

(Translation)

July 31, 2015

BRIEF STATEMENT OF ACCOUNTS
FOR THE FIRST QUARTER OF THE YEAR ENDING MARCH 31, 2016
(Based on the accounting principles generally accepted in the United States)
(Consolidated)

Name of listed company: NH Foods Ltd. (the "Company")

Listing exchange: Tokyo Stock Exchange

Code number: 2282

URL: <http://www.nipponham.co.jp/en/>

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Scheduled date of filing of quarterly report: August 6, 2015

Scheduled date of payment of dividends: -

Preparation of supplementary information on quarterly statement of accounts: Yes

Holding of quarterly results briefing: Yes (results briefing for institutional investors and analysts)

(Figures are indicated by counting fractions of 1/2 or more of a million yen as one and discarding the rest.)

1. Consolidated business results for the first quarter of the year ending March 31, 2016 (April 1, 2015 through June 30, 2015):

(1) Consolidated operating results:

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

	Net sales		Operating income		Income before income taxes and equity in earnings of associated companies		Net income attributable to NH Foods Ltd.	
	(millions of yen)	%	(millions of yen)	%	(millions of yen)	%	(millions of yen)	%
First quarter of the year ending March 31, 2016	305,502	7.6	11,877	19.7	11,378	27.4	8,598	30.4
First quarter of the year ended March 31, 2015	283,851	6.9	9,922	121.7	8,931	94.9	6,592	106.2

(Note) Quarterly comprehensive income attributable to NH Foods Ltd.:

First quarter of the year ending March 31, 2016:	¥10,257 million	53.8%
First quarter of the year ended March 31, 2015:	¥6,670 million	11.3%

	Earning per share attributable to NH Foods Ltd. shareholders (basic)	Earning per share attributable to NH Foods Ltd. shareholders (diluted)
First quarter of the year ending March 31, 2016	42.21	39.61
First quarter of the year ended March 31, 2015	32.37	30.39

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

(2) Consolidated financial position:

	Total assets	Total equity	Total NH Foods Ltd. shareholders' equity	NH Foods Ltd. shareholders' equity ratio	Total NH Foods Ltd. shareholders' equity per share
	(millions of yen)	(millions of yen)	(millions of yen)	(%)	(yen)
First quarter of the year ending March 31, 2016	701,265	361,900	354,549	50.6	1,740.54
Year ended March 31, 2015	661,567	356,424	353,664	53.5	1,736.18

(Note) The "shareholders' equity" represents the amount of "Total NH Foods Ltd. shareholders' equity".

2. State of dividends:

	Annual dividend				
	First quarter-end	Second quarter-end	Third quarter-end	Year-end	Total
Year ended March 31, 2015	—	—	—	46.00	46.00
Year ending March 31, 2016	—	—	—	—	—
Year ending March 31, 2016 (forecast)	—	—	—	40.00	40.00

(Note) Adjustment to the most recently publicized forecast of dividends: None

3. Forecast of consolidated business results for the year ending March 31, 2016 (April 1, 2015 through March 31, 2016):

(The percentages indicate the rates of increase (decrease) from the previous fiscal year in respect of the whole year period, and from the second quarter (cumulative) period of the previous fiscal year in respect of the second quarter (cumulative) period, respectively.)

	Net sales		Operating income		Income before income taxes and equity in earnings of associated companies		Net income attributable to NH Foods Ltd.		Earnings per share attributable to NH Foods Ltd. shareholders (basic)
	(millions of yen)	(%)	(millions of yen)	(%)	(millions of yen)	(%)	(millions of yen)	(%)	(yen)
Second-quarter (cumulative) period	620,000	5.5	20,000	(10.5)	19,000	(9.3)	13,500	(10.4)	66.27
Whole-year period	1,260,000	3.9	41,000	(15.4)	39,000	(12.4)	27,000	(13.0)	132.55

(Note) Adjustment to the most recently publicized forecast of business results: Yes

*** Notes:**

- (1) Changes in significant subsidiaries (changes in specific subsidiaries involving a change in the scope of consolidation) during the period under review: None
- (2) Application of simplified accounting treatments and special accounting treatments: None
- (3) Changes in accounting policies:
- 1) Changes associated with changes in accounting standards: None
- 2) Other changes: None

For more information, please refer to "2. Other Information: (3) Changes in Accounting Policies and (4) Basis of Preparation of Consolidated Quarterly Financial Statements" on pages 10 and 11 hereof.

- (4) Number of shares issued (shares of common stock):
- 1) Number of shares issued (including shares of treasury stock) as of the end of the period:
- First quarter of the year ending March 31, 2016: 204,000,000 shares
- Year ended March 31, 2015: 204,000,000 shares
- 2) Number of shares of treasury stock as of the end of the period:
- First quarter of the year ending March 31, 2016: 299,009 shares
- Year ended March 31, 2015: 298,412 shares

3) Average number of shares outstanding during the period:

First quarter of the year ending March 31, 2016:	203,701,238 shares
First quarter of the year ended March 31, 2015:	203,673,223 shares

* Statement on the state of performance of quarterly review procedures:

This brief statement of accounts for the period under review is not subject to quarterly review procedures under the Financial Instruments and Exchange Act of Japan. The review procedures of quarterly financial statements in accordance with the Financial Instruments and Exchange Act have not been completed at the time of disclosure hereof.

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

The descriptions herein about the future, including the forecast of business results, are based on the information currently available to the Company and certain assumptions considered reasonable by the Company and are not contemplated to ensure the fulfillment thereof. The actual results may materially differ from such forecast and plans depending on various factors. The Company, therefore, wishes to caution that readers should not place undue reliance on these descriptions to make investment decisions. Further, unless obligated by laws or ordinances or the rules of financial instruments exchanges, the Company will not necessarily, or is not obligated to, revise such descriptions about the future, including the forecast of business results notwithstanding any information or event in the future or any result arising therefrom, or publicize such revised information. For information on the conditions precedent to the forecast of business results and cautionary notes for the use of the forecast of business results, please refer to "1. Qualitative Information on the Consolidated Business Results and Others for the First Quarter of the Fiscal Year under Review: (3) Qualitative Information on the Forecast of Consolidated Business Results" on page 9.

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

- August 4, 2015 (Tuesday): Results briefing for institutional investors and analysts

* In addition to the above-mentioned briefing, the Company will hold briefings of its operations and business results for individual investors from time to time. For information on the schedules of such briefings, etc., please make sure on its website.

1. Qualitative Information on the Consolidated Business Results and Others for the First Quarter of the Fiscal Year under Review

(1) Qualitative Information on the Consolidated Operating Results:

Overview of Operating Results in General

The Japanese economy during the first quarter of the fiscal year under review generally registered a tone of slow recovery as corporate earnings and the employment environment continued to improve owing to the government's economic policies and the Bank of Japan's monetary policy. However, due to a prolonged effect of the consumption tax rate hike in April 2014 on consumer spending, as well as cost rises and electric rate hikes resulting from higher prices of raw materials and resources due to the depreciation of the yen, the economic conditions have continued to remain unforeseeable.

In the food and fresh meats industry, prices of domestic fresh meats continued to remain in good shape, higher in comparison with the corresponding period of the previous fiscal year. However, the business conditions have remained severe due to rising prices of raw materials and supplies, higher prices of feedstuffs, higher distribution cost and intensifying sales competition, among others.

Under these circumstances, NH Foods Ltd. and its subsidiaries (the "Group"), with its "New Medium-Term Management Plan Part 5", which commenced in April 2015, has conducted business activities based on its two management policies "Establish competitive advantages of domestic businesses" and "Accelerate to a global company" to pursue the theme listed in the plan "Creating a stable business model through reform". To be specific, the Group has implemented various measures, including the reinforcing of its domestic farm business, management of Ege-Tav in the Republic of Turkey, which became a consolidated subsidiary in April 2015, development and sales promotion of new products and development of human resources. The Group also endeavored to enhance productivity to strengthen its cost competitiveness and improve profitability and took measures for stricter risk management.

As a result of these activities, for the first quarter of the fiscal year under review, on a consolidated basis, net sales amounted to ¥305,502 million, up 7.6% from the corresponding period of the previous fiscal year. Operating income increased 19.7% from the corresponding period of the previous fiscal year to ¥11,877 million. Income before income taxes and equity in earnings of associated companies increased 27.4% from the corresponding period of the previous fiscal year to ¥11,378 million. Net income attributable to NH Foods Ltd. increased 30.4% from the corresponding period of the previous fiscal year to ¥8,598 million.

Overview of Operating Segments

(Processed Foods Business Division)

In the hams and sausages business, the division aggressively promoted sales/marketing focused on its brand products, by running television commercials of its mainstay "SCHAU ESSEN" series, and sales expansion by revising specifications and offering

gram-plus sales. In the processed foods business, sales of "*Ishigama Kobo*" series, with the addition of new products "*croissant pizza*", and "*Chuka Meisai*" series, with the addition of new products "*Torikaraage-kaimi-sosuitame*", increased favorably. However, the division had a hard time as competition intensified in commercial-use products and overall sales of processed foods fell below those in the corresponding period of the previous fiscal year.

With regard to profits, in spite of the effects of the price revisions made in July 2014 and cost reductions on which the Group had been focusing its efforts, sales volume fell short of the plan and prices of raw materials and supplies were higher than in the corresponding period of the previous fiscal year. Thus, profitability decreased in comparison with the corresponding period of the previous fiscal year.

As a result, for the first quarter period of the fiscal year under review, on a consolidated basis, net sales of the processed foods business division amounted to ¥84,124 million, down 2.3% from the corresponding period of the previous fiscal year, and operating income amounted to ¥122 million, down 86.5% from the corresponding period of the previous fiscal year.

(Fresh Meats Business Division)

In Japan, due partly to higher fresh meat prices over the corresponding period of the previous fiscal year, net sales overall increased substantially. With regard to the selling of "*Sakurahime*" packages straight from the farm and Italian pork "*Dolce Porco*", the division opened multifaceted communications by the use of the Internet for promotional activities and tie-up plans with its clients, among others. Overseas, the Australian operations performed well. Thus, the division of fresh meats overall saw an increase in net sales over the corresponding period of the previous fiscal year.

With regard to profits, prices of feedstuffs, which affect production cost, have remained high due partly to the depreciation of the yen. However, due to a rise in the market for fresh meats and improved productivity, the domestic sales and farm business have registered a tone of recovery in comparison with the corresponding period of the previous fiscal year. Overseas, the Australian operations performed well as sales to other countries continued to increase favorably. However, the operations in Americas had a hard time due to a plunge in pork prices and profitability decreased in comparison with the corresponding period of the previous fiscal year.

As a result, for the first quarter period of the fiscal year under review, on a consolidated basis, net sales of the fresh meats business division amounted to ¥223,637 million, up 11.9% from the corresponding period of the previous fiscal year and operating income amounted to ¥11,593 million, up 31.8% from the corresponding period of the previous fiscal year.

(Affiliated Business Division)

In the marine products business, the Group strengthened its selling activities targeting the volume retailer channel and sales of in-house products, including marine products processed in Hokkaido, and shrimps increased. Thus, revenues increased. In the dairy products business, with regard to yogurt and lactic acid probiotic beverages, sales of its mainstay "*Vanilla*

"Yogurt" and yogurt beverages increased in the volume retailer channel and convenience stores channel. In addition, sales of "TOPCUP" series, which increased its items this spring, contributed to increased revenues as well. With regard to cheese, sales increased in its major bakery channel and the retail channel to which the Group has been strengthening its marketing efforts. Sales to the restaurant channel also recovered to exceed those in the corresponding period of the previous fiscal year. Overall, revenues increased in the dairy products business.

With regard to profits, in the marine products business, sales of in-house products increased and profit margins improved due to reduced inventories. Consequently, profitability increased. In the dairy products business, profitability increased in comparison with the corresponding period of the previous fiscal year due to an increase in sales of yogurt and lactic acid probiotic beverages, as well as the launch of new products and price revisions. Sales volume of cheese overall recovered from the corresponding period of the previous fiscal year. Consequently, profitability increased in the dairy products business on the whole.

As a result, for the first quarter period of the fiscal year under review, on a consolidated basis, net sales of the affiliated business division amounted to ¥37,077 million, up 4.3% from the corresponding period of the previous fiscal year and operating income amounted to ¥196 million (an operating loss of ¥46 million for the corresponding period of the previous fiscal year).

(2) Qualitative Information on the Consolidated Financial Position:

<Financial position>

At the end of the first quarter period of the fiscal year under review, total assets increased by 6.0% from the end of the previous fiscal year to account for ¥701,265 million, as inventories increased by ¥18,515 million from the end of the previous fiscal year and intangible assets, less accumulated amortization increased by ¥10,695 million from the end of the previous fiscal year, though cash and cash equivalents decreased by ¥3,029 million from the end of the previous fiscal year. Liabilities increased by 11.2% from the end of the previous fiscal year to account for ¥339,365 million as trade notes and accounts payable increased by ¥17,117 million from the end of the previous fiscal year and long-term debt, less current maturities increased by ¥10,678 million from the end of the previous fiscal year. Interest-bearing debt increased by ¥16,446 million from the end of the previous fiscal year to account for ¥153,252 million.

Total NH Foods Ltd. shareholders' equity increased by 0.3% from the end of the previous fiscal year to account for ¥354,549 million. However, due partly to an increase in total assets, the NH Foods Ltd. shareholders' equity ratio decreased by 2.9 percentage points from the end of the previous fiscal year to 50.6%.

<Cash flows>

With regard to operating activities, while inventories increased by ¥15,941 million, trade notes and accounts payable increased by ¥15,899 million, net income accounted for ¥8,612 million and accrued expenses and other current liabilities increased by ¥6,476 million. As a result, net cash provided by operating activities amounted to ¥12,853 million.

With regard to investing activities, capital expenditures and net decrease in cash and cash equivalents resulting from purchase of business amounted to ¥10,387 million and ¥8,563 million, respectively, among others. As a result, net cash used in investing activities amounted to ¥19,015 million.

With regard to financing activities, debt of ¥17,751 million was repaid and cash dividends amounted to ¥9,388 million, while short-term bank loans increased by ¥21,682 million and proceeds of ¥8,404 million were provided from debt. As a result, net cash provided by financing activities amounted to ¥2,945 million.

As a result, cash and cash equivalents at end of the first quarter period of the fiscal year under review decreased by ¥3,029 million in comparison with the end of the previous fiscal year to amount to ¥54,375 million.

(3) Qualitative Information on the Forecast of Consolidated Business Results:

For the first quarter period of the year ending March 31, 2016, both net sales and profits increased steadily due principally to the Australian operations in good form and favorable fresh meat prices. Upon a review of the forecast of its business results in the future in consideration of these developments, the Company will make adjustment to the forecasts of consolidated business results for the second quarter (cumulative) period of the year ending March 31, 2016 and the whole year period of the year ending March 31, 2016 publicized on May 11, 2015 in the Brief Statement of Accounts for the Year ended March 31, 2015, as described below:

Adjustment to the forecast of consolidated business results for the second quarter (cumulative) period of the year ending March 31, 2016 (April 1, 2015 through September 30, 2015):

(millions of yen, unless otherwise indicated)

	Net sales	Operating income	Income before income taxes and equity in earnings of associated companies	Net income attributable to NH Foods Ltd.	Earnings per share attributable to NH Foods Ltd. shareholders (basic) (yen)
Previous forecast (A)	600,000	17,000	16,000	11,000	54.00
Adjusted forecast (B)	620,000	20,000	19,000	13,500	66.27
Amount of increase or decrease (B) – (A)	20,000	3,000	3,000	2,500	
Rate of increase or decrease (%)	3.3	17.6	18.8	22.7	
(For reference) Business results for the second quarter (cumulative) period of the previous year (April 1, 2014 through September 30, 2014)	587,623	22,345	20,947	15,067	73.98

Adjustment to the forecast of consolidated business results for the whole year period of the year ending March 31, 2016 (April 1, 2015 through March 31, 2016):

(millions of yen, unless otherwise indicated)

	Net sales	Operating income	Income before income taxes and equity in earnings of associated companies	Net income attributable to NH Foods Ltd.	Earnings per share attributable to NH Foods Ltd. shareholders (basic) (yen)
Previous forecast (A)	1,240,000	41,000	39,000	27,000	132.55
Adjusted forecast (B)	1,260,000	41,000	39,000	27,000	132.55
Amount of increase or decrease (B) – (A)	20,000	-	-	-	
Rate of increase or decrease (%)	1.6	-	-	-	
(For reference) Business results for the previous year (April 1, 2014 through March 31, 2015)	1,212,802	48,444	44,544	31,048	152.43

Cautionary notice on information about the future:

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

2. Other Information

- | | | |
|-----|--|------|
| (1) | Changes in Significant Subsidiaries during the Period under Review: | None |
| (2) | Application of Simplified Accounting Treatments and Special Accounting Treatments: | None |
| (3) | Changes in Accounting Policies: | None |
| (4) | Basis of Preparation of Consolidated Quarterly Financial Statements: | |

The consolidated quarterly financial statements of the Company are prepared in

accordance with the generally accepted accounting principles in the United States.

The Company has revised the presentation for the previous fiscal year to comply with the presentation for the fiscal year under review.

3. Consolidated Quarterly Financial Statements

(1) Consolidated Quarterly Balance Sheets:

	(millions of yen)	
	Year ended March 31, 2015 (as of March 31, 2015)	First quarter period of the year ending March 31, 2016 (as of June 30, 2015)
<u>Assets</u>		
Current assets:		
Cash and cash equivalents	57,404	54,375
Time deposits	11,514	11,309
Marketable securities	190	-
Trade notes and accounts receivable	127,273	128,127
Allowance for doubtful receivables	(289)	(414)
Inventories	143,107	161,622
Deferred income taxes	6,295	7,497
Other current assets	10,960	12,227
Total current assets	356,454	374,743
Property, plant and equipment - at cost, less accumulated depreciation	252,537	261,336
Intangible assets, less accumulated amortization	4,339	15,034
Investments and other assets:		
Investments in associated companies	3,213	2,943
Other investment securities	23,355	24,915
Other assets	14,602	15,175
Total investments and other assets	41,170	43,033
Deferred income taxes - non-current	7,067	7,119
Total Assets	661,567	701,265

(millions of yen)

	Year ended March 31, 2015 (as of March 31, 2015)	First quarter period of the year ending March 31, 2016 (as of June 30, 2015)
Liabilities and Equity		
Current liabilities:		
Short-term bank loans	43,579	49,229
Current maturities of long-term debt	9,058	9,176
Trade notes and accounts payable	94,212	111,329
Accrued income taxes	7,729	3,151
Deferred income taxes	1,187	1,013
Accrued expenses	22,193	26,929
Other current liabilities	25,669	26,009
Total current liabilities	203,627	226,836
Liability under retirement and severance programs	12,075	12,308
Long-term debt, less current maturities	84,169	94,847
Deferred income taxes - non-current	2,467	2,534
Other long-term liabilities	2,805	2,840
Total liabilities	305,143	339,365
NH Foods Ltd. shareholders' equity:		
Common stock	24,166	24,166
Capital surplus	51,038	51,038
Retained earnings:		
Appropriated for legal reserve	7,905	8,086
Unappropriated	262,887	261,934
Accumulated other comprehensive income	8,126	9,785
Treasury stock, at cost	(458)	(460)
Total NH Foods Ltd. shareholders' equity	353,664	354,549
Noncontrolling interests	2,760	7,351
Total equity	356,424	361,900
Total Liabilities and Equity	661,567	701,265

(Note) Accumulated other comprehensive income – breakdown

	Year ended March 31, 2015	First quarter period of the year ending March 31, 2016
Net unrealized gains on securities available-for-sales	6,264	7,226
Pension liability adjustments	(1,302)	(1,269)
Foreign currency translation adjustments	3,164	3,828

(2) Consolidated Quarterly Statements of Income:
(for the consolidated first-quarter period of the year)

	(millions of yen)	
	First quarter period of the year ended March 31, 2015 (April 1, 2014 through June 30, 2014)	First quarter period of the year ending March 31, 2016 (April 1, 2015 through June 30, 2015)
Net sales	283,851	305,502
Cost of goods sold	232,551	250,552
Selling, general and administrative expenses	41,378	43,073
Other operating costs and expenses (income) - net	269	285
Interest expense	388	294
Other income (expenses) - net	(334)	80
Income before income taxes and equity in earnings of associated companies	8,931	11,378
Income taxes	2,326	2,569
Income before equity in earnings of associated companies	6,605	8,809
Loss in earnings of associated companies - net of applicable income taxes	(2)	(197)
Net income	6,603	8,612
Net income attributable to noncontrolling interests	(11)	(14)
Net income attributable to NH Foods Ltd.	6,592	8,598

(3) Consolidated Quarterly Statements of Comprehensive Income:
 (for the consolidated first-quarter period of the year)

	(millions of yen)	
	First quarter period of the year ended March 31, 2015 (April 1, 2014 through June 30, 2014)	First quarter period of the year ending March 31, 2016 (April 1, 2015 through June 30, 2015)
Net income	6,603	8,612
Other comprehensive income - net of applicable income taxes		
Net unrealized gains on securities available-for-sale	607	964
Pension liability adjustments	57	33
Foreign currency translation adjustments	(637)	665
Total other comprehensive income	27	1,662
Comprehensive income	6,630	10,274
Net comprehensive income (loss) attributable to noncontrolling interests	40	(17)
Net comprehensive income attributable to NH Foods Ltd.	6,670	10,257

(4) Consolidated Quarterly Statements of Cash Flows:

(millions of yen)

	First quarter period of the year ended March 31, 2015 (April 1, 2014 through June 30, 2014)	First quarter period of the year ending March 31, 2016 (April 1, 2015 through June 30, 2015)	(For reference) Year ended March 31, 2015 (April 1, 2014 through March 31, 2015)
Operating Activities:			
Net income	6,603	8,612	31,164
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	4,752	4,782	19,405
Impairment loss of long-lived assets	311	202	3,047
Income taxes deferred	(2,085)	(1,897)	554
Foreign exchange transaction adjustments	(111)	(397)	(963)
Decrease (increase) in trade notes and accounts receivable	(2,009)	829	(8,929)
Increase in inventories	(25,346)	(15,941)	(20,259)
Increase in other current assets	(612)	(881)	(2,260)
Increase (decrease) in trade notes and accounts payable	11,076	15,899	(3,617)
Increase (decrease) in accrued income taxes	(1,264)	(4,578)	3,294
Increase in accrued expenses and other current liabilities	12,129	6,476	8,727
Others - net	354	(253)	(482)
Net cash provided by operating activities	3,798	12,853	29,681
Investing Activities:			
Capital expenditures	(9,457)	(10,387)	(34,519)
Proceeds from sales of capital assets	463	257	2,212
Decrease (increase) in time deposits	(289)	10	(1,027)
Purchases of marketable securities and other investment securities	(210)	(177)	(308)
Proceeds from sales and maturities of marketable securities and other investment securities	240	276	2,185
Net decrease in cash and cash equivalents resulting from purchase of business	-	(8,563)	-
Net increase in cash and cash equivalents resulting from sales of business	-	-	358
Others - net	(293)	(431)	(418)
Net cash used in investing activities	(9,546)	(19,015)	(31,517)
Financing Activities:			
Cash dividends	(7,545)	(9,388)	(7,619)
Increase (decrease) in short-term bank loans	(9,180)	21,682	(18,532)
Proceeds from debt	17,719	8,404	19,631
Repayments of debt	(1,005)	(17,751)	(10,646)
Acquisition of treasury stock	(2)	(2)	(21)
Others - net	-	-	0
Net cash provided by (used in) financing activities	(13)	2,945	(17,187)
Effect of exchange rate changes on cash and cash equivalents	(322)	188	1,499
Net decrease in cash and cash equivalents	(6,083)	(3,029)	(17,524)
Cash and cash equivalents at beginning of the period (year)	74,928	57,404	74,928
Cash and cash equivalents at end of the period (year)	68,845	54,375	57,404
Additional cash flow information:			
Cash payment for the period (year)			
Interest paid	350	407	1,229
Income taxes paid	4,301	7,357	10,493
Capital lease obligations incurred	588	2,346	2,773

(5) Note on the Premises of a Going Concern:

Not applicable.

(6) Segment Information:

Operating segment information:

The operating segments of the Company and its consolidated subsidiaries are comprised of the following three business groups. The businesses thereof are as follows:

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

The Group is composed of the NH Foods Ltd., its 86 subsidiaries and five associated companies.

For the consolidated first quarter period of the year ended March 31, 2015 (April 1, 2014 through June 30, 2014):

(millions of yen)

	Processed foods business division	Fresh meats business division	Affiliated business division	Total	Eliminations, adjustments and others	Consolidated
Net sales						
(1) External customers	80,052	173,406	34,722	288,180	(4,329)	283,851
(2) Intersegment	6,019	26,512	820	33,351	(33,351)	-
Total	86,071	199,918	35,542	321,531	(37,680)	283,851
Operating expenses	85,165	191,120	35,588	311,873	(37,944)	273,929
Segment profit (loss)	906	8,798	(46)	9,658	264	9,922

For the consolidated first quarter period of the year ending March 31, 2016 (April 1, 2015 through June 30, 2015):

(millions of yen)

	Processed foods business division	Fresh meats business division	Affiliated business division	Total	Eliminations, adjustments and others	Consolidated
Net sales						
(1) External customers	77,242	196,424	36,306	309,972	(4,470)	305,502
(2) Intersegment	6,882	27,213	771	34,866	(34,866)	-
Total	84,124	223,637	37,077	344,838	(39,336)	305,502
Operating expenses	84,002	212,044	36,881	332,927	(39,302)	293,625
Segment profit	122	11,593	196	11,911	(34)	11,877

- (Notes) 1. "Eliminations, adjustments and others" includes unallocated items and intersegment eliminations.
2. Except for a few unallocated items, corporate overhead expenses and profit and loss of certain subsidiaries are allocated to each reportable operating segment. These subsidiaries provide indirect services and operational support for the companies included in each reportable operating segment.
3. Operating income (loss) is calculated by deducting cost of goods sold and selling, general and administrative expenses from net sales.
4. As of April 1, 2015, some changes were made in the business divisions to supervise the subsidiaries. Consequently, the relevant reportable operating segments are reclassified for the consolidated first-quarter period of the previous fiscal year.

(7) Note on Material Change (if Any) in the Amount of Shareholders' Equity:

Not applicable.

(8) Note on Business Combinations:

On April 1, 2015, the Company acquired 60% of the outstanding shares of Ege-Tav Ege Tarım Hayvancılık Yatırım Ticaret ve Sanayi Anonim Şirketi ("Ege-Tav") and it became a subsidiary of the Group. By acquiring the shares of Ege-Tav, the Group will generate a synergistic effect with its own chicken business for the purpose of developing the Group's presence in Middle Eastern countries, rapidly growing emerging markets as well as European countries.

The fair value of noncontrolling interests was measured based on the acquired cost deducting the control premium. The fair values of the consideration paid for the controlling interests of Ege-Tav and the noncontrolling interests as of the acquisition date are as follows:

	(millions of yen)
Fair value of consideration paid (cash)	8,638
Fair value of noncontrolling interests	4,592
Total	13,230

The Group measures Ege-Tav's assets acquired and liabilities assumed based on their fair values in accordance with the provisions of the Accounting Standards Codification ("ASC") of the U.S. Financial Accounting Standards Board Topic 805 "Business Combinations". However, the acquisition accounting has not completed as of July 31, 2015. The provisional fair value amounts allocated to assets acquired and liabilities assumed of Ege-Tav are as follows:

(millions of yen)

Cash and cash equivalents	75
Trade notes and accounts receivable	1,527
Inventories	2,065
Property, plant and equipment	2,154
Other assets	237
Current liabilities	(2,166)
Long-term liabilities	(1,400)
Total net assets acquired	2,492
Goodwill	10,738
Total	13,230

The goodwill accounted in connection with this acquisition is included in the fresh meats business division in the operating segment information and is not deductible for tax purposes.