

(Translation)

February 1, 2016

BRIEF STATEMENT OF ACCOUNTS
FOR THE THIRD 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: February 5, 2016

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 third quarter of the year ending March 31, 2016 (April 1, 2015 through December 31, 2015):

(1) Consolidated operating results:

(The percentages indicate the rates of increase (decrease) from the third 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)	%
Third quarter of the year ending March 31, 2016	962,907	3.2	41,567	(5.4)	38,660	(9.8)	27,195	(11.7)
Third quarter of the year ended March 31, 2015	932,797	8.3	43,959	47.5	42,869	51.6	30,793	60.7

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

Third quarter of the year ending March 31, 2016:	¥25,529 million	(31.9%)
Third quarter of the year ended March 31, 2015:	¥37,508 million	52.5%

	Earning per share attributable to NH Foods Ltd. shareholders (basic)	Earning per share attributable to NH Foods Ltd. shareholders (diluted)
Third quarter of the year ending March 31, 2016	133.50	125.28
Third quarter of the year ended March 31, 2015	151.18	141.86

(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)
Third quarter of the year ending March 31, 2016	732,955	377,558	369,745	50.4	1,815.11
Year ended March 31, 2015	661,567	356,424	353,664	53.5	1,736.18

2. State of dividends:

	Annual dividend (yen)				
	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.)

	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)
Whole-year period	1,260,000	3.9	43,000	(11.2)	40,000	(10.2)	27,500	(11.4)	135.00

(Note) Adjustment to the most recently publicized forecast of business results: No

* 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 page 10 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:
- | | |
|--|--------------------|
| Third 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:
- | | |
|--|----------------|
| Third quarter of the year ending March 31, 2016: | 296,936 shares |
| Year ended March 31, 2015: | 298,412 shares |

3) Average number of shares outstanding during the period (consolidated quarterly cumulative period):

Third quarter of the year ending March 31, 2016:	203,700,577 shares
Third quarter of the year ended March 31, 2015:	203,682,778 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 Third 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.

- February 3, 2016 (Wednesday): 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 Third 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 third quarter of the fiscal year under review registered a tone of slow recovery as corporate earnings and the employment environment continued to improve owing to the government's economic policies, among others. However, due to concern about the deceleration of the Chinese economy and an economic decline in the global economy, including emerging economies, among others, the economic conditions have continued to remain unforeseeable. Consumer spending has continued to remain weak as rising prices of groceries and daily commodities resulting from the depreciation of the yen have weighed on it while demand from foreign tourists has been increasing.

In the food and fresh meats industry, prices of domestic beef and poultry 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 resulting from the depreciation of the yen, 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, the relocation and new establishment of a dedicated cheese plant, 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. In July 2015, the Group held its third "Nipponham Group Fairs", which were launched three years ago, at supermarket stores and put commercial messages on television to raise awareness of the Group and expand sales. The Group also endeavored to enhance productivity to strengthen its cost competitiveness and improve profitability, and promoted measures for stricter risk management. In addition, by instituting a "Nipponham Group Fundamental Policy on Corporate Governance" in November 11, 2015, the Group took measures to strengthen its management structure.

As a result of these activities, for the third quarter period of the fiscal year under review, on a consolidated basis, net sales amounted to ¥962,907 million, up 3.2% from the corresponding period of the previous fiscal year. Operating income decreased 5.4% from the corresponding period of the previous fiscal year to ¥41,567 million. Income before income taxes and equity in earnings of associated companies decreased 9.8% from the corresponding period of the previous fiscal year to ¥38,660 million. Net income attributable to NH Foods Ltd. decreased 11.7% from the corresponding period of the previous fiscal year to ¥27,195 million.

Overview of Operating Segments

(Processed Foods Business Division)

In the hams and sausages business, the division endeavored to aggressively promote sales/marketing by running television commercials of its mainstay products, including "SCHAU ESSEN" series and enhance the values of its major brand products. However, due to the difficult market circumstance, sales fell below those in the corresponding period of the previous fiscal year. In the processed foods business, sales of "Ishigama Kobo" series, with the addition of new products "croissant pizza", and "CHIKI-CHIKI Bone" series, with the addition of new boneless types, increased favorably. In the year-end gift season, sales of the "Utsukushi-no-Kuni" branded products increased but the total units sold fell below those in the corresponding period of the previous fiscal year as the entire ham gift market had a hard time. Sales of commercial-use products, specifically in the channels of major convenience store chains and the restaurant industry where competition price was intensifying still remained slow though there was a sign of recovery. Consequently, overall sales of processed foods fell below those in the corresponding period of the previous fiscal year.

With regard to profits, in addition to cost reduction efforts, including the readjustment of product mixes and the integration of production lines, on which the Group had been focusing, the Group took measures to improve logistics efficiencies. Also, due partly to a favorable move in the prices of raw materials and fuel, profitability increased in comparison with the corresponding period of the previous fiscal year.

As a result, for the third quarter period of the fiscal year under review, on a consolidated basis, net sales of the processed foods business division amounted to ¥276,815 million, down 1.7% from the corresponding period of the previous fiscal year, and operating income amounted to ¥5,045 million, up 1.0% from the corresponding period of the previous fiscal year.

(Fresh Meats Business Division)

In Japan, due to an increase in sales volume of poultry, among others, as well as a trend of higher prices of fresh meats, overall sales increased. With regard to its branded poultry "Sakurahime", the division put commercial messages on television in the Kanto area twice, in spring and autumn, and with the aim of promoting the brand and other branded fresh meats, opened multifaceted communications by the use of the Internet for promotional activities and tie-up plans with its clients, among others. Overseas, the operations in Americas had a hard time due to a plunge in pork prices. However, 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, in the domestic farm business, in spite of negative factors such as higher prices of feedstuffs, due to a rise in the market for fresh meats and improved productivity, profitability overall increased in comparison with the corresponding period of the previous fiscal year. Overseas, in the Australian operations, cattle purchase prices rose and the operations in Americas had a hard time due to a plunge in pork prices. Thus, profitability decreased in comparison with the corresponding period of the previous fiscal year.

As a result, for the third quarter period of the fiscal year under review, on a consolidated basis, net sales of the fresh meats business division amounted to ¥683,539 million, up 5.3% from the corresponding period of the previous fiscal year and operating income amounted to ¥34,279 million, down 8.5% from the corresponding period of the previous fiscal year.

(Affiliated Business Division)

In the marine products business, sales of the Group's main fishes, including shrimps and squids, and in-house products increased in the volume retailer channel. However, due to a decrease in exports to China, including Alaska pollack and autumn salmon, sales decreased slightly. In the dairy products business, with regard to yogurt and lactic acid probiotic beverages, promotional activities were strengthened for its mainstay "*Vanilla Yogurt*", among others and sales increased in both the volume retailer channel and convenience stores channel, resulting in an increase in revenues. With regard to cheese, sales increased in its major bakery channel and the restaurant channel, as well as the retail channel to which the Group has been strengthening its marketing efforts, in comparison with 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, the implementation of price revisions and increased sales of in-house products, among others, improved profit margins and 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 stable prices of raw materials. With regard to cheese, in spite of a temporary expense increase arising from the completion of the construction of a new plant, profitability increased in comparison with the corresponding period of the previous fiscal year due to an increased operation rate arising from an increase in sales. Consequently, profitability increased in the dairy products business on the whole.

As a result, for the third quarter period of the fiscal year under review, on a consolidated basis, net sales of the affiliated business division amounted to ¥124,895 million, up 2.5% from the corresponding period of the previous fiscal year and operating income amounted to ¥2,032 million, up 133.3% from the corresponding period of the previous fiscal year.

(2) Qualitative Information on the Consolidated Financial Position:

<Financial position>

At the end of the third quarter period of the fiscal year under review, total assets increased by 10.8% from the end of the previous fiscal year to account for ¥732,955 million, as trade notes and accounts receivable increased by ¥57,067 million from the end of the previous fiscal year, property, plant and equipment - at cost, less accumulated depreciation increased by ¥12,546 million from the end of the previous fiscal year and intangible assets, less accumulated amortization increased by ¥9,439 million from the end of the previous fiscal year. Liabilities increased by 16.5% from the end of the previous fiscal year to account for ¥355,397 million as trade notes and accounts payable increased by ¥29,440 million from the end of the previous fiscal year and long-term debt, less current maturities increased by ¥19,715 million from the end of the previous fiscal year. Interest-bearing debt increased by ¥30,121 million from the end of the previous fiscal year to account for ¥166,927 million.

Total NH Foods Ltd. shareholders' equity increased by 4.5% from the end of the previous fiscal year to account for ¥369,745 million. However, due partly to an increase in total assets, the NH Foods Ltd. shareholders' equity ratio decreased by 3.1 percentage points from the end of the previous fiscal year to 50.4%.

<Cash flows>

With regard to operating activities, while trade notes and accounts receivable increased by ¥55,937 million, trade notes and accounts payable increased by ¥28,712 million, net income accounted for ¥27,309 million and depreciation and amortization accounted for ¥14,825 million. As a result, net cash provided by operating activities amounted to ¥2,834 million.

With regard to investing activities, capital expenditures amounted to ¥28,906 million and net decrease in cash and cash equivalents resulting from purchase of business amounted to ¥8,563 million. As a result, net cash used in investing activities amounted to ¥38,806 million.

With regard to financing activities, debt of ¥30,349 million was repaid and cash dividends amounted to ¥9,411 million, while proceeds of ¥28,968 million were provided from debt and short-term bank loans increased by ¥28,769 million. As a result, net cash provided by financing activities amounted to ¥19,271 million.

As a result, cash and cash equivalents at end of the third quarter period of the fiscal year under review decreased by ¥17,657 million in comparison with the end of the previous fiscal year to amount to ¥39,747 million.

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

The Company will make no adjustment to the forecast of consolidated business results for the whole-year period of the year ending March 31, 2016 publicized on October 30, 2015 in the "Brief Statement of Accounts for the Second Quarter of the Year ending March 31, 2016."

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)	Third quarter period of the year ending March 31, 2016 (as of December 31, 2015)
<u>Assets</u>		
Current assets:		
Cash and cash equivalents	57,404	39,747
Time deposits	11,514	9,660
Marketable securities	190	-
Trade notes and accounts receivable	127,273	184,340
Allowance for doubtful receivables	(289)	(445)
Inventories	143,107	152,316
Deferred income taxes	6,295	5,139
Other current assets	10,960	11,405
Total current assets	356,454	402,162
Property, plant and equipment - at cost, less accumulated depreciation	252,537	265,083
Intangible assets, less accumulated amortization	4,339	13,778
Investments and other assets:		
Investments in associated companies	3,213	2,938
Other investment securities	23,355	27,596
Other assets	14,602	14,470
Total investments and other assets	41,170	45,004
Deferred income taxes - non-current	7,067	6,928
Total Assets	661,567	732,955

(millions of yen)

	Year ended March 31, 2015 (as of March 31, 2015)	Third quarter period of the year ending March 31, 2016 (as of December 31, 2015)
Liabilities and Equity		
Current liabilities:		
Short-term bank loans	43,579	53,230
Current maturities of long-term debt	9,058	9,813
Trade notes and accounts payable	94,212	123,652
Accrued income taxes	7,729	3,868
Deferred income taxes	1,187	1,297
Accrued expenses	22,193	18,994
Other current liabilities	25,669	23,086
Total current liabilities	203,627	233,940
Liability under retirement and severance programs	12,075	12,500
Long-term debt, less current maturities	84,169	103,884
Deferred income taxes - non-current	2,467	3,048
Other long-term liabilities	2,805	2,025
Total liabilities	305,143	355,397
NH Foods Ltd. shareholders' equity:		
Common stock	24,166	24,166
Capital surplus	51,038	50,962
Retained earnings:		
Appropriated for legal reserve	7,905	8,142
Unappropriated	262,887	280,475
Accumulated other comprehensive income	8,126	6,460
Treasury stock, at cost	(458)	(460)
Total NH Foods Ltd. shareholders' equity	353,664	369,745
Noncontrolling interests	2,760	7,813
Total equity	356,424	377,558
Total Liabilities and Equity	661,567	732,955

(Note) Accumulated other comprehensive income – breakdown

	Year ended March 31, 2015	Third quarter period of the year ending March 31, 2016
Net unrealized gains on securities available-for-sales	6,264	7,395
Pension liability adjustments	(1,302)	(1,173)
Foreign currency translation adjustments	3,164	238

(2) Consolidated Quarterly Statements of Income:
(for the consolidated third quarter cumulative period of the year)

	(millions of yen)	
	Third quarter cumulative period of the year ended March 31, 2015 (April 1, 2014 through December 31, 2014)	Third quarter cumulative period of the year ending March 31, 2016 (April 1, 2015 through December 31, 2015)
Net sales	932,797	962,907
Cost of goods sold	758,904	788,483
Selling, general and administrative expenses	129,934	132,857
Other operating costs and expenses (income) - net	496	1,303
Interest expense	1,059	1,058
Other income (expenses) - net	465	(546)
Income before income taxes and equity in earnings of associated companies	42,869	38,660
Income taxes	12,358	11,195
Income before equity in earnings of associated companies	30,511	27,465
Income (loss) in earnings of associated companies - net of applicable income taxes	391	(156)
Net income	30,902	27,309
Net income attributable to noncontrolling interests	(109)	(114)
Net income attributable to NH Foods Ltd.	30,793	27,195

(for the consolidated third quarter period of the year)

(millions of yen)

	Third quarter period of the year ended March 31, 2015 (October 1, 2014 through December 31, 2014)	Third quarter period of the year ending March 31, 2016 (October 1, 2015 through December 31, 2015)
Net sales	345,174	342,598
Cost of goods sold	277,422	277,415
Selling, general and administrative expenses	46,138	45,410
Other operating costs and expenses (income) - net	143	770
Interest expense	333	352
Other income (expenses) - net	784	(734)
Income before income taxes and equity in earnings of associated companies	21,922	17,917
Income taxes	6,442	5,968
Income before equity in earnings of associated companies	15,480	11,949
Income in earnings of associated companies - net of applicable income taxes	304	4
Net income	15,784	11,953
Net income attributable to noncontrolling interests	(58)	(124)
Net income attributable to NH Foods Ltd.	15,726	11,829

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

(millions of yen)

	Third quarter cumulative period of the year ended March 31, 2015 (April 1, 2014 through December 31, 2014)	Third quarter cumulative period of the year ending March 31, 2016 (April 1, 2015 through December 31, 2015)
Net income	30,902	27,309
Other comprehensive income - net of applicable income taxes		
Net unrealized gains on securities available-for-sale	1,198	1,132
Pension liability adjustments	169	129
Foreign currency translation adjustments	5,410	(3,912)
Total other comprehensive income (loss)	6,777	(2,651)
Comprehensive income	37,679	24,658
Net comprehensive loss (income) attributable to noncontrolling interests	(171)	871
Net comprehensive income attributable to NH Foods Ltd.	37,508	25,529

(for the consolidated third quarter period of the year)

(millions of yen)

	Third quarter period of the year ended March 31, 2015 (October 1, 2014 through December 31, 2014)	Third quarter period of the year ending March 31, 2016 (October 1, 2015 through December 31, 2015)
Net income	15,784	11,953
Other comprehensive income - net of applicable income taxes		
Net unrealized gains on securities available-for- sale	431	989
Pension liability adjustments	56	38
Foreign currency translation adjustments	3,774	(1,564)
Total other comprehensive income (loss)	4,261	(537)
Comprehensive income	20,045	11,416
Net comprehensive loss (income) attributable to noncontrolling interests	(166)	737
Net comprehensive income attributable to NH Foods Ltd.	19,879	12,153

(4) Consolidated Quarterly Statements of Cash Flows:

(millions of yen)

	Third quarter cumulative period of the year ended March 31, 2015 (April 1, 2014 through December 31, 2014)	Third quarter cumulative period of the year ending March 31, 2016 (April 1, 2015 through December 31, 2015)	(For reference) Year ended March 31, 2015 (April 1, 2014 through March 31, 2015)
Operating Activities:			
Net income	30,902	27,309	31,164
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	14,535	14,825	19,405
Impairment loss of long-lived assets	727	710	3,047
Income taxes deferred	615	871	554
Foreign exchange transaction adjustments	4,054	(1,570)	(963)
Increase in trade notes and accounts receivable	(67,122)	(55,937)	(8,929)
Increase in inventories	(30,944)	(8,258)	(20,259)
Increase in other current assets	(7,018)	(442)	(2,260)
Increase (decrease) in trade notes and accounts payable	30,811	28,712	(3,617)
Increase (decrease) in accrued income taxes	2,040	(3,852)	3,294
Increase (decrease) in accrued expenses and other current liabilities	7,801	(1,205)	8,727
Others - net	(1,157)	1,671	(482)
Net cash provided by (used in) operating activities	(14,756)	2,834	29,681
Investing Activities:			
Capital expenditures	(27,117)	(28,906)	(34,519)
Proceeds from sales of capital assets	1,922	848	2,212
Decrease (increase) in time deposits	(502)	605	(1,027)
Purchases of marketable securities and other investment securities	(286)	(2,683)	(308)
Proceeds from sales and maturities of marketable securities and other investment securities	1,411	402	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	(239)	(509)	(418)
Net cash used in investing activities	(24,811)	(38,806)	(31,517)
Financing Activities:			
Cash dividends	(7,619)	(9,411)	(7,619)
Increase (decrease) in short-term bank loans	8,316	28,769	(18,532)
Proceeds from debt	17,970	28,968	19,631
Repayments of debt	(6,056)	(30,349)	(10,646)
Investments from noncontrolling interests	-	1,502	-
Acquisition of treasury stock	(18)	(9)	(21)
Others - net	0	(199)	0
Net cash provided by (used in) financing activities	12,593	19,271	(17,187)
Effect of exchange rate changes on cash and cash equivalents	1,735	(956)	1,499
Net decrease in cash and cash equivalents	(25,239)	(17,657)	(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)	49,689	39,747	57,404
Additional cash flow information:			
Cash payment for the period (year)			
Interest paid	944	1,144	1,229
Income taxes paid	10,117	13,636	10,493
Capital lease obligations incurred	2,118	4,037	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 87 subsidiaries and five associated companies.

(for the consolidated third quarter cumulative period of the year)

For the consolidated third quarter cumulative period of the year ended March 31, 2015
(April 1, 2014 through December 31, 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	260,747	566,055	119,459	946,261	(13,464)	932,797
(2) Intersegment	20,817	83,325	2,343	106,485	(106,485)	-
Total	281,564	649,380	121,802	1,052,746	(119,949)	932,797
Operating expenses	276,569	611,929	120,931	1,009,429	(120,591)	888,838
Segment profit	4,995	37,451	871	43,317	642	43,959

For the consolidated third quarter cumulative period of the year ending March 31, 2016
(April 1, 2015 through December 31, 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	254,966	600,717	122,356	978,039	(15,132)	962,907
(2) Intersegment	21,849	82,822	2,539	107,210	(107,210)	-
Total	276,815	683,539	124,895	1,085,249	(122,342)	962,907
Operating expenses	271,770	649,260	122,863	1,043,893	(122,553)	921,340
Segment profit	5,045	34,279	2,032	41,356	211	41,567

- (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 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 third quarter period of the previous fiscal year.

(for the consolidated third quarter period of the year)

For the consolidated third quarter period of the year ended March 31, 2015 (October 1, 2014 through December 31, 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	96,007	207,830	46,189	350,026	(4,852)	345,174
(2) Intersegment	7,790	28,096	788	36,674	(36,674)	-
Total	103,797	235,926	46,977	386,700	(41,526)	345,174
Operating expenses	100,304	218,961	46,041	365,306	(41,746)	323,560
Segment profit	3,493	16,965	936	21,394	220	21,614

For the consolidated third quarter period of the year ending March 31, 2016 (October 1, 2015 through December 31, 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	93,366	208,409	46,512	348,287	(5,689)	342,598
(2) Intersegment	7,616	28,812	922	37,350	(37,350)	-
Total	100,982	237,221	47,434	385,637	(43,039)	342,598
Operating expenses	96,413	223,854	45,848	366,115	(43,290)	322,825
Segment profit	4,569	13,367	1,586	19,522	251	19,773

- (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 third 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 Group 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. For acquiring the shares of Ege-Tav, the Group will respond to increasing demand for chicken meats in the Republic of Turkey and also generate a synergistic effect with its own chicken business in 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 value of the consideration paid for the controlling interests of Ege-Tav and the noncontrolling interests as of the acquisition date is 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 Accounting Standards Codification ("ASC") of the U.S. Financial Accounting Standards Board Topic 805 "Business Combinations". The fair value amounts (the adjusted provisional 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
Intangible assets	2,736
Other assets	228
Current liabilities	(2,166)
Long-term liabilities	(1,945)
Total net assets acquired	4,674
Goodwill	8,556
Total	13,230

Intangible assets of 2,231 million yen are subject to amortization, which include trade names with a 15 year useful life and customer-related intangible assets with a 13 year useful life. An intangible asset of 505 million yen is not subject to amortization and relates to poultry related licenses.

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.