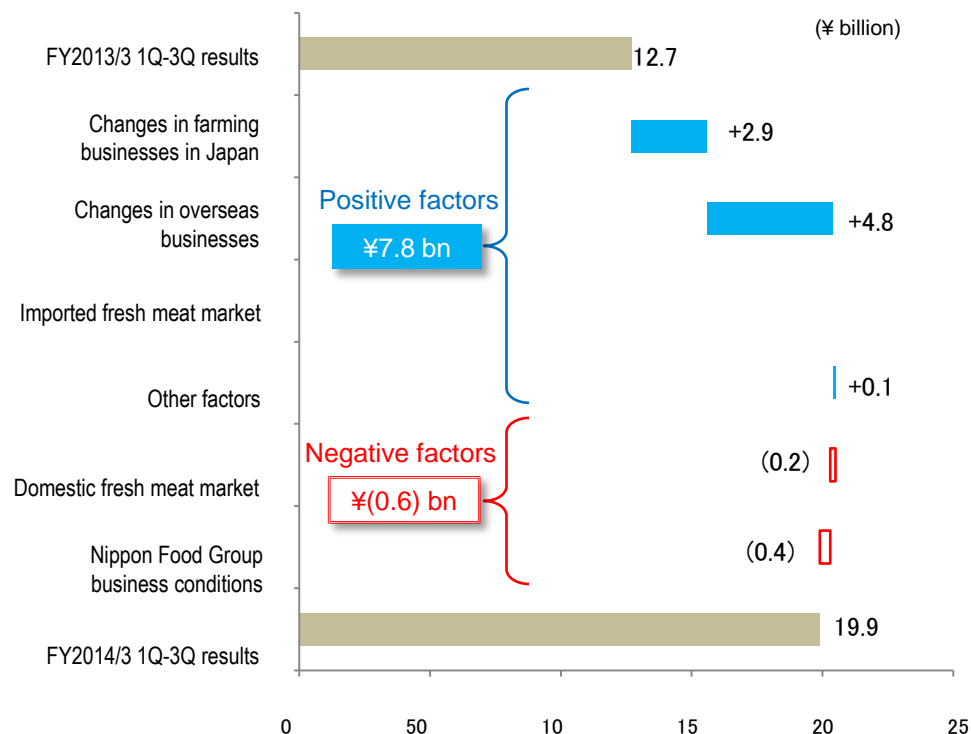
Factor Analysis: Changes in operating income

(¥ billion)

	FY2014/3 1Q-3Q (Apr.-Dec.) forecasts and results				
	1st half results	3Q results	1Q-3Q forecasts	1Q-3Q results	Variance
Changes in farming businesses in Japan	1.2	1.7	2.1	2.9	0.8
Changes in overseas businesses	3.8	1.0	4.9	4.8	(0.1)
Imported fresh meat market	(0.5)	0.5	(0.6)	0.0	0.6
Domestic fresh meat market	0.1	(0.3)	(0.1)	(0.2)	(0.1)
Nippon Food Group business conditions	(0.6)	0.2	(0.6)	(0.4)	0.2
Other factors	(0.1)	0.2	(0.1)	0.1	0.2
Total	3.9	3.3	5.6	7.2	1.6

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

Factor Analysis Graph: Changes in operating income (1Q-3Q)



● Projection Variation Factor Analysis (1Q-3Q)

【Changes in overseas businesses】

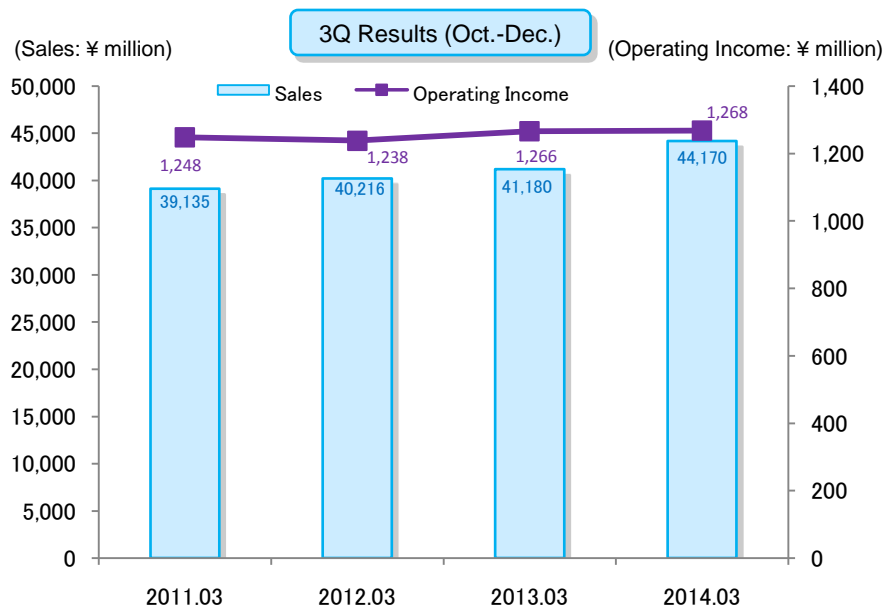
⇒ Production businesses' results improved significantly following a rise in market prices in Japan

【Imported fresh meat market】

⇒ In imported beef, unit prices improved due to stronger substitute demand amid higher beef market prices in Japan

【Nippon Food Group business conditions】

⇒ Unit prices improved despite sluggish sales volume



	FY2013/3 3Q	FY2014/3 3Q	Variance	Variance (%)
Sales	41,180	44,170	2,990	7.3
Operating income	1,266	1,268	2	0.2
Operating income ratio	3.1%	2.9%	-	-

(¥ million, %)

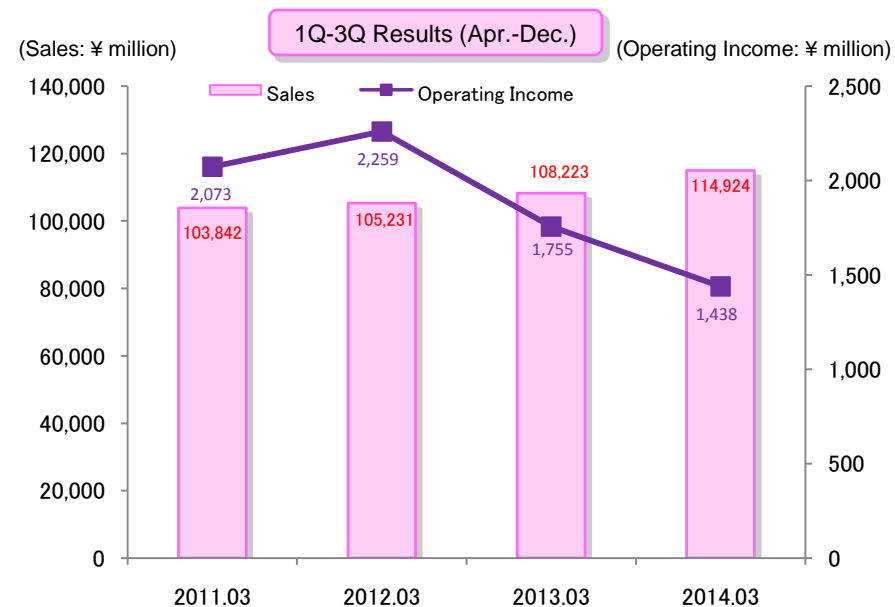
【FY2014/3 3Q (Oct. - Dec.)】

(Sales)

- In marine products, sales increased thanks to higher sales during the year-end sales campaign
- In dairy products, sales increased, despite sluggish sales of national-brand yogurt products, due to higher sales of cheese products to bakeries and food service channels

(Operating Income)

- In marine products, an upswing in sales of high-priced products contributed to increased earnings
- In dairy products, the income ratio deteriorated for yogurt products mainly due to higher raw material prices



	FY2013/3 1Q-3Q	FY2014/3 1Q-3Q	Variance	Variance (%)
Sales	108,223	114,924	6,701	6.2
Operating income	1,755	1,438	(317)	(18.1)
Operating income ratio	1.6%	1.3%	-	-

(¥ million, %)

【FY2014/3 1Q-3Q (Apr. - Dec.)】

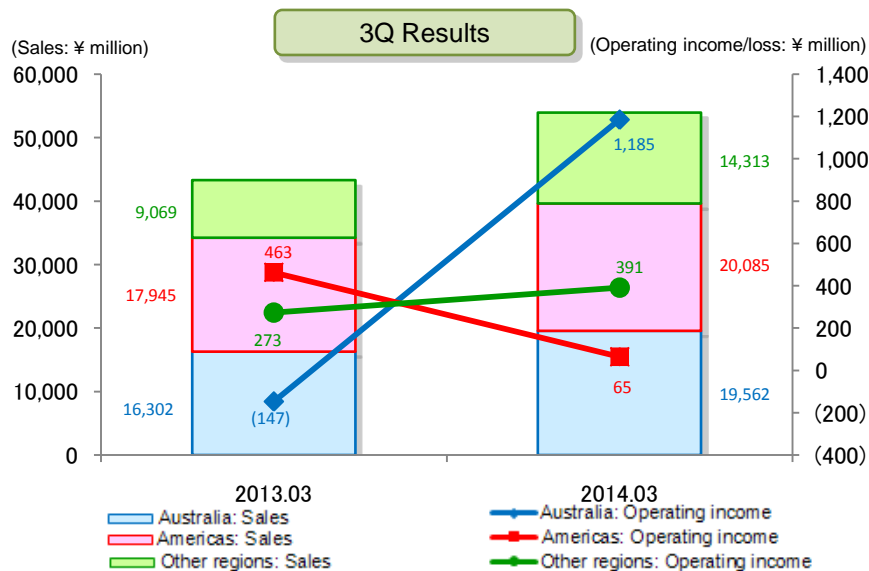
(Sales)

- In marine products, sales grew thanks to higher sales to volume retailers and sales to sushi restaurants that remained on par with the previous fiscal year
- In dairy products, sales increased thanks to higher sales of cheese to bakeries and food service channels, despite fierce competition in convenience store channels

(Operating Income)

- In both marine and dairy products, earnings fell due to foreign exchange rates and delayed price revisions in response to higher prices for principal raw materials and imported products

6. Business Results in Major Overseas Geographical Areas

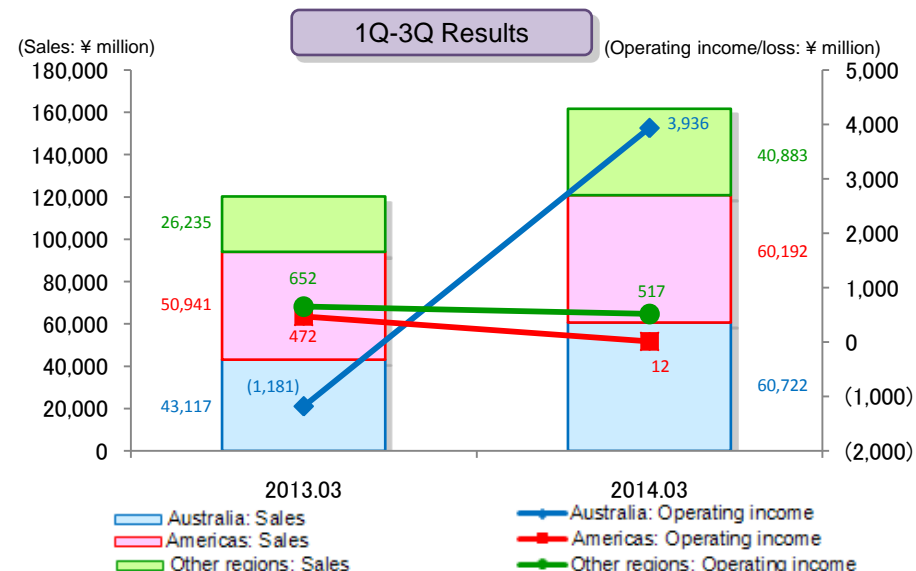


		FY2014/3 3Q (Oct. - Dec.)			
		FY2013/3 3Q	FY2014/3 3Q	Variance	Variance (%)
Overseas total	Sales	42,074	52,881	10,807	25.7
	Operating income	590	1,672	1,082	183.4
Australia	Sales	16,302	19,562	3,260	20.0
	Operating income	(147)	1,185	1,332	-
Americas	Sales	17,945	20,085	2,140	11.9
	Operating income	463	65	(398)	(86.0)
Other regions	Sales	9,069	14,313	5,244	57.8
	Operating income	273	391	118	43.2

- 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
- Americas include businesses in North and South America

【FY2014/3 3Q (Oct. - Dec.)】

- (Australia) • Sales and earnings increased thanks mainly to reductions in live cattle purchasing costs, improvements in factory costs and higher sales
- (Americas) • In the 3Q, earnings throughout the Americas improved
- (Asia) • Sales increased throughout Asia, while earnings trended upward



		FY2014/3 1Q-3Q (Apr. - Dec.)			
		FY2013/3 1Q-3Q	FY2014/3 1Q-3Q	Variance	Variance (%)
Overseas total	Sales	117,710	158,305	40,595	34.5
	Operating income	(78)	4,437	4,515	-
Australia	Sales	43,117	60,722	17,605	40.8
	Operating income	(1,181)	3,936	5,117	-
Americas	Sales	50,941	60,192	9,251	18.2
	Operating income	472	12	(460)	(97.5)
Other regions	Sales	26,235	40,883	14,648	55.8
	Operating income	652	517	(135)	(20.7)

【FY2014/3 1Q-3Q (Apr. - Dec.)】

- (Australia) • Sales and earnings rose thanks to increased sales mainly in the U.S., Asia and China
- (Americas) • Earnings from overseas export businesses fell primarily due to high U.S. market prices for pork carcasses and the strong U.S. dollar
- (Asia) • Earnings fell because of a deteriorating income ratio accompanying the weak yen and despite increases in sales volume in China and Thailand

7. External Customer Net Sales Results in Major Overseas Geographical Areas

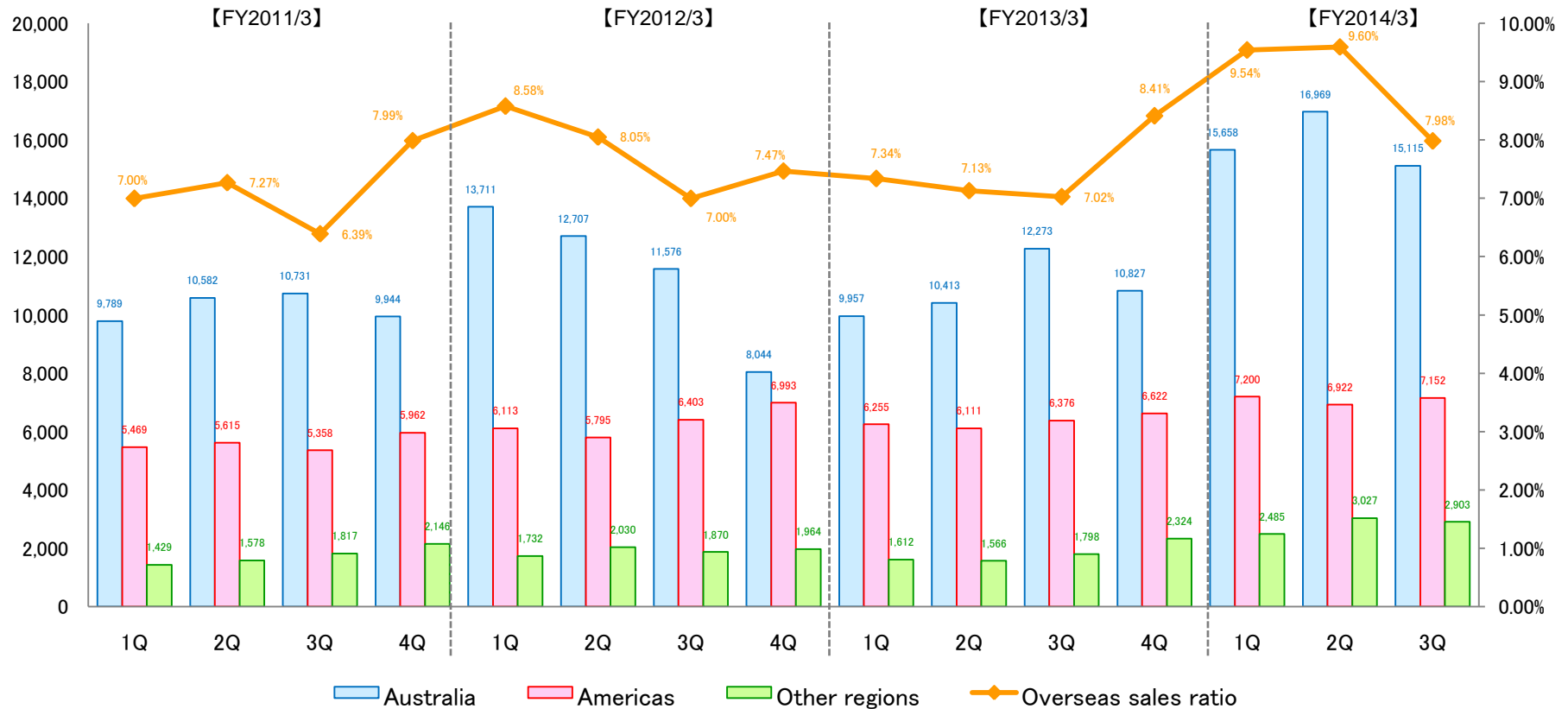
Copyright (C) 2014 Nippon Meat Packers, Inc. All rights reserved.

(¥ million)

	FY2011/3	FY2012/3	FY2013/3					FY2014/3		
	Full year	Full year	1Q	2Q	3Q	4Q	Full year	1Q	2Q	3Q
Australia	41,046	46,038	9,957	10,413	12,273	10,827	43,470	15,658	16,969	15,115
Americas	22,404	25,304	6,255	6,111	6,376	6,622	25,364	7,200	6,922	7,152
Other regions	6,970	7,596	1,612	1,566	1,798	2,324	7,300	2,485	3,027	2,903
Overseas total	70,420	78,938	17,824	18,090	20,447	19,773	76,134	25,343	26,918	25,170
Overseas sales ratio	7.12%	7.76%	7.34%	7.13%	7.02%	8.41%	7.44%	9.54%	9.60%	7.98%

*Net sales figures represent net sales to external customers.

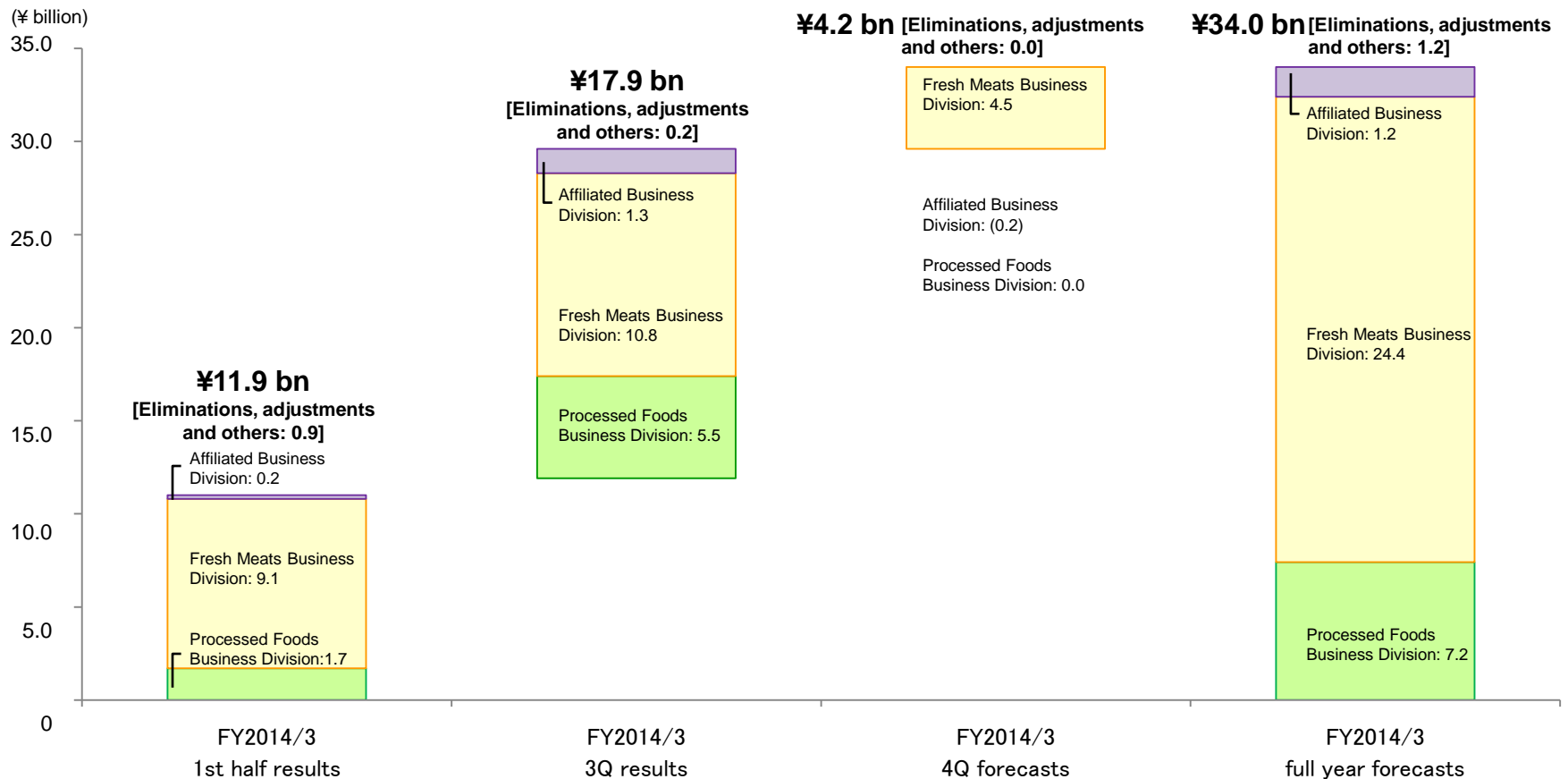
Sales (¥ million)



II. Outlook for FY2014/3

- 1. FY2014/3 Operating Income Forecasts**
- 2. Processed Foods Business Division: Outlook**
- 3. Fresh Meats Business Division: Outlook**
- 4. Affiliated Business Division: Outlook**

1. FY2014/3 Operating Income Forecasts (1)



	FY2014/3 1st half results			FY2014/3 3Q results			FY2014/3 4Q forecasts			FY2014/3 full year forecasts		
	FY2013/3 1st half results		Variance	FY2013/3 3Q results		Variance	FY2013/3 4Q results		Variance	FY2013/3 full year results		Variance
Processed Foods Business Division	3.5	1.7	(1.8)	6.3	5.5	(0.8)	(0.3)	0.0	0.3	9.6	7.2	(2.4)
Fresh Meats Business Division	5.1	9.1	4.0	7.6	10.8	3.3	2.8	4.5	1.6	15.5	24.4	8.9
Affiliated Business Division	0.5	0.2	(0.3)	1.3	1.3	0.0	(0.2)	(0.2)	0.0	1.5	1.2	(0.3)
Eliminations, adjustments and others	0.7	0.9	0.2	0.7	0.2	(0.5)	0.1	0.0	(0.1)	1.4	1.2	(0.2)
Total	9.8	11.9	2.1	15.8	17.9	2.0	2.4	4.2	1.8	28.0	34.0	6.0

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

【Revision of forecast and variance as of 2Q】

*Revision 4Q and full year forecasts revised after 2Q

(¥ billion)

	FY2014/3 1Q-3Q results			FY2014/3 4Q forecasts			FY2014/3 2nd half forecasts			FY2014/3 full year forecasts		
	Forecasts announced at 2Q		Variance	Forecasts announced at 2Q		Variance	Forecasts announced at 2Q		Variance	Forecasts announced at 2Q		Variance
Processed Foods Business Division	7.6	7.2	(0.4)	0.9	0.0	(0.9)	6.8	5.5	(1.3)	8.5	7.2	(1.3)
Fresh Meats Business Division	18.3	19.9	1.6	5.0	4.5	(0.5)	14.2	15.3	1.1	23.3	24.4	1.1
Affiliated Business Division	1.5	1.4	(0.1)	0.0	(0.2)	(0.2)	1.3	1.0	(0.3)	1.5	1.2	(0.3)
Eliminations, adjustments and others	0.9	1.2	0.3	(0.2)	0.0	0.2	(0.3)	0.2	0.5	0.7	1.2	0.5
Total	28.3	29.8	1.5	5.7	4.2	(1.5)	22.1	22.1	0.0	34.0	34.0	0.0

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

【FY2014/3 operating income forecasts】

(¥ billion)

Processed Foods Business Division	Differences of forecasts announced in FY2014/3 2Q					
	4Q		2nd half		Full year	
	Forecasts	Variance	Forecasts	Variance	Forecasts	Variance
Price revision effect	0.9	0.1	1.8	0.1	2.6	0.1
Cost-cutting effect	1.1	(0.5)	1.7	(0.8)	2.7	(0.8)
Supply Chain Management (SCM) effect	0.2	0.0	0.3	(0.1)	0.7	(0.1)
Principal raw/other material prices	(2.1)	(0.2)	(4.3)	(0.2)	(6.6)	(0.3)
Principal raw material prices	(1.4)	(0.3)	(3.1)	(0.7)	(4.8)	(0.7)
Other materials/fuels	(0.7)	0.1	(1.2)	0.4	(1.8)	0.4
Flooding in Thailand	0.0	0.1	0.0	0.1	0.1	0.1
Other factors	0.2	(0.4)	(0.1)	(0.3)	(1.9)	(0.3)
Total	0.3	(0.9)	(0.6)	(1.3)	(2.4)	(1.3)

Fresh Meats Business Division	Differences of forecasts announced in FY2014/3 2Q					
	4Q		2nd half		Full year	
	Forecasts	Variance	Forecasts	Variance	Forecasts	Variance
Changes in overseas businesses	1.5	0.3	2.5	0.2	6.3	0.2
Growth in Nippon Food Group business condition	0.3	(0.1)	0.5	0.1	0.0	0.1
Imported fresh meat market	(0.5)	(0.5)	0.0	0.1	(0.5)	0.1
Changes in farming businesses in Japan	0.7	(0.3)	2.4	0.5	3.6	0.5
Domestic fresh meat market	(0.3)	0.0	(0.7)	(0.2)	(0.6)	(0.2)
Other factors	(0.1)	0.1	0.1	0.3	0.1	0.4
Total	1.6	(0.5)	4.9	1.1	8.9	1.1

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

● Measures to increase sales of new products in spring 2014

• Hams and sausages

Highly convenient products and proposals for eating occasions

• Processed foods

Improve new market-creating and category-leading products



"Meister Select Weiswurst"



"Hokkaido Premium Jukusei Loin Ham"



"Kore-wa Benri! Arabiki Frank with cut lines"



"Sucre et Sucre Noukou Brioche French Toast"



"Omotenashi Selection Sakurahime Gomoku-gohan"



"Chuka-no Tetsujin Chen Kenichi's Sichuan Mabo Dofu & Subuta"

● Measures to expand sales of major brands and new products

1) Hams and sausages

- Further increase sales of the "Irodori Kitchen" series and main "SCHAU ESSEN" sausages, which will reach its 30th anniversary next year

2) Processed foods

- Boost sales of strong-selling "Four Cheese Hamburg" along with main and new products

Reference: Year-on-year sales comparison of major brand products and forecasts

Hams and sausages	FY2014/3 full year forecasts	Processed foods	FY2014/3 full year forecasts
SCHAU ESSEN	103%	Ishigama Kobo	103%
Mori-no-Kaori Arabiki wiener sausages	103%	Chuka Meisai	103%
Loin Hams	103%	Prefried	100%
Bacons	102%	Hamburgers / Meatballs	102%
Yakibutas	110%	Curries	100%

● Measures to expand sales by channel

1) Consumer-use

- Expand sales primarily of new spring products and main brands for both hams and sausages and processed foods

2) Commercial-use

- Bolster sales by expanding items mainly targeting convenience stores and food-service chains

Reference: Year-on-year growth in sales by channel

FY2014/3 full year forecasts		Amount
Hams and sausages	Consumer-use	102%
	Commercial-use	102%
	Total	102%
Processed foods	Consumer-use	102%
	Commercial-use	103%
	Total	102%

● Production businesses in Japan

1) Feed prices

- Despite stability in overseas corn prices, feed prices are expected to remain high during the current fiscal year due to weak yen

2) Farming operations in Japan

- Pork market prices remained high due to strong domestic pork demand accompanying price increases overseas and the lower volume of imported pork
- Chicken market prices are expected to be declined because of lower market rates in line with seasonal factors

● Overseas businesses

1) Australian businesses

- Improve income ratio by reducing cost of sales and increase sales of brand products
- Strengthen sales of Australian beef to the ASEAN region, China, Russia and the Middle East

2) Americas business

- Pork market prices are expected to be higher from last year

3) Other (Europe and Asia)

- In Europe, commence sales of *Italian Pork* and *German Pork* to Japan
- In Taiwan, we launched a joint venture with a local company to operate an extract factory, preparations for which are currently underway (scheduled to begin operations in March 2014)

Reference: FY2014/3 1Q-3Q Australian Businesses Sales Results

Major sales country	Volume ratio	Volume (year-on-year)
Japan	21%	95%
U.S.	17%	129%
South Korea	12%	129%
China	11%	238%
Taiwan	5%	95%
Australia	24%	111%
Other regions*	10%	135%
Total	100%	120%

* Other regions include Russia, EU, Indonesia, etc.

● Domestic operations, Nippon Food Group (meat product marketing companies)

- Aim for a continual 1% increase in market share by further strengthening sales to volume retailers as well as sales capabilities based on new business development
- Boost sales in three livestock categories in Japan
- Boost sales of brand fresh meats, including *Whyalleaf*, *Megumi-no-Kuni*, *Kenko (Healthy) Pork*, and *Sakurahime* brand chicken



“Sakurahime® Sanchoku Pack”

● Measures to increase marine product sales

(Marine Foods Corporation)

- Strengthen product development capability to expand sales of items from the Company's factories in Japan
- Increase share by boosting sales of priority products, focusing on shrimp and salmon related products marketed via volume retailer channels
- Strengthen manufacturing and sales of products using Hokkaido raw ingredients by taking advantage of the transfer of Kushiro Marusui's business operations in November 2013

(Hoko Co., Ltd.)

- In marine products, bolster sales strategies, including volume retailer and food-service channels
- In the room-temperature (canned) product business, strengthen sales from its Hachinohe Factory, which has reinforced production capacity



"Shio-koji Salmon"



"Rakuchin! Kappu Gohanto tabeyou Sichuan Mabo Dofu"

● Measures to increase dairy product sales

(Cheese)

- Increase sales by strengthening proposal-based marketing through mainstay channels
- Strengthen sales by increasing *Rolf Baby Cheese* production volume and items produced at the Nishimiya plant, which is expanding its production lines

(Yogurt)

- Strengthen cup beverages and other private-brand products marketed to convenience stores while bolstering national-brand product development
- Target volume retailers and co-operative store channels for sales of mainstay vanilla yogurt products, etc.
- Introduce and standardize new products proposed at Nippon Ham Group exhibition

● Trends in principal raw and other materials

- Cheese ingredient prices increased substantially. This was due to a decrease in raw milk from Australia, the key production region, and high global milk powder demand, especially in China and Russia, that curbed increases in cheese production
- Yogurt ingredient prices remained high because of severe supply and demand conditions for fat-free milk powder produced in Japan and overseas



"Rolf Baby Cheese (Umeshiso)"



"Tokimeki Café Acai Mix Drink Yogurt"

III. Consolidated Financial Results for FY2014/3 1Q-3Q (Apr. - Dec.)

- 1. FY2014/3 1Q-3Q Business Results at a Glance and FY2014/3 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. FY2014/3 1Q-3Q Business Results at a Glance and FY2014/3 Forecasts

Copyright (C) 2014 Nippon Meat Packers, Inc. All rights reserved.

(¥ million, %)

	FY2013/3 results						FY2014/3 results and forecasts					
	1st half results	Variance	1Q-3Q results	Variance	Full year results	Variance	1st half results	Variance	1Q-3Q results	Variance	Full year forecasts	Variance
Net sales	496,691	(1.9)	787,802	(0.3)	1,022,839	0.5	546,191	10.0	861,534	9.4	1,100,000	7.5
Hams and sausages	67,301	2.5	111,514	2.4	139,948	1.9	67,393	0.1	112,553	0.9	141,000	0.8
Processed foods	100,451	0.5	156,272	1.2	204,756	0.8	102,695	2.2	158,256	1.3	208,000	1.6
Fresh meats	263,175	(5.0)	413,308	(2.3)	541,598	(0.5)	304,067	15.5	473,074	14.5	612,000	13.0
Beef	99,101	(2.7)	157,443	1.0	204,850	3.7	125,741	26.9	194,236	23.4	249,000	21.6
Pork	98,726	(2.4)	152,518	(0.7)	200,303	(0.6)	107,240	8.6	165,540	8.5	215,000	7.3
Chicken	55,664	(10.2)	88,452	(7.4)	117,885	(4.1)	60,921	9.4	97,840	10.6	128,000	8.6
Other fresh meats	9,684	(19.9)	14,895	(16.5)	18,560	(16.1)	10,165	5.0	15,458	3.8	20,000	7.8
Marine products	40,192	2.7	66,062	1.7	83,829	1.2	43,040	7.1	71,867	8.8	85,500	2.0
Dairy products	12,769	12.6	19,272	10.1	25,155	8.1	13,242	3.7	19,982	3.7	26,000	3.4
Others	12,803	(2.8)	21,374	(0.2)	27,553	1.4	15,754	23.0	25,802	20.7	27,500	(0.2)
Cost of goods sold	404,573	(1.6)	633,945	(0.1)	827,058	0.6	451,165	11.5	704,038	11.1		
Gross profit	92,118	(3.3)	153,857	(1.0)	195,781	0.1	95,026	3.2	157,496	2.4		
Gross profit ratio	18.5%	-	19.5%	-	19.1%	-	17.4%	-	18.3%	-		
SG&A expenses	82,279	(1.2)	128,195	(0.7)	167,760	(0.8)	83,091	1.0	127,697	(0.4)		
Operating income	9,839	(18.0)	25,662	(2.8)	28,021	5.7	11,935	21.3	29,799	16.1	34,000	21.3
Income before income taxes	7,946	(17.0)	24,447	2.6	28,031	4.7	10,689	34.5	28,274	15.7	30,000	7.0
Net income attributable to Nippon Meat Packers, Inc.	3,881	(19.1)	13,899	27.2	16,459	41.2	7,620	96.3	19,156	37.8	17,000	3.3

* Reclassified amounts were originally calculated in accordance with U.S. generally accepted accounting principles

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

Growth Rate by Sales Category (consolidated basis)

(%)

Category	FY2013/3 (Year-on-year comparison)				FY2014/3 (Year-on-year comparison)			
	3Q (Oct.-Dec.)		1Q-3Q (Apr.-Dec.)		3Q (Oct.-Dec.)		1Q-3Q (Apr.-Dec.)	
	Sales volume	Sales	Sales volume	Sales	Sales volume	Sales	Sales volume	Sales
Hams and sausages	5.7	2.3	4.6	2.4	(3.3)	2.1	(2.2)	0.9
Processed foods	3.6	2.5	1.2	1.2	(5.8)	(0.5)	(0.6)	1.3
Fresh meats	5.2	3.0	2.5	(2.3)	(4.0)	12.6	0.1	14.5
Beef	7.8	8.1	(4.1)	1.0	(1.2)	17.4	10.3	23.4
Pork	2.6	2.5	2.2	(0.7)	(7.1)	8.4	(3.9)	8.5
Chicken	7.7	(2.3)	9.6	(7.4)	(1.7)	12.6	(2.0)	10.6
Other fresh meats	(8.4)	(9.5)	(8.8)	(16.5)	(13.4)	1.6	(7.8)	3.8

Geographical Segment

(¥ million, %)

	FY2013/3 results			FY2014/3 results and forecasts					
	1st half results	1Q-3Q results	Full year results	1st half results	Variance	1Q-3Q results	Variance	Full year forecasts	Variance
Domestic sales	461,110	731,936	947,388	494,479	7.2	784,913	7.2	997,200	5.3
External customers	460,777	731,441	946,705	493,930	7.2	784,103	7.2	996,000	5.2
Intersegment	333	495	683	549	64.9	810	63.6	1,200	75.7
Operating income	10,824	25,878	28,624	9,187	(15.1)	25,385	(1.9)	28,430	(0.7)
Operating income ratio	2.3%	3.5%	3.0%	1.9%	-	3.2%	-	2.9%	-
Overseas sales	75,636	117,710	158,873	105,424	39.4	158,305	34.5	212,000	33.4
External customers	35,914	56,361	76,134	52,261	45.5	77,431	37.4	104,000	36.6
Intersegment	39,722	61,349	82,739	53,163	33.8	80,874	31.8	108,000	30.5
Operating income	(668)	(78)	(474)	2,765	-	4,437	-	5,570	-
Operating income ratio	-	-	-	2.6%	-	2.8%	-	2.6%	-

* Sales by geographic segment are before intersegment elimination

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

(¥ million, %)

	FY2013/3 1Q-3Q results	FY2014/3		
		1Q-3Q results	Variance (%)	Variance
★① SG&A expenses	128,195	127,697	(0.4)	(498)
Personnel	49,164	48,996	(0.3)	(168)
★② Advertising	8,511	8,375	(1.6)	(136)
★③ Logistics	31,301	32,038	2.4	737
Others	39,219	38,288	(2.4)	(931)

Major reasons for
increases/decreases

- ★① **SG&A expenses:** The ratio of SG&A expenses to sales decreased 1.5 of a percentage point from 16.3% to 14.8%
- ★② **Advertising:** Advertising expenses decreased by approx. ¥0.1 billion mainly due to reduced marketing
- ★③ **Logistics:** Logistics costs increased by approximately ¥0.7 billion due to an upswing in sales volume

(¥ million, %)

	FY2013/3 1Q-3Q results	FY2014/3		FY2013/3 Full year results
		1Q-3Q results	Variance	
★① Other operating costs and expenses (income) - net	1,094	1,674	580	131
Fixed assets	1,040	1,631	591	3
Others	54	43	(11)	128
Other Income (expenses) - net	1,051	1,284	233	1,723
Interest and dividends income	806	881	75	988
Foreign exchange gains (losses)	365	676	311	841
Others	(120)	(273)	(153)	(106)
Interest expenses	1,172	1,135	(37)	1,582

Major reasons for
increases/decreases

- ★① **Other operating costs and expenses (income) – net:** Increased by approx. ¥0.6 billion largely due to the impairment of long-lived assets (mainly idle property)

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

Copyright (C) 2014 Nippon Meat Packers, Inc. All rights reserved.

(¥ million, %)

Consolidated balance sheets		FY2013/3 year-end	FY2014/3 End of Dec.	Variance (%)	Variance
Total assets		610,293	642,604	5.3	32,311
★① ★②	Cash and cash equivalents	36,475	39,185	7.4	2,710
	Trade notes and accounts receivable	123,972	169,048	36.4	45,076
	Inventories	113,187	124,768	10.2	11,581
	Property, plant and equipment - at cost, less accumulated depreciation	224,785	227,700	1.3	2,915
	Investments and other assets	30,685	32,666	6.5	1,981
	Deferred income taxes - non-current	12,531	12,490	(0.3)	(41)
Total liabilities		314,209	326,443	3.9	12,234
★③	Trade notes and accounts payable	102,148	119,239	16.7	17,091
	Interest-bearing debt	149,821	152,400	1.7	2,579
	Liability under retirement and severance programs	15,005	14,801	(1.4)	(204)
Total Nippon Meat Packers, Inc. shareholders' equity		293,414	313,315	6.8	19,901
Noncontrolling interests		2,670	2,846	6.6	176
Total equity		296,084	316,161	6.8	20,077

Major reasons for
increases/decreases

- ★① **Trade notes and accounts receivable:** Increased by approximately ¥45.1 billion from the previous fiscal year-end due to higher sales
- ★② **Inventories:** Increased by approximately ¥11.6 billion year on year mainly due to stock of fresh meat
- ★③ **Interest-bearing debt:** Increased by approximately ¥2.6 billion year on year due to higher short-term bank loans

(¥ million, %)

Capital expenditures and depreciation	FY2013/3	FY2014/3			FY2014/3
	1Q-3Q results	1Q-3Q results	Variance (%)	Variance	Full year forecasts
Property, plant and equipment	19,038	15,955	(16.2)	(3,083)	32,000
Production facilities	7,927	8,757	10.5	830	15,700
Marketing and logistics facilities	2,204	1,907	(13.5)	(297)	4,500
Farms and processing facilities	5,663	3,160	(44.2)	(2,503)	6,500
Overseas operations facilities	1,545	989	(36.0)	(556)	3,300
Other facilities	1,699	1,142	(32.8)	(557)	2,000
Depreciation and amortization	14,288	13,928	(2.5)	(360)	20,000

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 significantly from the targets in this presentation, and investment decisions should not be based exclusively on them.