

Business Results for the Year Ended March 31, 2014

May 14, 2014 (Wed.)

Nippon Meat Packers, Inc.

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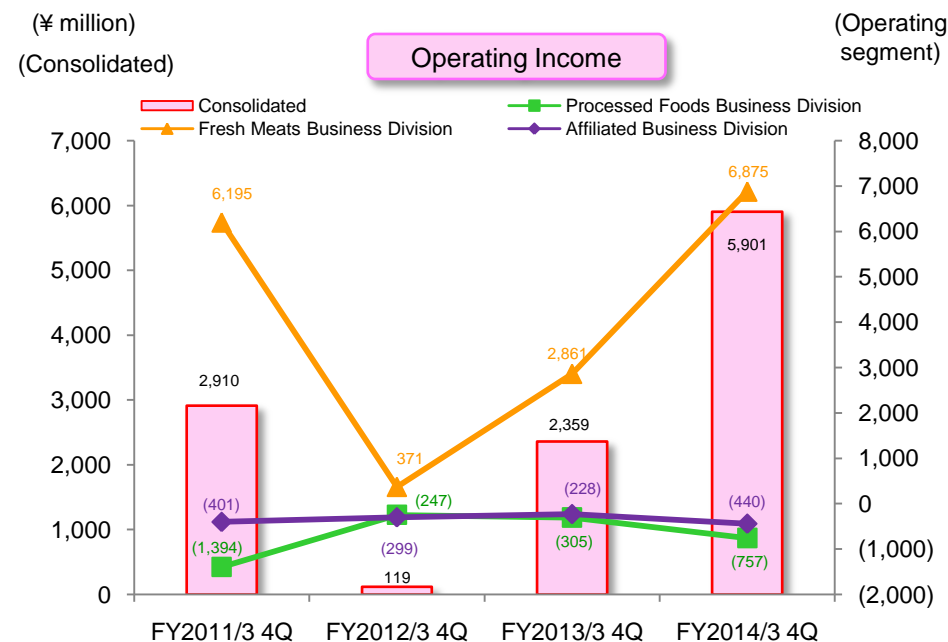
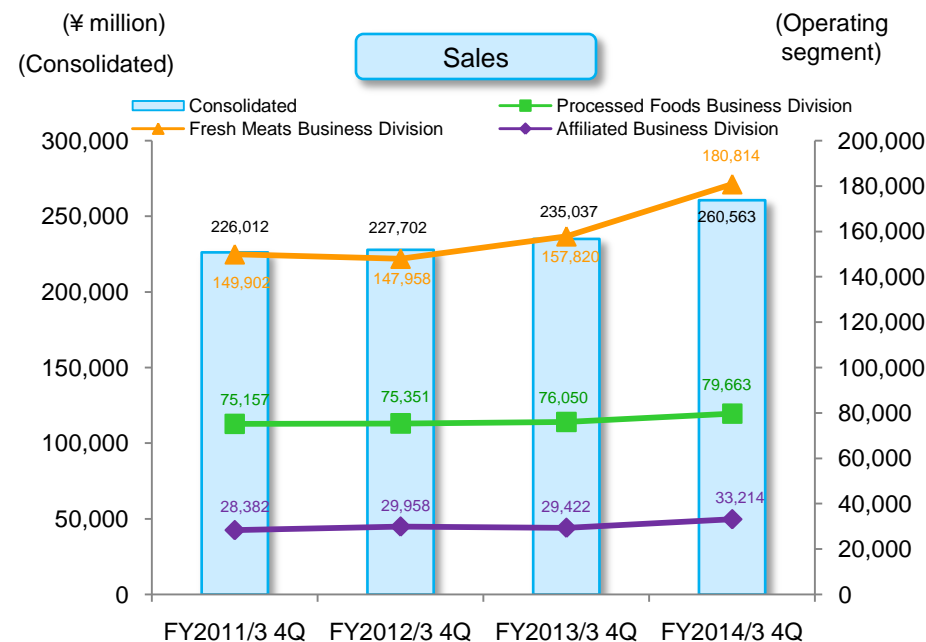
I. Consolidated Business Results for FY2014/3

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1. Business Results by Operating Segment: 4Q (Jan.–Mar.)

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		(¥ million)					
		FY2011/3 4Q	FY2012/3 4Q	FY2013/3 4Q	FY2014/3 4Q	Variance	Variance (%)
Processed Foods Business Division	Sales	75,157	75,351	76,050	79,663	3,613	4.8
	Operating income	(1,394)	(247)	(305)	(757)	(452)	-
Fresh Meats Business Division	Sales	149,902	147,958	157,820	180,814	22,994	14.6
	Operating income	6,195	371	2,861	6,875	4,014	140.3
Affiliated Business Division	Sales	28,382	29,958	29,422	33,214	3,792	12.9
	Operating income	(401)	(299)	(228)	(440)	(212)	-
Eliminations, adjustments and others	Sales	(27,429)	(25,565)	(28,255)	(33,128)	(4,873)	-
	Operating income	(1,490)	294	31	223	192	619.4
Consolidated	Sales	226,012	227,702	235,037	260,563	25,526	10.9
	Operating income	2,910	119	2,359	5,901	3,542	150.1

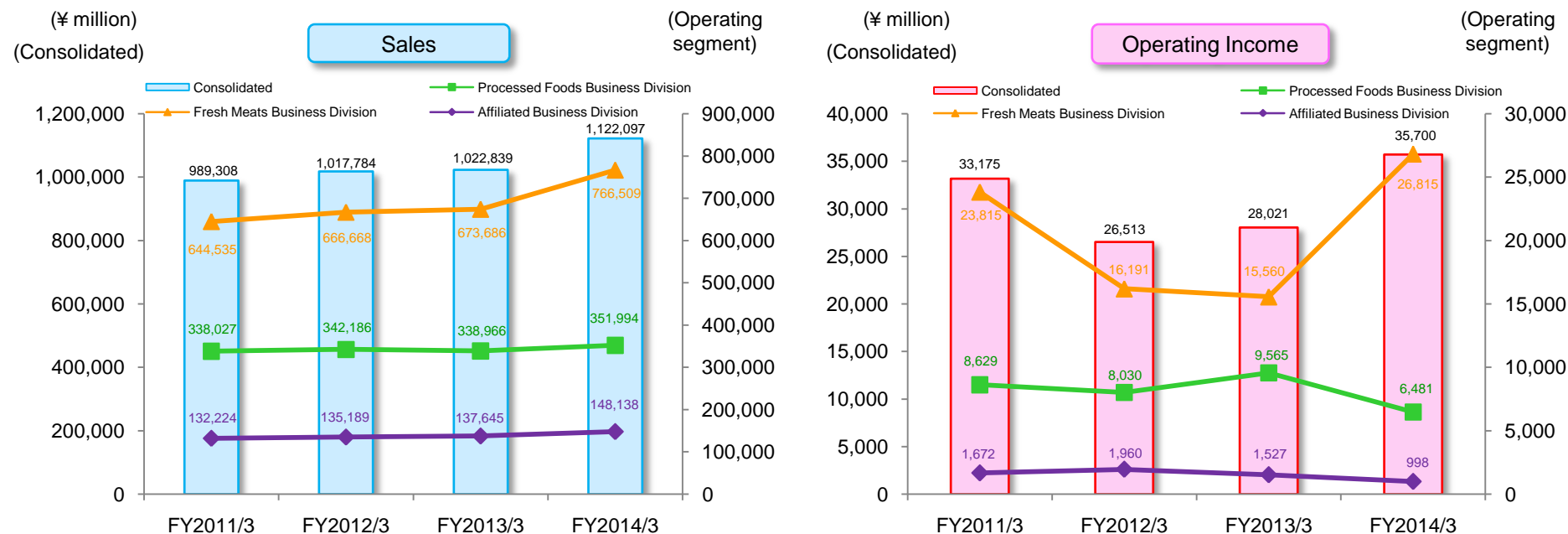


- Sales by operating segment and sales on Page 23 of this presentation (by category) do not necessarily correspond (due to intersegment transactions)
- Sales for each segment include intersegment sales
- Previous-year results for each segment are restated to comply with changes in segmentation at certain subsidiaries.

2. Business Results by Operating Segment: Full Year (Apr.–Mar.)

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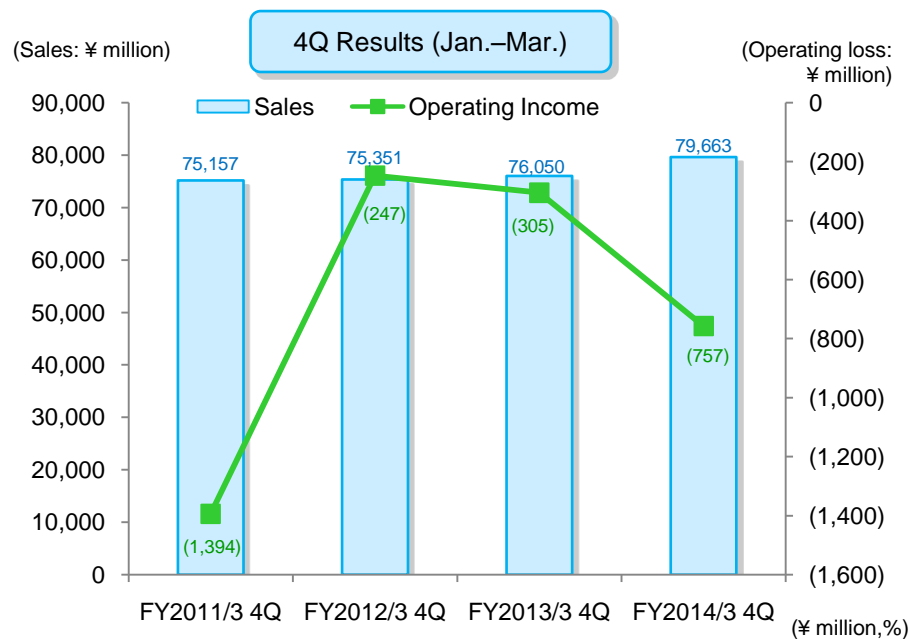
		(¥ million)					
		FY2011/3	FY2012/3	FY2013/3	FY2014/3	Variance	Variance (%)
Processed Foods Business Division	Sales	338,027	342,186	338,966	351,994	13,028	3.8
	Operating income	8,629	8,030	9,565	6,481	(3,084)	(32.2)
Fresh Meats Business Division	Sales	644,535	666,668	673,686	766,509	92,823	13.8
	Operating income	23,815	16,191	15,560	26,815	11,255	72.3
Affiliated Business Division	Sales	132,224	135,189	137,645	148,138	10,493	7.6
	Operating income	1,672	1,960	1,527	998	(529)	(34.6)
Eliminations, adjustments and others	Sales	(125,478)	(126,259)	(127,458)	(144,544)	(17,086)	-
	Operating income	(941)	332	1,369	1,406	37	2.7
Consolidated	Sales	989,308	1,017,784	1,022,839	1,122,097	99,258	9.7
	Operating income	33,175	26,513	28,021	35,700	7,679	27.4



- Sales by operating segment and sales on Page 23 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)

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	FY2013/3 4Q	FY2014/3 4Q	Variance	Variance (%)
Sales	76,050	79,663	3,613	4.8
Operating income	(305)	(757)	(452)	-
Operating income ratio	(0.4%)	(1.0%)	-	-

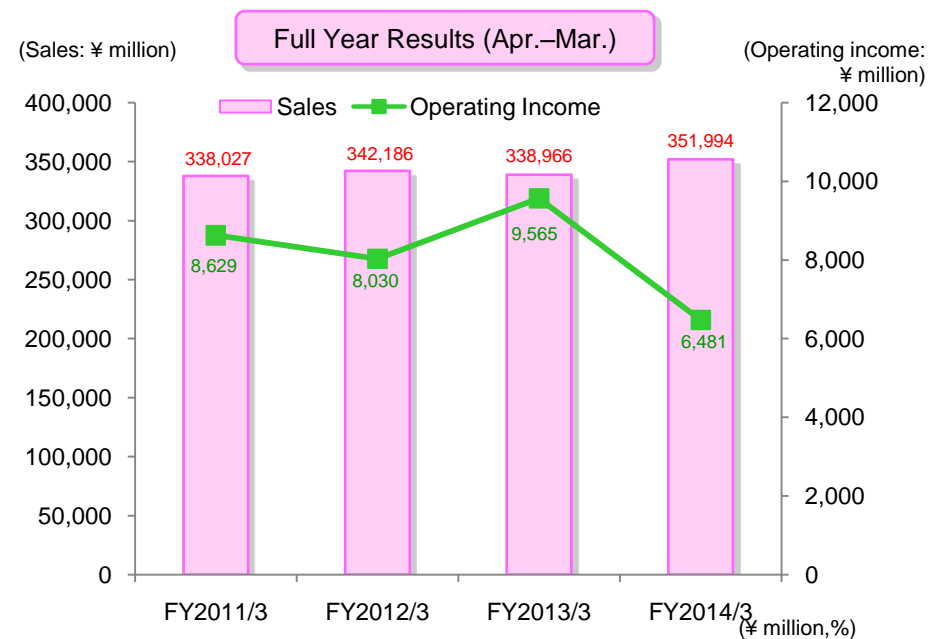
FY2014/3 4Q (Jan.–Mar.)

(Sales)

- Revenues increased thanks to firm sales of consumer-use products (hams and sausages and processed foods)

(Operating Income)

- Revenues declined despite price revisions and cost cuts due to higher prices for raw materials, other materials and fuel.



	FY2013/3	FY2014/3	Variance	Variance (%)
Sales	338,966	351,994	13,028	3.8
Operating income	9,565	6,481	(3,084)	(32.2)
Operating income ratio	2.8%	1.8%	-	-

FY2014/3 Full year (Apr.–Mar.)

(Sales)

- Revenues rose on a boost in sales centered on main sausage and ham brand “*SCHAU ESSEN*” and flagship gift brand “*Utsukushi-no-Kuni*.”
Processed foods revenues increased on contributions as items including “*Ishigama Kobo*” and hamburg and meatball offerings contributed to sales.

(Operating Income)

- Revenues fell despite implementing price revisions as planned and pursuing cost cuts due to higher prices for raw materials, other materials and fuel.

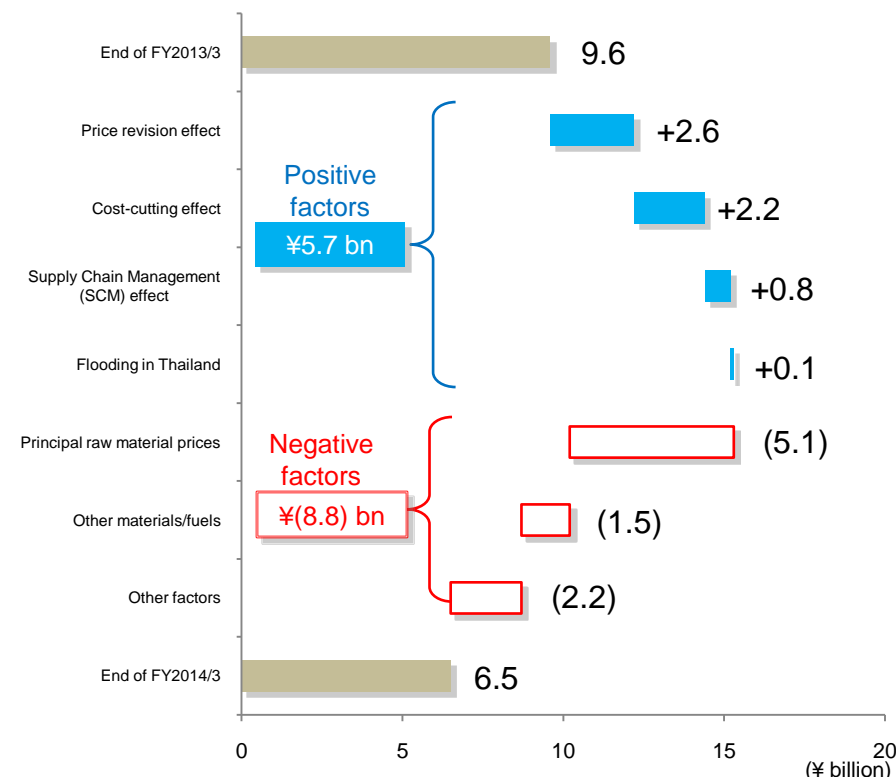
Factor Analysis: Changes in operating income

	FY2014/3 Forecasts and results				
	1Q-3Q results	4Q results	Full year forecasts	Full year results	Variance
Price revision effect	1.7	0.9	2.6	2.6	0.0
Cost-cutting effect	1.6	0.6	2.7	2.2	(0.5)
Supply Chain Management (SCM) effect	0.5	0.3	0.7	0.8	0.1
Flooding in Thailand	0.1	0.0	0.1	0.1	0.0
Principal raw/other material prices	(4.5)	(2.1)	(6.6)	(6.6)	0.0
Principal raw material prices	(3.4)	(1.7)	(4.8)	(5.1)	(0.3)
Other materials/fuels	(1.1)	(0.4)	(1.8)	(1.5)	0.3
Other factors	(2.1)	(0.1)	(1.9)	(2.2)	(0.3)
Including impact of effect from products manufactured overseas	(1.2)	0.0	(1.2)	(1.2)	0.0
Total	(2.7)	(0.4)	(2.4)	(3.1)	(0.7)

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

(¥ billion)

Factor Analysis Graph: Changes in results (full year)



● Forecasts Variation Factor Analysis (full year)

[Cost-cutting effect]

⇒ Reduced cost-cutting effect associated with a decline in sales volume of hams and sausages, and processed foods.

[Others]

⇒ Income ratio for products manufactured at overseas deteriorated due to the effect of a weaker yen.

1Q: (-)¥0.9 billion, 2Q: (-)¥0.3 billion)

● Gift product sales results

- FY2014/3 results:
approximately 99% from last year (unit basis)
- “Utsukushi-no-Kuni” gifts
year on year, unit basis: approximately 111%
(Sales ratio at around 17%)

(Reference) 2013 market data (unit basis)

* Nippon Meat Packers, Inc. survey

- Overall gift set market: lower than the previous year
- Hams and sausages gift market: lower than the previous year

Reference: Gift unit sales results

(Unit: 1,000)

		FY2013/3 results	FY2014/3 results	
		Units	Units	Variance
Summer gift-giving season	Overall unit sales	2,026	2,075	102%
	(Utsukushi-no-Kuni)	315	378	120%
Year-end gift-giving season	Overall unit sales	4,759	4,675	98%
	(Utsukushi-no-Kuni)	727	780	107%
Total	Overall unit sales	6,785	6,750	99%
	(Utsukushi-no-Kuni)	1,042	1,158	111%
	(Ratio)	15%	17%	

● Major brands sales results

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



“SCHAU ESSEN”



“Ishigama Kobo
Pizza Margherita”

Hams and sausages	FY2014/3 results			Processed Foods	FY2014/3 results		
	1st half	2nd half	Full year		1st half	2nd half	Full year
SCHAU ESSEN	101%	109%	105%	Ishigama Kobo	104%	96%	100%
Mori-no-Kaori coarse-ground wieners	83%	94%	88%	Chuka Meisai	104%	97%	100%
Hams	97%	95%	96%	Prefried	93%	97%	95%
Bacons	104%	109%	106%	Hamburg and meatball offerings	124%	110%	116%
Yakibutas	108%	93%	100%	Curries	109%	113%	111%

● Sales results by channel

1) Consumer-use products

Sales of hams and sausages and processed foods was firm

2) Commercial-use products

Hams and sausages and processed foods remained robust centered on those for convenience stores.

Reference: FY2014/3 Full year (year-on-year growth in sales by channel)

		Volume	Amount
Hams and sausages	Consumer-use	101%	104%
	Commercial-use	100%	101%
	Total	100%	103%
Processed foods	Consumer-use	99%	102%
	Commercial-use	101%	103%
	Total	100%	102%

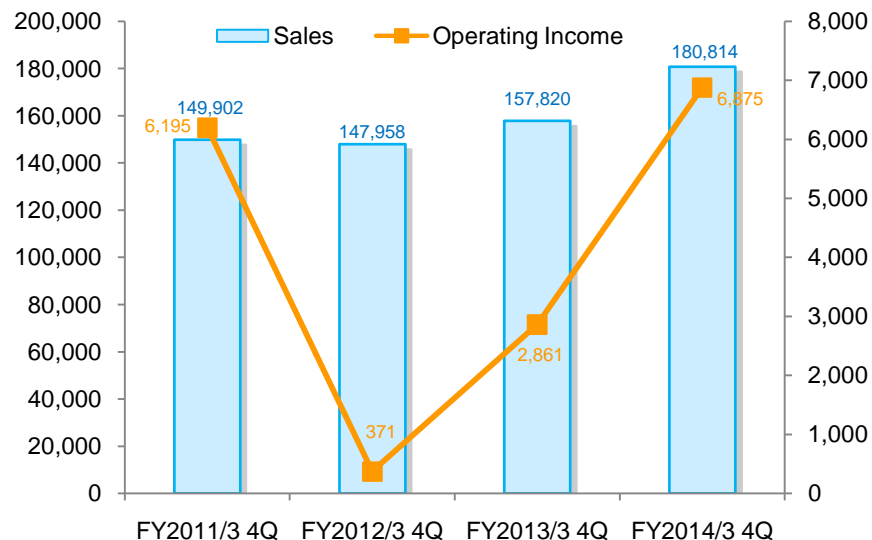
4. Operating Segment Data: Fresh Meats Business Division (1)

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(Sales: ¥ million)

4Q Results (Jan.–Mar.)

(Operating income: ¥ million)



(¥ million, %)

	FY2013/3 4Q	FY2014/3 4Q	Variance	Variance (%)
Sales	157,820	180,814	22,994	14.6
Operating income	2,861	6,875	4,014	140.3
Operating income ratio	1.8%	3.8%	-	-

FY2014/3 4Q (Jan.–Mar.)

(Sales)

- Revenues increased due to higher sale prices as a result of a strong domestic fresh meats market

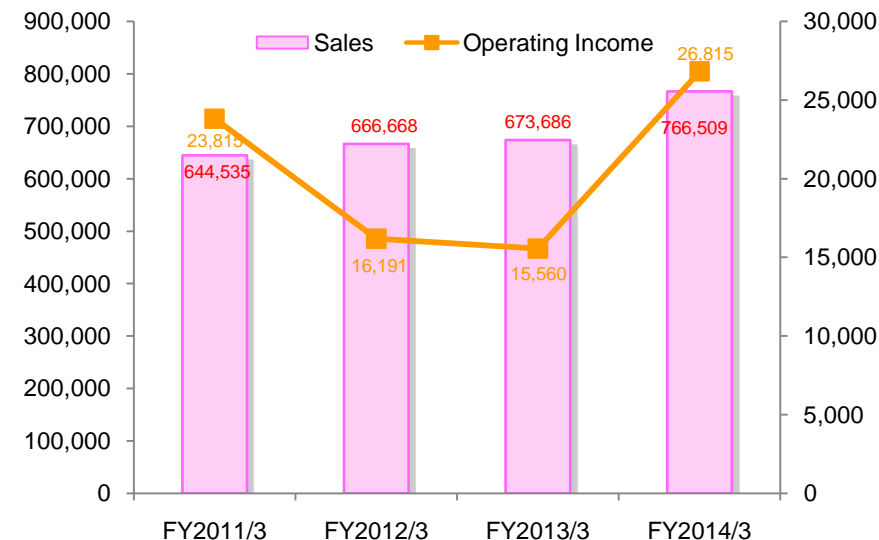
(Operating Income)

- Domestic farming businesses remained healthy as a result of a solid fresh meats market. Revenues rose at overseas on improvement in businesses both in the Americas and Australia.

(Sales: ¥ million)

Full Year Results (Apr.–Mar.)

(Operating income: ¥ million)



(¥ million, %)

	FY2013/3	FY2014/3	Variance	Variance (%)
Sales	673,686	766,509	92,823	13.8
Operating income	15,560	26,815	11,255	72.3
Operating income ratio	2.3%	3.5%	-	-

FY2014/3 Full year (Apr.–Mar.)

(Sales)

- Both sales volume and revenues grew for beef in Australia with the focus on placed on "Whyallaef," while revenues increased domestically due to a rise in unit prices resulting from a recovery in the domestic fresh meats market.

(Operating Income)

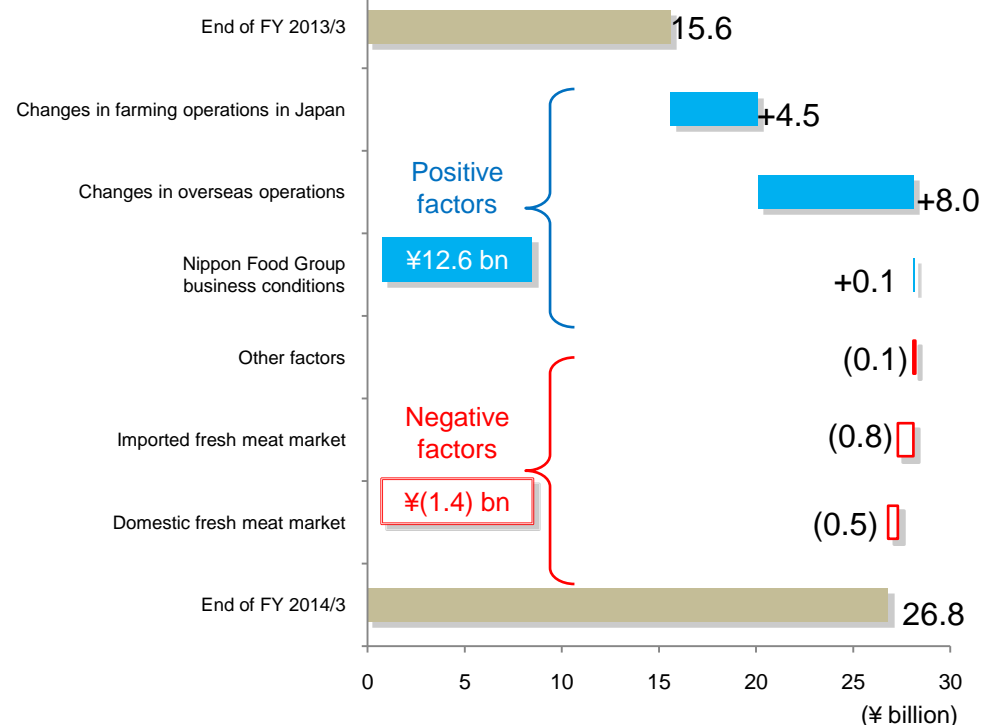
- Revenues rose as a result of an improvement in domestic farming businesses on the back of a stronger market and a major improvement in the Australian business.

Factor Analysis: Changes in operating income

	FY2014/3 full year forecasts and results				
	1Q-3Q results	4Q results	Full year forecasts	Full year results	Variance
Changes in farming operations in Japan	2.9	1.6	3.6	4.5	0.9
Changes in overseas operations	4.8	3.2	6.4	8.0	1.6
Imported fresh meat market	0.0	(0.8)	(0.6)	(0.8)	(0.2)
Domestic fresh meat market	(0.2)	(0.3)	(0.6)	(0.5)	0.1
Nippon Food Group business conditions	(0.4)	0.5	0.0	0.1	0.1
Other factors	0.1	(0.2)	0.1	(0.1)	(0.2)
Total	7.2	4.0	8.9	11.2	2.3

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

Factor Analysis Graph: Changes in results (full year)



● Forecasts Variation Factor Analysis (full year)

[Changes in farming operations in Japan]

⇒ Major revenues improvement in domestic production businesses along with improved productivity and a stronger domestic fresh meats market.

[Changes in overseas operations]

⇒ Dramatic improvement in the Australian business as a result of initiatives implemented since the previous term (+¥7.1 billion year on year for full term for Australian businesses).

[Nippon Food Group business conditions]

⇒ Revenues capability improved on expanded sales channels, especially food-service channels.

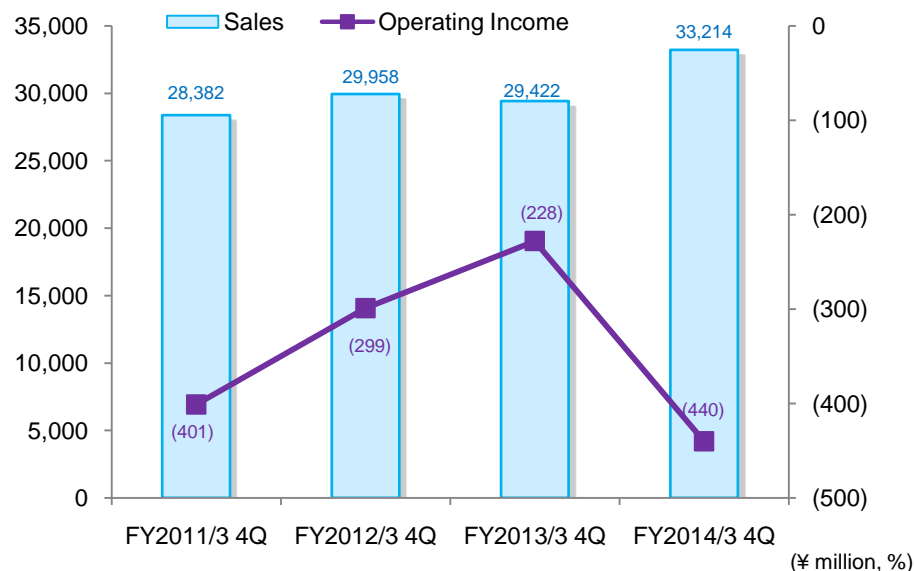
5. Operating Segment Data: Affiliated Business Division

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(Sales: ¥ million)

4Q Results (Jan.–Mar.)

Operating income:
¥ million)



	FY2013/3 4Q	FY2014/3 4Q	Variance	Variance (%)
Sales	29,422	33,214	3,792	12.9
Operating income	(228)	(440)	(212)	-
Operating income ratio	(0.8)%	(1.3)%	-	-

FY2014/3 4Q (Jan.–Mar.)

(Sales)

- In marine products, revenues increased mainly due to stronger markets for types of fish the Group handles and the addition of Kushiro Marusui Co., Ltd. joined the Group.
- In dairy products, revenues rose as yogurt drinks for which capital investment was made did well and cheese for both consumers and commercial use was strong.

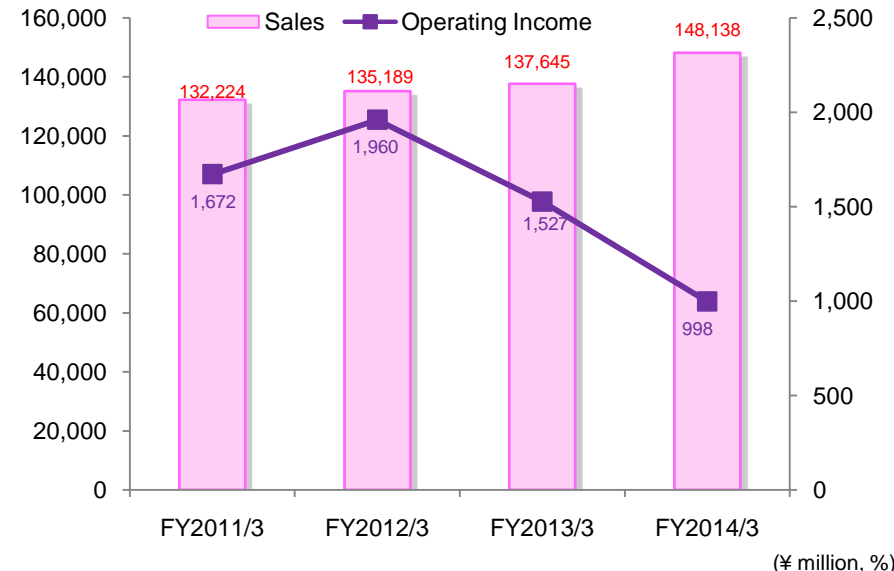
(Operating Income)

- Competition was fierce in marine products as price revisions were not enough for the market rise.
- Revenues fell in dairy products due to a delay in price revisions against a surge in raw material prices.

(Sales: ¥ million)

Full Year Results (Apr.–Mar.)

Operating income:
¥ million)



	FY2013/3	FY2014/3	Variance	Variance (%)
Sales	137,645	148,138	10,493	7.6
Operating income	1,527	998	(529)	(34.6)
Operating income ratio	1.1%	0.7%	-	-

FY2014/3 Full year (Apr.–Mar.)

(Sales)

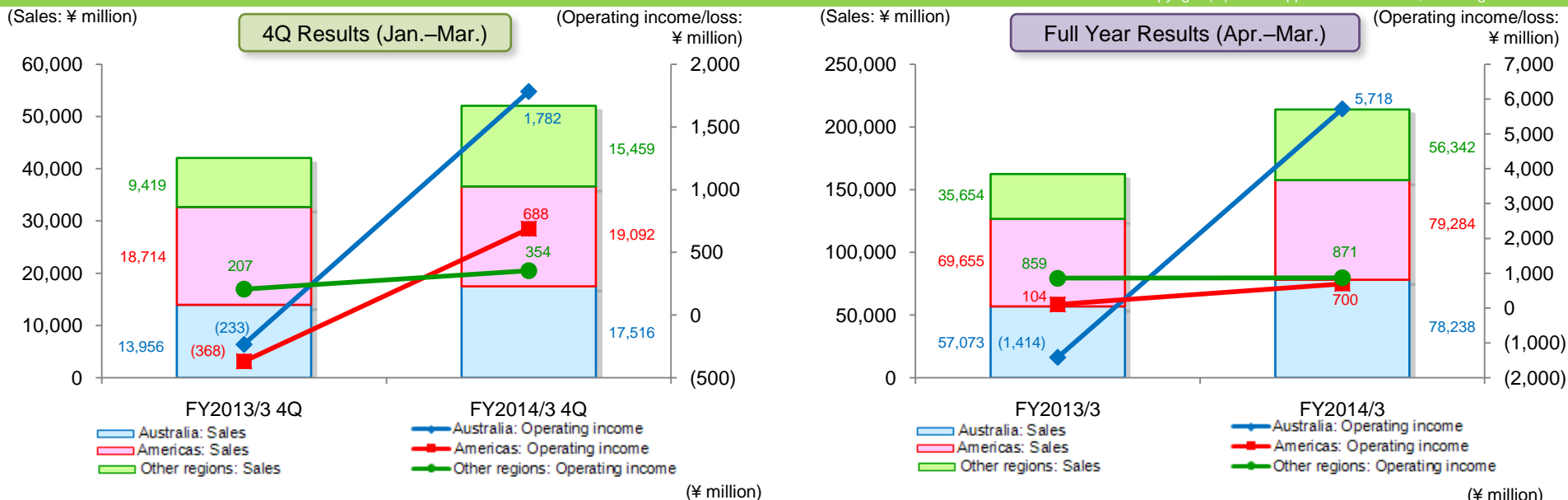
- In marine products, revenues rose after enhancing proposal-based marketing in volume retailer and food service channels.
- In dairy products, revenues increased as a result of reinforcing initiatives to bakeries, food service and food manufacturers, which are major channels for cheese, even when yogurt sales remained unchanged year on year.

(Operating Income)

- In marine products, earnings increased mainly as a result of robust year-end sales and the reversal of negative spreads in the sale of coho salmon from Chile during the last term.
- In dairy products, revenues fell as a result of a delay in price revisions against a surge in raw material prices.

6. Business Results in Major Overseas Geographical Areas

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		FY2013/3 4Q	FY2014/3 4Q	Variance	Variance (%)
Overseas total	Sales	41,163	50,883	9,720	23.6
	Operating income	(396)	2,820	3,216	-
Australia	Sales	13,956	17,516	3,560	25.5
	Operating income	(233)	1,782	2,015	-
Americas	Sales	18,714	19,092	378	2.0
	Operating income	(368)	688	1,056	-
Other regions	Sales	9,419	15,459	6,040	64.1
	Operating income	207	354	147	71.0

		FY2013/3	FY2014/3	Variance	Variance (%)
Overseas total	Sales	158,873	209,188	50,315	31.7
	Operating income	(474)	7,257	7,731	-
Australia	Sales	57,073	78,238	21,165	37.1
	Operating income	(1,414)	5,718	7,132	-
Americas	Sales	69,655	79,284	9,629	13.8
	Operating income	104	700	596	573.1
Other regions	Sales	35,654	56,342	20,688	58.0
	Operating income	859	871	12	1.4

- 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 4Q (Jan.–Mar.)

(Australia)

- Sales and revenues and earnings increased mainly on higher sales despite a rise in purchasing prices of beef livestock.

(Americas)

- Profits are improving in the Americas overall.

FY2014/3 Full year (Apr.–Mar.)

(Australia)

- Sales and revenues increased as a result of sales growth to the United States, Asia and China, in addition to a decline in purchase prices of beef livestock and improved productivity, among other factors.

(Americas)

- Sales and revenues rose partly due to improved profitability at pork farming businesses on the back of a market surge in the second half of the year despite downward pressure on revenues by export businesses in the first half.

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

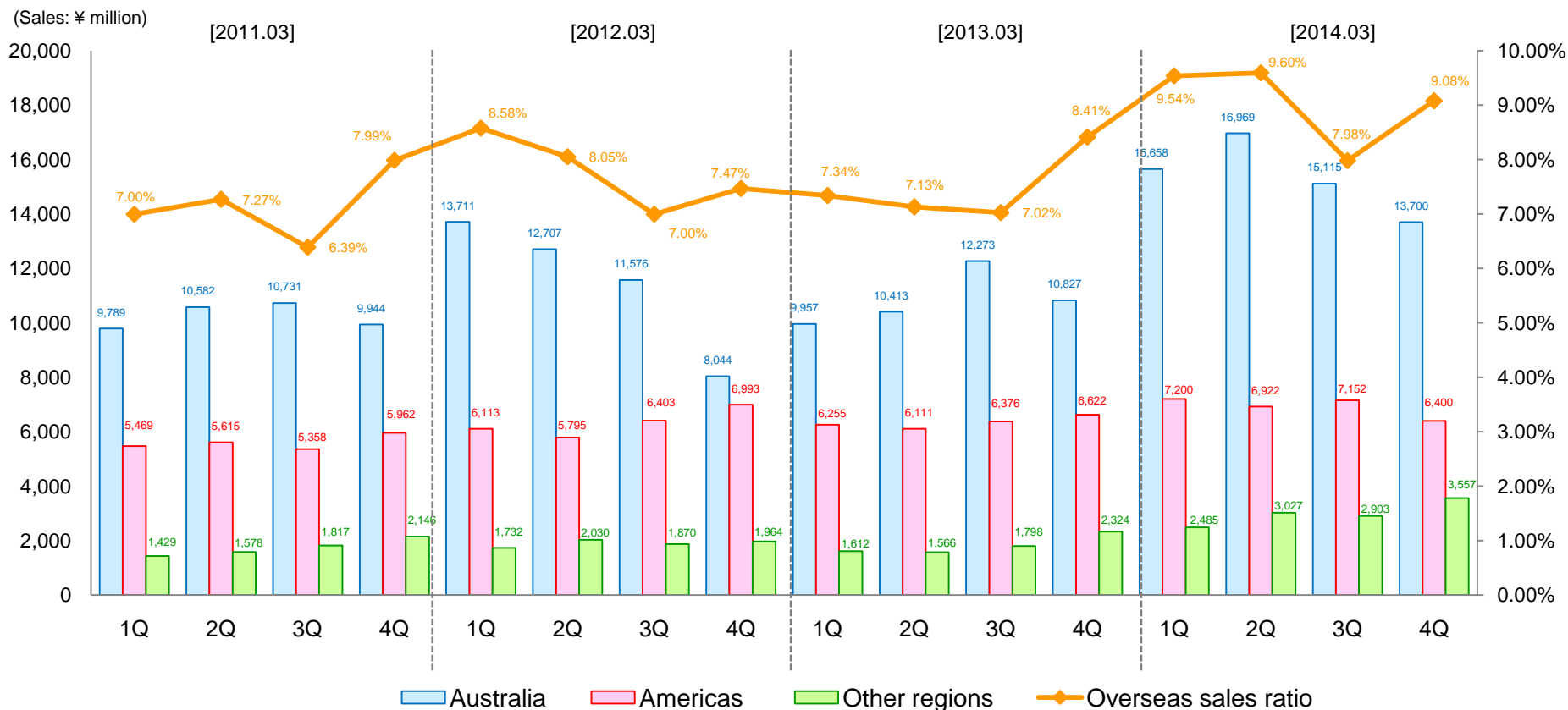
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(¥ million)

	2011.03	2012.03	2013.03					2014.03				
	Full year	Full year	1Q	2Q	3Q	4Q	Full year	1Q	2Q	3Q	4Q	Full year
Australia	41,046	46,038	9,957	10,413	12,273	10,827	43,470	15,658	16,969	15,115	13,700	61,442
Americas	22,404	25,304	6,255	6,111	6,376	6,622	25,364	7,200	6,922	7,152	6,400	27,674
Other regions	6,970	7,596	1,612	1,566	1,798	2,324	7,300	2,485	3,027	2,903	3,557	11,972
Overseas total	70,420	78,938	17,824	18,090	20,447	19,773	76,134	25,343	26,918	25,170	23,657	101,088

Overseas sales ratio	7.12%	7.76%	7.34%	7.13%	7.02%	8.41%	7.44%	9.54%	9.60%	7.98%	9.08%	9.01%
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* The sales amount is net sales for external customers.



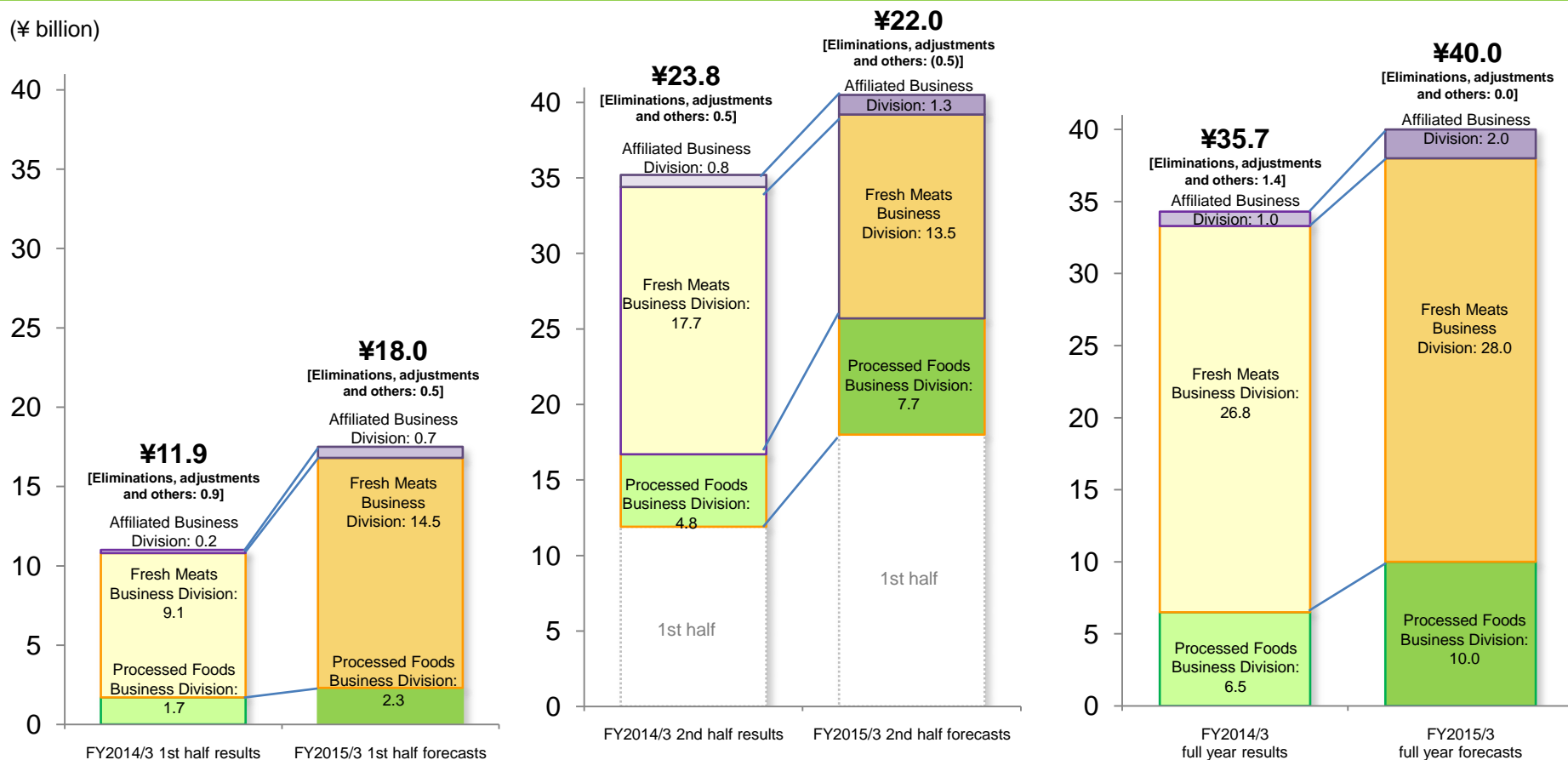
II. Outlook for FY2015/3

- 1. FY2015/3 Operating Income Forecasts**
- 2. Processed Foods Business Division: Outlook**
- 3. Fresh Meats Business Division: Outlook**
- 4. Affiliated Business Division: Outlook**

1. FY2015/3 Operating Income Forecasts

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(¥ billion)



	FY2015/3 1st half forecast			FY2015/3 2nd half forecasts			FY2015/3 full year forecasts		
	FY2014/3 1st half results		Variance	FY2014/3 2nd half results		Variance	FY2014/3 full year results		Variance
Processed Foods Business Division	1.7	2.3	0.6	4.8	7.7	2.9	6.5	10.0	3.5
Fresh Meats Business Division	9.1	14.5	5.4	17.7	13.5	(4.2)	26.8	28.0	1.2
Affiliated Business Division	0.2	0.7	0.5	0.8	1.3	0.5	1.0	2.0	1.0
Eliminations, adjustments and others	0.9	0.5	(0.4)	0.5	(0.5)	(1.0)	1.4	0.0	(1.4)
Total	11.9	18.0	6.1	23.8	22.0	(1.8)	35.7	40.0	4.3

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

* Forecasts for FY2015/3 are for the current time and may change as a result of factors including changes in the environment.

● Topics (full year)

Impact on operating income due to higher prices for raw materials, other materials and fuels

- ⇒ Will undertake cost-cutting, price revision and other measures to offset the impact of soaring raw/other materials and fuels costs, which are expected to total approximately ¥5.4 billion

Cost Improvement and Price Revision Effect

- ⇒ Price revisions centered on main products for consumer use, excluding *SCHAU ESSEN*, scheduled to be started in July 2014.

Factor Analysis: Changes in operating income

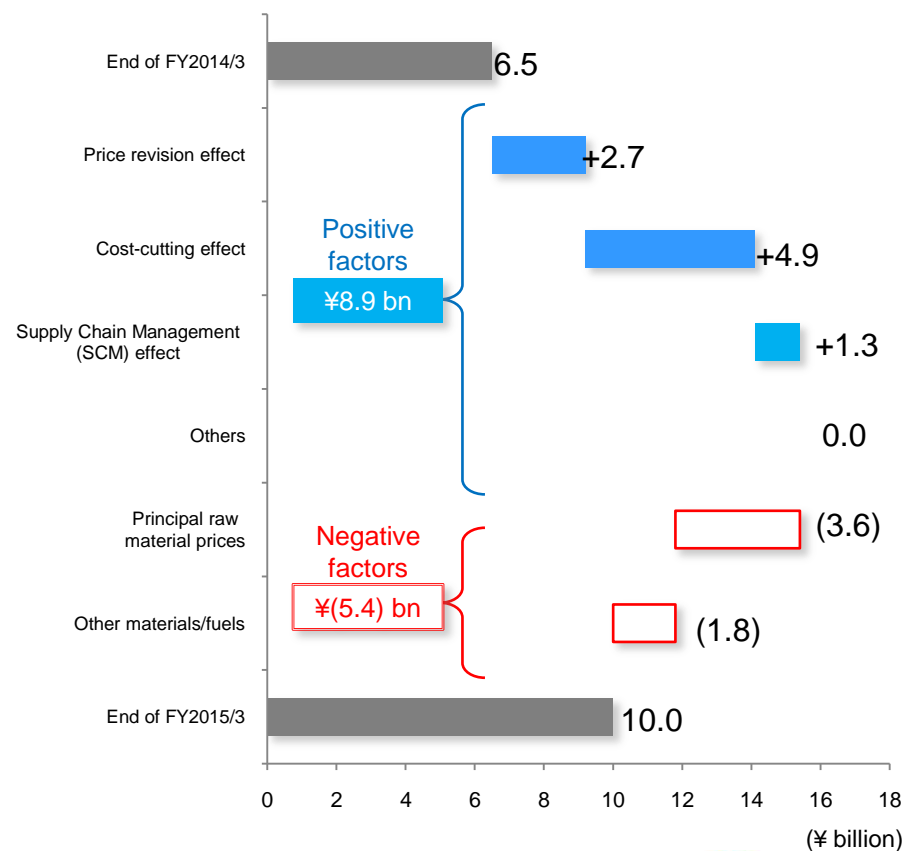
	FY2015/3 Target				
	1Q	2Q	3Q	4Q	Full year
Price Revision Effect ^(Note)	0.9	0.6	0.6	0.6	2.7
Cost-cutting effect	1.0	1.2	1.7	1.0	4.9
Supply Chain Management (SCM) effect	0.3	0.4	0.3	0.3	1.3
Principal raw/other material prices	(2.2)	(1.6)	(1.0)	(0.6)	(5.4)
Principal raw material prices	(1.6)	(1.0)	(0.6)	(0.4)	(3.6)
Other materials/fuels	(0.6)	(0.6)	(0.4)	(0.2)	(1.8)
Others	0.0	0.0	0.0	0.0	0.0
Total	0.0	0.6	1.6	1.3	3.5

Note) The price-revision effect refers to price revisions implemented in July 2013 for the period through 1Q and those to be implemented in July 2014 for the period covering 2Q and beyond.

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

* Forecasts for FY2015/3 are for the current time and may change as a result of factors including changes in the environment.

Factor Analysis Graph: Changes in full-year forecasts



● Measures to increase sales of gift products

- Target 103% growth in both summer and year-end gift sets (year-on-year, total sales volume)
- Sales promotion activities mainly perform for “*Utsukushi-no-Kuni*” range (TV commercials and adverts in magazines)

(Reference)

- The flagship brand “*Utsukushi-no-Kuni*” aims at year-on-year sales of over 120%

Reference: Gift-giving season sales volume:
results for FY2014/3 and targets for FY2015/3

(Unit: 1,000)

	FY2014/3 results		FY2015/3 forecasts	
	Units	Variance FY2013/3	Units	Variance FY2014/3
Summer gift-giving season	2,075	102%	2,138	103%
Year-end gift-giving season	4,675	98%	4,816	103%
Total	6,750	99%	6,954	103%

● Measures to expand sales of major brands and new products

1) Hams and sausages

- Establish a crucial lead by exhaustively reinforcing sales for “*SCHAU ESSEN*,” which is to commemorate its 30th anniversary.

2) Processed foods

- Enhance sales by concentrating on main products, such as “*Ishigama Kobo*” and “*Chuka Meisai*.”



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

Hams and sausages	FY2015/3 full year forecasts	Processed foods	FY2015/3 full year forecasts
<i>SCHAU ESSEN</i>	108%	<i>Ishigama Kobo</i>	102%
<i>Mori-no-Kaori coarse-ground wieners</i>	100%	<i>Chuka Meisai</i>	102%
Hams	101%	Prefried	100%
Bacons	101%	Hamburg and meatball offerings	102%
Yakibutas	100%	Curries	102%

● Measures to expand sales by channel

1) Consumer-use

- Expand sales by concentrating on products sales, including 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

FY2015/3 full year forecasts		Amount
Hams and sausages	Consumer-use	103%
	Commercial-use	103%
	Total	103%
Processed foods	Consumer-use	103%
	Commercial-use	103%
	Total	103%

● Topics

- Domestic production:** Raise cost competitiveness by improving production costs, among other areas, along with structural reform of upstream businesses.
- Imported fresh meat:** Improve revenues structure by implementing brand strategy along with expanding sales volume (up 5% year on year).
- Overseas businesses:** Strengthen cooperation among hubs and the development of base markets. Develop new businesses and hubs.
- Nippon Food Group businesses:** Expand market share and revenues by boosting sales of our products and brand products.
- Fresh meat (Japan-produced):** Strengthen sales volume and purchasing power.

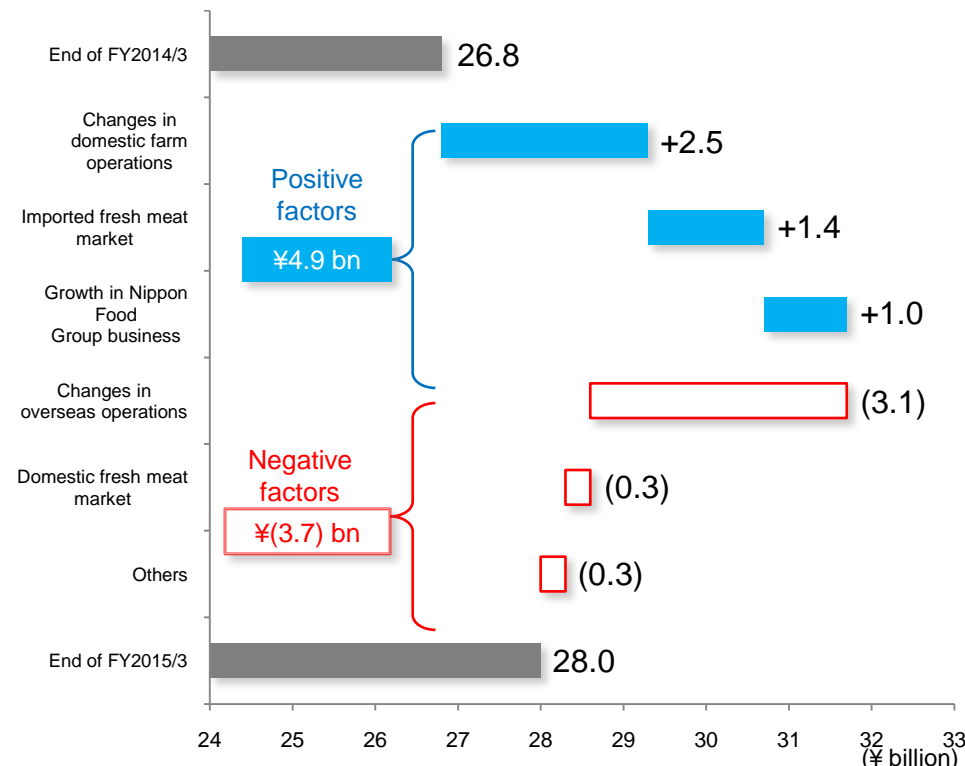
Factor Analysis: Changes in operating income

	FY2015/3 Forecasts				
	1Q	2Q	3Q	4Q	Full year
Changes in domestic farm operations	1.7	1.3	(0.2)	(0.3)	2.5
Imported fresh meat market	(0.1)	1.1	0.2	0.2	1.4
Changes in overseas operations (Australia, Americas)	1.6	(0.9)	(1.2)	(2.6)	(3.1)
Growth in Nippon Food Group business	0.4	0.3	0.2	0.1	1.0
Domestic fresh meat market	0.0	0.0	(0.1)	(0.2)	(0.3)
Others	0.0	0.0	(0.2)	(0.1)	(0.3)
Total	3.6	1.8	(1.3)	(2.9)	1.2

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

* Forecasts for FY2015/3 are for the current time and may change as a result of factors including changes in the environment.

Factor Analysis Graph: Changes in full-year forecasts



● Production businesses in Japan

- 1) Feed prices
 - Although overseas corn prices are stabilizing, prices are expected to rise this fiscal year accompanying the weakening yen
- 2) Farming operations in Japan
 - Pork market prices will trend higher due to stronger demand for domestic pork as a result of higher domestic prices at overseas and a decline in the volume of imported pork.
 - Poultry market prices are expected to stabilize at high levels in part due to a surge in pork prices and a year-on-year decline in both import volume and inventory levels.

● Overseas businesses

- 1) Australia
 - Improve the income ratio by reducing cost of sales and expand sales of brand products.
 - Strengthen sales of Australian beef to ASEAN, China, Russia and the Middle East.
- 2) Americas
 - PED in the Americas has simmered down since the peak in February, although market prices for pork carcasses surged. Market prices are expected to move at higher levels compared with the previous year.
- 3) Others (Europe and Asia)
 - Regarding Europe, strengthen sales of pork from Denmark, Germany, Italy and Spain to Japan.

[(Reference) FY2014/3 Full year Australian business sales result]

Major countries for sales	Volume breakdown	Volume (year on year)
Japan	21%	100%
United States	18%	139%
South Korea	11%	127%
China	10%	197%
Taiwan	5%	97%
Australia	24%	109%
Others *	11%	135%
Total	100%	120%

* Others: Russia, EU, Indonesia, etc.

● Domestic Fresh meat (Japan-produced), Imported fresh meat , Nippon Food Group (meat product marketing companies)

- Expand sales volume⇒ Aim for 105% on a year-on-year basis.
- Improve revenues structure by strengthening sales of fresh meat brands, such as “Whyalleaf,” “Sakurahime”; and “Kenko (Healthy) Pork.”



● Measures to increase marine product sales

(Marine Foods Corporation)

- Strengthen sales promotion at retailers by developing proprietary products and proposing menus, among other initiatives based on the standpoint of customers.
- Expand market share by having the supply and sales departments work as one on major products.
- Reinforce production and sales by taking advantage of the strength of Kushiro Marusui Co., Ltd. and products that utilize ingredients from Hokkaido.

(Hoko Co., Ltd.)

- In the room-temperature (canned) product business, strengthen sales from its Hachinohe Factory by bolstering product development and sales promotions.



(Picture) Delicacy series to be prepared with vegetables’
“Shio koji salmon”



(Picture) Kushiro Marusui’s “Umami Tako”

● Measures to increase dairy product sales

(Cheese)

- Boost sales of consumer-use products by expanding “ROLF Baby Cheese” items.
- Grow sales in commercial channels by strengthening detailed proposals to important customers.

(Yogurt)

- Introduce characteristic, high value-added products through proposal-based marketing.
- Develop and expand sales of private-brand products for convenience stores.

● Trends in principal raw and other materials

- Prices of cheese ingredients are remaining at high levels as a result of strong global demand for cheese.
- Prices of yogurt ingredients are expected to remain high as a result of a decline in domestic production, stronger demand at overseas and other factors.



(Picture) Nippon Luna Acai Mix Drink Yogurt



(Picture) ROLF Baby cheese for adults (plum-shiso flavor)

III. Consolidated Financial Results for FY2014/3

- 1. FY2014/3 Business Results at a Glance and FY2015/3 Forecasts**
- 2. Growth Rate by Sales Category, and Geographical Segment information**
- 3. Selling, General and Administrative Expenses / Other Operating Costs and Expenses (Income)-Net / Other Income (Expenses)-Net**
- 4. Balance Sheets / Capital Expenditure / Depreciation and Amortization**
- 5. Cash Flows**

1. FY2014/3 Business Results at a Glance and FY2015/3 Forecasts

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(¥ million, %)

Consolidated	FY2014/3 results						FY2015/3 forecasts					
	1st half results	Variance	2nd half results	Variance	Full year results	Variance	1st half forecasts	Variance	2nd half forecasts	Variance	Full year forecasts	Variance
Net sales	546,191	10.0	575,906	9.5	1,122,097	9.7	555,000	1.6	585,000	1.6	1,140,000	1.6
Hams and sausages	67,393	0.1	76,097	4.7	143,490	2.5	69,500	3.1	77,500	1.8	147,000	2.4
Processed foods	102,695	2.2	105,389	1.0	208,084	1.6	104,000	1.3	107,000	1.5	211,000	1.4
Fresh meats	304,067	15.5	315,266	13.2	619,333	14.4	312,000	2.6	323,000	2.5	635,000	2.5
Beef	125,741	26.9	123,844	17.1	249,585	21.8	126,500	0.6	125,000	0.9	251,500	0.8
Pork	107,240	8.6	111,048	9.3	218,288	9.0	111,000	3.5	115,500	4.0	226,500	3.8
Chicken	60,921	9.4	70,471	13.3	131,392	11.5	64,000	5.1	72,000	2.2	136,000	3.5
Other fresh meats	10,165	5.0	9,903	11.6	20,068	8.1	10,500	3.3	10,500	6.0	21,000	4.6
Marine products	43,040	7.1	48,769	11.8	91,809	9.5	43,000	(0.1)	49,000	0.5	92,000	0.2
Dairy products	13,242	3.7	13,011	5.0	26,253	4.4	13,500	1.9	13,500	3.8	27,000	2.8
Others	15,754	23.0	17,374	17.8	33,128	20.2	13,000	(17.5)	15,000	(13.7)	28,000	(15.5)
Cost of goods sold	451,165	11.5	467,139	10.6	918,304	11.0						
Gross profit	95,026	3.2	108,767	4.9	203,793	4.1						
Gross profit ratio	17.4%	-	18.9%	-	18.2%	-						
SG&A expenses	83,091	1.0	85,002	(0.6)	168,093	0.2						
Operating income	11,935	21.3	23,765	30.7	35,700	27.4	18,000	50.8	22,000	(7.4)	40,000	12.0
Income before income taxes	10,689	34.5	24,614	22.5	35,303	25.9	16,600	55.3	20,400	(17.1)	37,000	4.8
Net income attributable to Nippon Meat Packers, Inc.	7,620	96.3	16,904	34.4	24,524	49.0	11,000	44.4	13,000	(23.1)	24,000	(2.1)

* 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	FY2013/3 (year-on-year comparison)				FY2014/3 (year-on-year comparison)			
	4Q		Full year		4Q		Full year	
	Sales volume	Sales revenue	Sales volume	Sales revenue	Sales volume	Sales revenue	Sales volume	Sales revenue
Hams and sausages	(4.2)	0.0	2.6	1.9	9.0	8.8	0.2	2.5
Processed foods	(1.5)	(0.5)	0.5	0.8	0.8	2.8	(0.2)	1.6
Fresh meats	0.8	5.9	2.1	(0.5)	(1.9)	14.0	(0.4)	14.4
Beef	8.0	13.9	(1.5)	3.7	2.3	16.8	8.4	21.8
Pork	(3.3)	(0.4)	0.8	(0.6)	(7.6)	10.4	(4.8)	9.0
Chicken	2.8	7.8	7.9	(4.1)	1.3	14.0	(1.2)	11.5
Other fresh meats	(20.5)	(14.3)	(11.3)	(16.1)	11.7	25.8	(4.0)	8.1

FY2014/3 Business Results at a Glance and FY2015/3 Forecasts by Geographical Segment

(¥ million, %)

	FY2014/3 results			FY2015/3 forecasts					
	1st half	2nd half	Full year	1st half	Variance	2nd half	Variance	Full year	Variance
Domestic sales	494,479	527,543	1,022,022	501,600	1.4	536,000	1.6	1,037,600	1.5
External customers	493,930	527,079	1,021,009	501,000	1.4	535,500	1.6	1,036,500	1.5
Intersegment	549	464	1,013	600	9.3	500	7.8	1,100	8.6
Operating income	9,187	19,317	28,504	14,200	54.6	21,200	9.7	35,400	24.2
Operating income ratio	1.9%	3.7%	2.8%	2.8%	-	4.0%	-	3.4%	-
Overseas sales	105,424	103,764	209,188	108,000	2.4	104,500	0.7	212,500	1.6
External customers	52,261	48,827	101,088	54,000	3.3	49,500	1.4	103,500	2.4
Intersegment	53,163	54,937	108,100	54,000	1.6	55,000	0.1	109,000	0.8
Operating income	2,765	4,492	7,257	3,800	37.4	800	(82.2)	4,600	(36.6)
Operating income ratio	2.6%	4.3%	3.5%	3.5%	-	0.8%	-	2.2%	-

* Sales by geographic segment are before intersegment elimination

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

(¥ million, %)

	FY2013/3 Full year result	FY2014/3		
		Full year results	Variance (%)	Variance
★ (1) Selling, general and administrative expenses	167,760	168,093	0.2	333
Personnel	66,148	65,315	(1.3)	(833)
Advertising	10,482	11,221	7.1	739
★ (2) Logistics	40,482	41,465	2.4	983
Others	50,648	50,092	(1.1)	(556)

Major reasons for
increases/decreases

★(1) SG&A expenses: The ratio of SG&A expenses to sales decreased 1.4 point from 16.4% to 15.0%.

★(2) Logistics: Shipping costs rose by ¥1.1 billion, while refrigeration costs slightly down.

(¥ million, %)

	FY2013/3 Full year result	FY2014/3	
		Full year result	Variance (%)
Other operating costs and expenses (income) - net	131	686	555
Impairment and disposition of property, plant, and equipment and intangible assets	3	543	540
Others	128	143	15

Other income (expenses) - net	1,723	1,791	68
Interest and dividends income	988	1,095	107
Foreign exchange gains (losses)	841	1,063	222
Others	(106)	(367)	(261)

Interest expenses	1,582	1,502	(80)
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4. Balance Sheets / Capital Expenditure / Depreciation and Amortization

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(¥ million, %)

Consolidated balance sheets		FY2013/3 year-end	FY2014/3 year-end	Variance (%)	Variance
★(1)	Total assets	610,293	627,220	2.8	16,927
	Cash and cash equivalents	36,475	42,983	17.8	6,508
★(2)	Trade notes and accounts receivable	123,972	118,141	(4.7)	(5,831)
★(3)	Inventories	113,187	122,115	7.9	8,928
	Property, plant and equipment - at cost, less accumulated depreciation	224,785	236,669	5.3	11,884
	Investments and other assets	30,685	34,267	11.7	3,582
	Deferred income taxes - non-current	12,531	10,091	(19.5)	(2,440)
	Total liabilities	314,209	303,245	(3.5)	(10,964)
	Trade notes and accounts payable	102,148	97,353	(4.7)	(4,795)
★(4)	Interest-bearing debt	149,821	144,963	(3.2)	(4,858)
	Liability under retirement and severance programs	15,005	12,584	(16.1)	(2,421)
	Total Nippon Meat Packers, Inc. shareholders' equity	293,414	320,984	9.4	27,570
	Noncontrolling interests	2,670	2,991	12.0	321
	Total equity	296,084	323,975	9.4	27,891

Major reasons for
increases/decreases

- ★(1) **Total assets:** Total assets increased 16.9 billion yen year on year (up 2.8%)
- ★(2) **Trade notes and accounts receivables:** Decrease of 5.8 billion yen because the last day of the previous fiscal year fell on a holiday.
- ★(3) **Inventories:** Increase of about 8.9 billion yen from the end of the previous term mainly owing to increase in fresh meats.
- ★(4) **Interest-bearing debt:** Decrease of approximately 4.9 billion yen owing to repayment of loans

(¥ million, %)

Capital expenditures and depreciation	FY2013/3 Full year results	FY2014/3				FY2015/3 Full year forecasts
		Full year forecasts	Full year results	Variance (%)	Variance	
Capital expenditure	33,285	32,000	29,152	(12.4)	(4,133)	49,200
Production facilities	11,180	15,700	18,768	67.9	7,588	25,000
Marketing and logistics facilities	8,984	4,500	2,518	(72.0)	(6,466)	6,600
Farms and processing facilities	8,203	6,500	4,670	(43.1)	(3,533)	10,500
Overseas businesses facilities	2,118	3,300	1,509	(28.8)	(609)	4,500
Other facilities	2,800	2,000	1,687	(39.8)	(1,113)	2,600
Depreciation and amortization	19,323	20,000	18,649	(3.5)	(674)	19,700

(¥ million)

	FY2013/3	FY2014/3		FY2015/3
Consolidated statement of cash flows	Full year results	Full year results	Variance	Full year forecasts
★(1) Cash flow from operating activities	37,407	32,952	(4,455)	46,300
★(2) Cash flow from investing activities	(54,813)	(17,909)	36,904	(48,300)
Cash flow from financing activities	(10,964)	(9,373)	1,591	(6,300)

Major reasons for increases/decrease

★(1) Breakdown of major items of cash flow from operating activities (¥ million)

	FY2013/3	FY2014/3	
	Full year results	Full year results	Variance
Decrease (increase) in trade notes and accounts receivables	(3,178)	6,339	9,517
Decrease (increase) in Inventories	1,722	(8,215)	(9,937)

★(2) Breakdown of major items of cash flow from investing activities (¥ million)

	FY2013/3	FY2014/3	
	Full year results	Full year results	Variance
Capital expenditures	(29,904)	(22,690)	7,214
Decrease (increase) in short-term investments	(27,330)	855	28,185

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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.