

(Translation)

January 31, 2023

BRIEF STATEMENT OF ACCOUNTS
FOR THE THIRD QUARTER OF THE YEAR ENDING MARCH 31, 2023

(Under IFRS) (Consolidated)

Name of listed company:	NH Foods Ltd. (the “Company”)
Listing exchange:	Tokyo Stock Exchange
Code number:	2282
URL:	https://www.nipponham.co.jp/eng/
Representative:	Yoshihide Hata President and Representative Director
Further inquiries:	Yoshitaka Hasegawa Executive Officer and General Manager of Accounting & Finance Department
TEL:	+81-6-7525-3042
Scheduled date of filing of quarterly report:	February 7, 2023
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, 2023 (April 1, 2022 through December 31, 2022):

(1) Consolidated operating results (cumulative):

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

	Net sales		Business profit		Profit before tax		Profit		Profit attributable to owners of the parent		Total comprehensive income	
	(millions of yen)	%	(millions of yen)	%	(millions of yen)	%	(millions of yen)	%	(millions of yen)	%	(millions of yen)	%
Third quarter of the year ending March 31, 2023	986,103	10.0	24,725	(44.0)	25,174	(48.7)	19,473	(47.1)	19,219	(47.7)	23,776	(34.9)
Third quarter of the year ended March 31, 2022	896,129	—	44,130	0.5	49,109	—	36,778	32.8	36,747	28.9	36,545	22.7

(yen)

	Earnings per share (basic)	Earnings per share (diluted)
Third quarter of the year ending March 31, 2023	187.70	187.68
Third quarter of the year ended March 31, 2022	359.45	359.36

(Notes)

- Business profit is calculated by deducting cost of goods sold and selling, general and administrative expenses from net sales, and accounting for foreign exchange gains and losses determined by the Group, while deducting adjustments in accordance with IFRS and non-recurring items.
- The marine products business relating to The Marine Foods Corporation, its subsidiaries, etc. has been reclassified to discontinued operations from the fourth quarter of the year ended March 31, 2022. As a result, loss from discontinued operations for the first quarter of the previous fiscal year is presented separately from those from continuing operations in the condensed consolidated statements of income. Consequently, only net sales and profit before tax from continuing operations are presented. The corresponding figures for the third quarter of the year ended March 31, 2022 have been reclassified in the same manner, and accordingly, percentages indicating the rates of increase (decrease) from the same period of the previous fiscal year are not presented.

(2) Consolidated financial position:

	Total assets	Total equity	Total equity attributable to owners of the parent	Equity ratio of owners of the parent
	(millions of yen)	(millions of yen)	(millions of yen)	(%)
Third quarter of the year ending March 31, 2023	984,219	503,386	492,669	50.1
Year ended March 31, 2022	909,213	489,554	479,069	52.7

2. State of dividends:

	Annual dividend (yen)				
	First quarter-end	Second quarter-end	Third quarter-end	Year-end	Total
Year ended March 31, 2022	—	—	—	102.00	102.00
Year ending March 31, 2023	—	—	—		
Year ending March 31, 2023 (forecast)				110.00	110.00

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

3. Forecast of consolidated business results for the year ending March 31, 2023 (April 1, 2022 through March 31, 2023):

(The percentages indicate the rates of increase (decrease) from the previous fiscal year in respect of the whole-year period.)

	Net sales		Business profit		Profit before tax		Profit attributable to owners of the parent		Earnings per share (basic)
	(millions of yen)	(%)	(millions of yen)	(%)	(millions of yen)	(%)	(millions of yen)	(%)	(yen)
Whole-year period	1,270,000	8.1	22,000	(54.3)	22,000	(57.2)	17,000	(64.6)	165.92

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

* Notes:

- (1) Changes in significant subsidiaries (changes in specific subsidiaries involving a change in the scope of consolidation) during the period under review: None

New subsidiaries: - (Name:) Excluded subsidiaries: - (Name:)

- (2) Changes in accounting policies and accounting estimates:

- 1) Changes of accounting policies required by IFRS: None
- 2) Changes of accounting policies other than 1) above: None
- 3) Changes in accounting estimates: None

- (3) 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, 2023:	102,958,904 shares
Year ended March 31, 2022:	102,958,904 shares

- 2) Number of shares of treasury stock as of the end of the period:
Third quarter of the year ending March 31, 2023: 498,718 shares
Year ended March 31, 2022: 633,488 shares

- 3) Average number of shares outstanding during the period:
Third quarter of the year ending March 31, 2023: 102,394,193 shares
Third quarter of the year ended March 31, 2022: 102,231,251 shares

(Note) The number of shares of treasury stock as of the end of the period includes the number of the Company's shares (131,403 shares for the third quarter of the year ending March 31, 2023 and 137,759 shares for the year ended March 31, 2022) held by the Board Incentive Plan Trust (the "BIP Trust") adopted upon the introduction of the Performance-Based Stock Compensation Plan for officers. The number of shares of treasury stock deducted in the calculation of the average number of shares outstanding during the period includes the number of the Company's shares held by the BIP Trust. In addition, the number of shares of treasury stock as of the end of the period includes the number of the Company's shares (357,800 shares for the third quarter of the year ending March 31, 2023 and 466,200 shares for the year ended March 31, 2022) held by the NH Foods Group Employee Shareholding Association Dedicated Trust (the "Trust") upon the introduction of the Trust-type Employee Shareholding Incentive Plan. The number of shares of treasury stock deducted in the calculation of the average number of shares outstanding during the period includes the number of the Company's shares held by the Trust.

- * A brief statement of accounts for a quarter is not subject to quarterly review.

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

(Cautionary notice on information about the future)

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 results 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 Statement of Accounts for the Third Quarter of the Fiscal Year under Review: (3) Explanation on the Forward-looking Information such as Forecast of Consolidated Business Results" on page 10.

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* The Company is planning to hold a financial results briefing for institutional investors and analysts on Tuesday, January 31, 2023. All materials to be used at the conference will be disclosed on TDnet and posted on its website today.

* 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. Please check the Company's website for information on the schedules of such briefings, etc.

1. Qualitative Information on the Statement of Accounts for the Third Quarter of the Fiscal Year under Review

(1) Explanation on the Operating Results

Overview of Operating Results in General

The Japanese economy during the third quarter of the fiscal year under review showed signs of recovery as the society moved toward a new phase of living with COVID-19. On the other hand, amid the ongoing global monetary tightening, downturns in overseas economies have become a downside risk for the domestic economy, and the situation remained uncertain due primarily to the effects of rising prices, supply constraints, and instability in financial and capital markets, as well as the infection situation in China, all of which need close monitoring.

The food and fresh meats industry continued to face the unprecedentedly difficult situation due to significant changes in the business environment, including soaring raw material prices, rising energy costs, and the ongoing rapid depreciation of the yen.

Under these circumstances, NH Foods Ltd. and its subsidiaries (the “Group”) promoted business development to achieve our “ideals for 2030”: NH Foods Group “Vision 2030”—“Unleash new potentials for protein.”

During the third quarter of the fiscal year under review, continuously soaring raw material prices and rising energy costs, and the resultant increased prices of various products hit household budgets hard, prompting consumers to save money and shift toward lower-priced products. In response to this situation, we took measures including passing the higher costs on to selling prices, changing product specifications, procuring low-priced products to meet the needs of cost-conscious consumers, expanding sales of branded products, taking power-saving measures to absorb rising energy costs, and streamlining the production division. At the same time, we strengthened our production, logistics, and sales structures in order to continue delivering safe, secure, and high-quality products to our customers.

In addition, we worked to commercialize “PIG LABO,” a smart pig farming system that uses AI to diagnose physical conditions of and detect the estrus in pigs. Other initiatives include the promotion of Digital Transformation (DX) to strengthen our management base; and the building of an optimal portfolio.

Regarding the cross-group initiatives, we promoted projects in the areas of “logistics,” “sales,” and “free trade agreements” as cross-business strategies to transform into a sustainable business model and to maximize synergies.

Efforts to enhance the business structure were made in line with “NH Foods Group Fundamental Policy on Corporate Governance.”

As a result of these activities, for the third quarter of the fiscal year under review on a consolidated and cumulative basis, net sales increased by 10.0% from the same period of the previous fiscal year to ¥986,103 million due to progress in price pass-through mainly in the Fresh Meats and Overseas Businesses. Business profit decreased by 44.0% to ¥24,725 million due to a decline in demand caused by customers cutting back on spending and a failure to absorb

all of the significant increases in raw material, energy, and other costs. Profit before tax decreased by 48.7% to ¥25,174 million due in part to lower business profit, and profit attributable to owners of the parent decreased by 47.7% to ¥19,219 million, compared to the same period of the previous fiscal year.

Overview of Operating Segments

(Processed Foods Business Division)

In the Processed Foods Business Division as a whole, sales declined from the same period of the previous fiscal year with lower sales in consumer products caused by changes in product trends after the price revision, while sales of commercial-use products rose due to factors including the easing of voluntary restrictions on going out amid the COVID-19 pandemic. The earnings environment was also challenging due to higher-than-expected raw material and fuel prices, which were caused by soaring international grain and crude oil prices as well as a depreciating yen.

Hams and sausages, deli and processed foods sales results are broken down as follows. In the hams and sausages business, sales of commercial-use products to convenience store channels increased from the same period of the previous fiscal year. Meanwhile, sales of consumer products decreased from the same period of the previous fiscal year, affected by a fall in sales in the first half of the fiscal year, which was not offset by a recovery seen after the launch of a TV commercial featuring young TV personalities for the main product “*SCHAU ESSEN*,” expanding the buyer base. In the deli and processed foods business, while sales of commercial-use products to restaurant channels increased from the same period of the previous fiscal year, sales of consumer products declined due to a drop in sales of “*Chuka Meisai*,” although sales of the mainstay “*Chilled Bakery*” were strong thanks to increased demand for snacks.

Overall sales of year-end gifts decreased from the same period of the previous year with decreased sales in the mainstay, “*Utsukushi-no-Kuni*” and “*Honkakuha*,” although sales of “*Kamakura Ham*” and processed dishes gifts grew significantly.

Extract/primary processing sales results are broken down as follows. In the primary processing business, sales of unheated processed products declined from the same period of the previous fiscal year due to a fall in sales to ready-made meals channels. In the extracts business, sales of soups to restaurant channels, mainly ramen shops, and commercial-use sauces to convenience store channels remained strong as people eased their self-restraint from going out.

Dairy products sales results are broken down as follows. In the cheese business, sales of mainstay commercial-use products to restaurant channels rose due to the easing of the self-restraint in going out. As a result, sales were higher than that of the same period of the previous year. In the yogurt and lactic acid probiotic beverages business, sales decreased from the same period of the previous fiscal year with a decline in sales to mass retailer channels caused by changes in product trends after the price revision of existing products, which was not offset by our efforts to release a new lineup of our mainstay consumer product, “*Vanilla Yogurt*” series: a drink-type yogurt.

Profit of the Processed Foods Business Division as a whole decreased due to lower sales, a rise primarily in raw material prices and fuel costs, and increased upfront costs for the

development of DX.

As a result, for the third quarter of the fiscal year under review on a consolidated and cumulative basis, net sales of the Processed Foods Business Division decreased by 16.2% from the same period of the previous fiscal year to ¥320,820 million, and business profit decreased by 57.5% from the same period of the previous fiscal year to ¥6,002 million.

(Fresh Meats Business Division)

In the domestic business, sales were significantly impacted by higher feed, fuel and electricity costs as in the cumulative second quarter of the fiscal year. Despite our efforts to step up procurement volume through external networks and increase exports of domestic beef, the volume of domestic pork and beef produced in-house decreased due to a planned reorganization of bases, and shipments of domestic chicken decreased affected by the avian influenza outbreak. As a result, profit for the business decreased although sales of pork and chicken increased from the same period of the previous fiscal year with firm market prices.

In the import procurement division, procurement prices rose further than in the cumulative second quarter of the fiscal year due to higher market prices in producer countries and foreign exchange effects. Although we worked to strengthen relationships with suppliers as well as to procure and sell low-priced products, our sales activities were affected by decreased domestic demand as a result of higher prices, and unstable supply because of delays in ship arrivals. As a result, profit for the division significantly decreased although sales increased from the same period of the previous fiscal year due to higher unit sales prices.

In the sales division, demand from mass retailers declined due to a growing tendency among consumers to economize. Against this backdrop, we strived to maintain sales volume levels by carrying out the 20th anniversary campaign for “*Sakurahime*,” a domestic chicken brand, and developing an organizational structure dedicated to mass retailers. In addition, following the recovery trend in the restaurant channel, we set up divisions specialized in handling restaurants in each area to strengthen our proposals. As a result of these efforts, both sales and profit increased from the same period of the previous fiscal year.

As a result, for the third quarter of the fiscal year under review on a consolidated and cumulative basis, net sales of the Fresh Meats Business Division increased by 9.1% from the same period of the previous fiscal year to ¥570,190 million, and business profit decreased by 25.9% to ¥22,566 million.

(Overseas Business Division)

In Asia and Europe operations, overall sales were higher than in the same period of the previous fiscal year thanks to firm sales of chicken in Turkey, although sales of processed products in Thailand and China and export of pork in Europe struggled. Profit decreased due to lower sales volume and higher raw material costs for processed products in Thailand and China, as well as continued high feed costs in the poultry farming business in Turkey.

In Americas operations, net sales were higher than that of the same period of the previous year due to steady sales of processed products at mass retailers in the U.S. and Hawaii, as well as firm pork exports from Chile. Profit increased as the surge in raw material prices for processed products in the U.S. subsided.

In Australia operations, overall sales were higher than in the same period of the previous year thanks to favorable sales, especially in domestic sales, despite struggles in collecting cattle in Australia, and lower sales prices in Uruguay. Profit significantly decreased due to continued high cattle collection prices in Australia and Uruguay and weak sales prices, despite efforts to improve the efficiency of factory operations.

As a result, for the third quarter of the fiscal year under review, on a consolidated and cumulative basis, net sales of the Overseas Business Division increased by 25.7% from the same period of the previous fiscal year to ¥250,614 million, and business loss amounted to ¥2,670 million (business profit of ¥2,209 million for the same period of the previous fiscal year).

(Others)

Hokkaido Nippon-Ham Fighters, representing the Baseball and Ballpark Business, finished the 2022 regular season in sixth place in the Pacific League. Despite the lingering impact of COVID-19, we implemented various measures to attract more spectators in addition to providing a safe and secure game-watching environment, which led to an attendance of 1,291,000 spectators, a significant increase over the previous season. As a result, both net sales and profit increased from the same period of the previous fiscal year. In January 2023, we relocated our office to the site of “ES CON FIELD HOKKAIDO,” the new ballpark in “Hokkaido Ballpark F Village,” and are steadily making progress in developing a new business base in preparation for its opening in March 2023.

In the health support business operated by the Research & Development Center, we actively promoted face-to-face sales activities to acquire new customers with the easing of restrictions on activities imposed during the COVID-19 pandemic. Specifically, we exhibited at the Food Development Exhibition 2022 to introduce functional food ingredients and food inspection kits, held seminars, and conducted other promotional activities.

In the New Business, etc., we conducted direct selling in the two D2C (Direct to Consumer) services launched in the cumulative first quarter: “Meatful” in the entertainment business; and “Table for All” in the wellness business, while increasing the number of members registering to the services. We are planning to newly launch an ethical business, where we will develop services that help solve social issues.

As a result, for the third quarter of the fiscal year under review, on a consolidated and cumulative basis, net sales of the Others increased by 15.0% from the same period of the previous fiscal year to ¥13,067 million, and business profit amounted to ¥1,231 million (business loss of ¥208 million for the same period of previous fiscal year).

(2) Explanation on the Financial Position

<Financial position>

At the end of the third quarter of the fiscal year under review, total assets increased by 8.2% from the end of the previous fiscal year to ¥984,219 million, as trade and other receivables and inventories increased by ¥60,789 million and ¥27,710 million, respectively, although cash and cash equivalents and other financial assets decreased by ¥19,999 million and ¥21,960

million, respectively. Liabilities increased by 14.6% from the end of the previous fiscal year to ¥480,833 million as interest-bearing liabilities and trade and other payables increased by ¥42,458 million and ¥24,613 million, respectively, although other current liabilities decreased by ¥3,310 million. Interest-bearing liabilities stood at ¥253,865 million.

Total equity attributable to owners of the parent increased by ¥13,600 million from the end of the previous fiscal year to ¥492,669 million, and the equity ratio of owners of the parent decreased by 2.6 percentage points from the end of the previous fiscal year to 50.1%.

<Cash flows>

With regard to operating activities, the increase in trade and other receivables amounted to ¥60,835 million, the increase in inventories amounted to ¥27,464 million, and income tax paid amounted to ¥13,324 million, while profit before tax amounted to ¥25,174 million, and depreciation and amortization expense amounted to ¥28,352 million. As a result, net cash used in operating activities amounted to ¥29,754 million.

With regard to investing activities, acquisition of fixed assets amounted to ¥46,045 million, while the decrease in short-term loans receivable amounted to ¥8,694 million. As a result, net cash used in investing activities amounted to ¥30,932 million.

With regard to financing activities, the increase in short-term bank loans amounted to ¥12,807 million, and proceeds from debt amounted to ¥106,468 million, while cash dividends amounted to ¥10,448 million and repayments of debt amounted to ¥71,305 million. As a result, net cash provided by financing activities amounted to ¥37,956 million.

As a result, cash and cash equivalents at the end of the third quarter of the fiscal year under review decreased by ¥19,999 million from the end of the previous fiscal year to ¥65,375 million.

(3) Explanation on the Forward-looking Information such as Forecast of Consolidated Business Results

There are no changes to the forecast of the whole-year period of the year ending March 31, 2023 from the future outlook announced in the “Notice of the Adjustment to the Forecast of Business Results” released on January 27, 2023.

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 results arising therefrom, or publicize such revised information.

2. Condensed Consolidated Financial Statements and Primary Notes

(1) Condensed Consolidated Statements of Financial Position

	(millions of yen)	
	Year ended March 31, 2022 (as of March 31, 2022)	Third quarter of the year ending March 31, 2023 (as of December 31, 2022)
(Assets)		
Current Assets		
Cash and cash equivalents	85,374	65,375
Trade and other receivables	136,017	196,806
Inventories	119,980	147,690
Biological assets	32,755	30,678
Other financial assets	24,648	10,335
Other current assets	15,096	27,228
Assets held for sale	436	488
Total Current Assets	414,306	478,600
Non-current Assets		
Property, plant and equipment	345,022	364,499
Right-of-use assets	46,090	40,934
Biological assets	1,240	1,471
Intangible assets and goodwill	15,269	19,355
Investments accounted for using the equity method	12,410	9,401
Other financial assets	35,232	27,585
Deferred tax assets	26,279	29,683
Other non-current assets	13,365	12,691
Total Non-current Assets	494,907	505,619
Total Assets	909,213	984,219
(Liabilities and Equity)		
Current Liabilities		
Interest-bearing liabilities	90,056	102,681
Trade and other payables	103,719	128,332
Income taxes payable	6,494	5,280
Other financial liabilities	42,056	40,121
Other current liabilities	39,594	36,284
Total Current Liabilities	281,919	312,698
Non-current Liabilities		
Interest-bearing liabilities	121,351	151,184
Retirement benefit liabilities	12,951	13,406
Other financial liabilities	754	1,002
Deferred tax liabilities	1,045	974
Other non-current liabilities	1,639	1,569
Total Non-current Liabilities	137,740	168,135
Total Liabilities	419,659	480,833

(millions of yen)

	Year ended March 31, 2022 (as of March 31, 2022)	Third quarter of the year ending March 31, 2023 (as of December 31, 2022)
Equity		
Common stock	36,294	36,294
Capital surplus	71,272	71,175
Retained earnings	360,900	370,893
Treasury stock, at cost	(2,856)	(2,255)
Accumulated other comprehensive income	13,459	16,562
Total Equity Attributable to Owners of the Parent	479,069	492,669
Non-controlling Interests	10,485	10,717
Total Equity	489,554	503,386
Total Liabilities and Equity	909,213	984,219

(Note) Breakdown of accumulated other comprehensive income

	Year ended March 31, 2022	Third quarter of the year ending March 31, 2023
Financial assets measured at fair value through other comprehensive income	9,639	6,360
Exchange differences on translation of foreign operations	3,820	10,202

(2) Condensed Consolidated Statements of Income
[Cumulative third quarter]

(millions of yen)

	Cumulative third quarter of the year ended March 31, 2022 (consolidated) (April 1, 2021 through December 31, 2021)	Cumulative third quarter of the year ending March 31, 2023 (consolidated) (April 1, 2022 through December 31, 2022)
Net Sales	896,129	986,103
Cost of Goods Sold	736,638	845,817
Selling, General and Administrative Expenses	115,377	124,262
Other Income	4,626	14,109
Other Expenses	4,604	8,748
Financial Income	1,697	2,010
Financial Costs	2,885	1,402
Share of Profit in Investments Accounted for Using the Equity Method	6,161	3,181
Profit before Tax	49,109	25,174
Income Tax Expense	12,758	5,380
Profit from Continuing Operations	36,351	19,794
Profit (loss) from Discontinued Operations - Net of Applicable Income Taxes	427	(321)
Profit	36,778	19,473
Profit Attributable to:		
Owners of the Parent		
Continuing Operations	36,195	19,540
Discontinued Operations	552	(321)
Total	36,747	19,219
Non-controlling Interests		
Continuing Operations	156	254
Discontinued Operations	(125)	—
Total	31	254
Profit	36,778	19,473

Earnings per Share		
Earnings per share (basic)	359.45 yen	187.70 yen
Continuing Operations	354.06 yen	190.84 yen
Discontinued Operations	5.39 yen	(3.14) yen
Earnings per share (diluted)	359.36 yen	187.68 yen
Continuing Operations	353.97 yen	190.81 yen
Discontinued Operations	5.39 yen	(3.13) yen

[Third quarter]

(millions of yen)

	Third quarter of the year ended March 31, 2022 (consolidated) (October 1, 2021 through December 31, 2021)	Third quarter of the year ending March 31, 2023 (consolidated) (October 1, 2022 through December 31, 2022)
Net Sales	327,011	352,079
Cost of Goods Sold	268,581	304,035
Selling, General and Administrative Expenses	39,875	42,618
Other Income	3,186	4,708
Other Expenses	2,568	8,374
Financial Income	310	1,203
Financial Costs	1,508	615
Share of Profit in Investments Accounted for Using the Equity Method	3,061	535
Profit before Tax	21,036	2,883
Income Tax Expense	4,689	(512)
Profit from Continuing Operations	16,347	3,395
Profit (loss) from Discontinued Operations - Net of Applicable Income Taxes	734	(17)
Profit	17,081	3,378
Profit Attributable to:		
Owners of the Parent		
Continuing Operations	16,278	3,756
Discontinued Operations	865	(17)
Total	17,143	3,739
Non-controlling Interests		
Continuing Operations	69	(361)
Discontinued Operations	(131)	—
Total	(62)	(361)
Profit	17,081	3,378

Earnings per Share		
Earnings per share (basic)	167.61 yen	36.51 yen
Continuing Operations	159.16 yen	36.67 yen
Discontinued Operations	8.45 yen	(0.16) yen
Earnings per share (diluted)	167.57 yen	36.51 yen
Continuing Operations	159.12 yen	36.67 yen
Discontinued Operations	8.45 yen	(0.16) yen

(3) Condensed Consolidated Statements of Comprehensive Income
[Cumulative third quarter]

(millions of yen)

	Cumulative third quarter of the year ended March 31, 2022 (consolidated) (April 1, 2021 through December 31, 2021)	Cumulative third quarter of the year ending March 31, 2023 (consolidated) (April 1, 2022 through December 31, 2022)
Profit	36,778	19,473
Other Comprehensive Income (Loss)		
Items that will not be reclassified subsequently to profit or loss		
Remeasurement of defined benefit plans	(3)	(9)
Financial assets measured at fair value through other comprehensive income	402	(2,058)
Total	399	(2,067)
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	(871)	5,804
Share of other comprehensive income of investments accounted for using the equity method	239	566
Total	(632)	6,370
Total Other Comprehensive Income (Loss)	(233)	4,303
Comprehensive Income	36,545	23,776
Comprehensive Income Attributable to:		
Owners of the Parent	36,425	23,533
Non-controlling Interests	120	243
Comprehensive Income	36,545	23,776

[Third quarter]

(millions of yen)

	Third quarter of the year ended March 31, 2022 (consolidated) (October 1, 2021 through December 31, 2021)	Third quarter of the year ending March 31, 2023 (consolidated) (October 1, 2022 through December 31, 2022)
Profit	17,081	3,378
Other Comprehensive Loss		
Items that will not be reclassified subsequently to profit or loss		
Remeasurement of defined benefit plans	(1)	(3)
Financial assets measured at fair value through other comprehensive income	(1,252)	1,016
Total	(1,253)	1,013
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	(62)	(6,284)
Share of other comprehensive income of investments accounted for using the equity method	230	(841)
Total	168	(7,125)
Total Other Comprehensive Loss	(1,085)	(6,112)
Comprehensive Income (Loss)	15,996	(2,734)
Comprehensive Income (Loss) Attributable to:		
Owners of the Parent	15,990	(2,218)
Non-controlling Interests	6	(516)
Comprehensive Income (Loss)	15,996	(2,734)

(4) Condensed Consolidated Statements of Changes in Equity

Consolidated cumulative third quarter of the year ended March 31, 2022 (April 1, 2021 through December 31, 2021)

(millions of yen)

	Equity attributable to owners of the parent									Non-controlling interests	Total equity
	Common stock	Capital surplus	Retained earnings	Treasury stock	Accumulated other comprehensive income				Total		
					Remeasurement of defined benefit plans	Financial assets measured at fair value through other comprehensive income	Exchange differences on translation of foreign operations	Subtotal			
Balance as of April 1, 2021	36,294	71,240	320,577	(3,532)	—	9,954	(938)	9,016	433,595	10,714	444,309
Profit			36,747					—	36,747	31	36,778
Other comprehensive loss					(3)	403	(722)	(322)	(322)	89	(233)
Comprehensive income	—	—	36,747	—	(3)	403	(722)	(322)	36,425	120	36,545
Dividends			(9,604)					—	(9,604)	(6)	(9,610)
Acquisition of treasury stock				(2)				—	(2)		(2)
Disposal of treasury stock		(37)		484				—	447		447
Share-based payment transactions		64						—	64		64
Other		0						—	0	(60)	(60)
Transfer of accumulated other comprehensive income to retained earnings			56		3	(59)		(56)	—		—
Total transactions with owners	—	27	(9,548)	482	3	(59)	—	(56)	(9,095)	(66)	(9,161)
Balance as of December 31, 2021	36,294	71,267	347,776	(3,050)	—	10,298	(1,660)	8,638	460,925	10,768	471,693

Consolidated cumulative third quarter of the year ending March 31, 2023 (April 1, 2022
through December 31, 2022)

(millions of yen)

	Equity attributable to owners of the parent									Non-con- trolling interests	Total equity
	Common stock	Capital surplus	Retained earnings	Treasury stock	Accumulated other comprehensive income				Total		
					Remeasure- ment of defined benefit plans	Financial assets measured at fair value through other comprehen- -sive income	Exchange differences on translation of foreign operations	Subtotal			
Balance as of April 1, 2022	36,294	71,272	360,900	(2,856)	—	9,639	3,820	13,459	479,069	10,485	489,554
Profit			19,219					—	19,219	254	19,473
Other comprehensive income					(9)	(2,059)	6,382	4,314	4,314	(11)	4,303
Comprehensive income	—	—	19,219	—	(9)	(2,059)	6,382	4,314	23,533	243	23,776
Dividends			(10,437)					—	(10,437)	(11)	(10,448)
Acquisition of treasury stock				(2)				—	(2)		(2)
Disposal of treasury stock		(139)		603				—	464		464
Share-based payment		42						—	42		42
Transfer of accumulated other comprehensive income to retained earnings			1,211		9	(1,220)		(1,211)	—		—
Total transactions with owners	—	(97)	(9,226)	601	9	(1,220)	—	(1,211)	(9,933)	(11)	(9,944)
Balance as of December 31, 2022	36,294	71,175	370,893	(2,255)	—	6,360	10,202	16,562	492,669	10,717	503,386

(5) Condensed Consolidated Statements of Cash Flows

(millions of yen)

	Cumulative third quarter of the year ended March 31, 2022 (April 1, 2021 through December 31, 2021)	Cumulative third quarter of the year ending March 31, 2023 (April 1, 2022 through December 31, 2022)
Cash Flows from Operating Activities		
Profit before tax	49,109	25,174
Profit (loss) before tax from discontinued operations	1,128	(408)
Depreciation and amortization expense	27,122	28,352
Impairment losses (reversal of impairment losses)	1,166	(1,594)
Decrease (increase) in fair value of biological assets	(586)	322
Financial income and costs	2,217	(608)
Loss (gain) on sales of business	—	478
Decrease (increase) in trade and other receivables	(62,610)	(60,835)
Decrease (increase) in inventories	(18,640)	(27,464)
Decrease (increase) in biological assets	(6,362)	856
Decrease (increase) in other assets	(2,571)	(4,974)
Increase (decrease) in trade and other payables	30,809	24,231
Increase (decrease) in other liabilities	(2,175)	(3,575)
Others—net	(4,092)	(2,576)
Interest received	228	1,094
Dividends received	1,006	6,208
Interest paid	(849)	(1,111)
Income tax paid	(20,193)	(13,324)
Cash Flows from Operating Activities	(5,293)	(29,754)
Cash Flows from Investing Activities		
Acquisition of fixed assets	(34,862)	(46,045)
Proceeds from sales of fixed assets	416	1,184
Decrease (increase) in time deposits	4,023	(213)
Acquisition of other financial assets	(66)	(53)
Sale and redemption of other financial assets	162	4,601
Decrease (increase) in short-term loans receivable	—	8,694
Proceeds from sales of business	—	3,626
Payments for sales of business	—	(3,166)
Others—net	(122)	440
Cash Flows from Investing Activities	(30,449)	(30,932)
Cash Flows from Financing Activities		
Cash dividends	(9,610)	(10,448)
Increase (decrease) in short-term bank loans	36,719	12,807
Proceeds from debt	23,024	106,468
Repayments of debt	(38,809)	(71,305)
Acquisition of treasury stock	(2)	(2)
Proceeds from sales of treasury stock	434	436
Others—net	(61)	0
Cash Flows from Financing Activities	11,695	37,956
Effect of Exchange Rate Changes on Cash and Cash Equivalents	170	1,753
Hyperinflation Adjustment	—	978
Net Increase (Decrease) in Cash and Cash Equivalents	(23,877)	(19,999)
Cash and Cash Equivalents at the Beginning of the Period	83,831	85,374
Cash and Cash Equivalents at the End of the Period	59,954	65,375

(6) Note on the Premises of a Going Concern

Not applicable.

(7) Notes to Condensed Consolidated Financial Statements

1. Segment information

Information regarding the reportable segments

The Group categorizes the business into the following three reportable segments according to the nature of products and providing services, and the geographical areas where it sells products or provides services. The Group manages its operations by the business segment.

Processed Foods Business Division	—	Mainly domestic production and sales of hams and sausages, processed foods, and dairy products
Fresh Meats Business Division	—	Mainly domestic production and sales of fresh meats
Overseas Business Division	—	Mainly production and sales of hams and sausages, processed foods, fresh meats and marine products at overseas subsidiaries and associates

The Company has classified the marine products business relating to The Marine Foods Corporation, its subsidiaries, etc. as discontinued operations from the year ended March 31, 2022. Therefore, the corresponding figures for the cumulative third quarter and the third quarter of the year ended March 31, 2022 have been reclassified accordingly.

However, the Processed Foods Business Division in the reportable segments includes the marine products business that has been classified as discontinued operations.

The Group consists of 68 subsidiaries and 6 associates.

For the consolidated cumulative third quarter of the year ended March 31, 2022 (April 1, 2021 through December 31, 2021):

(millions of yen)

	Processed Foods Business Division	Fresh Meats Business Division	Overseas Business Division	Others	Total	Eliminations, adjustments and others	Consolidated (before adjustment for discontinued operations)	Transfer to discontinued operations	Consolidated (after adjustment for discontinued operations)
Net sales									
Sales to external customers	362,396	474,639	105,946	8,944	951,925	1,314	953,239	(57,110)	896,129
Intersegment sales	20,450	48,054	93,377	2,417	164,298	(164,298)	–	–	–
Total	382,846	522,693	199,323	11,361	1,116,223	(162,984)	953,239	(57,110)	896,129
Segment profit (loss)	14,133	30,460	2,209	(208)	46,594	(2,464)	44,130	(2,263)	41,867

For the consolidated cumulative third quarter of the year ending March 31, 2023 (April 1, 2022 through December 31, 2022):

(millions of yen)

	Processed Foods Business Division	Fresh Meats Business Division	Overseas Business Division	Others	Total	Eliminations, adjustments and others	Consolidated (before adjustment for discontinued operations)	Transfer to discontinued operations	Consolidated (after adjustment for discontinued operations)
Net sales									
Sales to external customers	299,792	519,574	144,128	10,659	974,153	11,950	986,103	–	986,103
Intersegment sales	21,028	50,616	106,486	2,408	180,538	(180,538)	–	–	–
Total	320,820	570,190	250,614	13,067	1,154,691	(168,588)	986,103	–	986,103
Segment profit (loss)	6,002	22,566	(2,670)	1,231	27,129	(2,404)	24,725	–	24,725

- (Notes) 1. “Others” refers to operating segments not included in the reportable segments, such as the Baseball and Ballpark Business and New Business, etc.
2. “Eliminations, adjustments and others” includes unallocated items and intersegment eliminations.
3. Except for a few unallocated items, corporate overhead expenses and profit or loss of certain subsidiaries are allocated to each reportable operating segment. These subsidiaries provide indirect services and operational support for the Group included in each reportable operating segment.
4. “Segment profit (loss)” is calculated by deducting cost of goods sold and selling, general and administrative expenses from net sales, and accounting for foreign exchange gains and losses determined by the Group, while deducting adjustments in accordance with IFRS and non-recurring items.
5. The amounts of net sales, profits, and losses of The Marine Foods Corporation, its subsidiaries, etc. included in the Processed Foods Business Division have been reclassified to “Transfer to discontinued operations” for the cumulative third quarter of the year ended March 31, 2022.

For the consolidated third quarter of the year ended March 31, 2022 (October 1, 2021 through December 31, 2021):

(millions of yen)

	Processed Foods Business Division	Fresh Meats Business Division	Overseas Business Division	Others	Total	Eliminations, adjustments and others	Consolidated (before adjustment for discontinued operations)	Transfer to discontinued operations	Consolidated (after adjustment for discontinued operations)
Net sales									
Sales to external customers	132,253	174,923	40,068	2,330	349,574	300	349,874	(22,863)	327,011
Intersegment sales	7,593	17,941	31,472	795	57,801	(57,801)	–	–	–
Total	139,846	192,864	71,540	3,125	407,375	(57,501)	349,874	(22,863)	327,011
Segment profit (loss)	7,136	12,651	1,581	(639)	20,729	(851)	19,878	(1,138)	18,740

For the consolidated third quarter of the year ending March 31, 2023 (October 1, 2022 through December 31, 2022):

(millions of yen)

	Processed Foods Business Division	Fresh Meats Business Division	Overseas Business Division	Others	Total	Eliminations, adjustments and others	Consolidated (before adjustment for discontinued operations)	Transfer to discontinued operations	Consolidated (after adjustment for discontinued operations)
Net sales									
Sales to external customers	108,970	189,428	47,335	1,760	347,493	4,586	352,079	–	352,079
Intersegment sales	7,831	19,110	33,931	769	61,641	(61,641)	–	–	–
Total	116,801	208,538	81,266	2,529	409,134	(57,055)	352,079	–	352,079
Segment profit (loss)	4,668	8,346	(1,734)	(697)	10,583	(1,062)	9,521	–	9,521

- (Notes) 1. “Others” refers to operating segments not included in the reportable segments, such as the Baseball and Ballpark Business and New Business, etc.
2. “Eliminations, adjustments and others” includes unallocated items and intersegment eliminations.
3. Except for a few unallocated items, corporate overhead expenses and profit or loss of certain subsidiaries are allocated to each reportable operating segment. These subsidiaries provide indirect services and operational support for the Group included in each reportable operating segment.
4. “Segment profit (loss)” is calculated by deducting cost of goods sold and selling, general and administrative expenses from net sales, and accounting for foreign exchange gains and losses determined by the Group, while deducting adjustments in accordance with IFRS and non-recurring items.
5. The amounts of net sales, profits, and losses of The Marine Foods Corporation, its subsidiaries, etc. included in the Processed Foods Business Division have been reclassified to “Transfer to discontinued operations” for the third quarter of the year ended March 31, 2022.

2. Note on discontinued operations

1) Overview of discontinued operations

The Company, at the meeting of its Board of Directors held on February 9, 2022, determined to transfer all of its shares and related assets of its consolidated subsidiary, The Marine Foods Corporation (“Marine Foods”), to Sojitz Corporation, and the share transfer was completed on March 31, 2022.

As a result, the marine products business relating to Marine Foods has been classified as discontinued operations from the fourth quarter of the year ended March 31, 2022.

2) Name and nature of business of the subsidiary and the segment that included the divested business

Name of the subsidiary	The Marine Foods Corporation
Nature of business	Manufacturing and sale of processed marine food products and import and sale of marine raw materials
Applicable segment	Processed Foods Business Division

3) Number of shares sold, percentage of ownership after the sale, and gain or loss on sale

Numbers of shares owned before the sale	22,666,000 shares (Number of voting rights: 22,666,000) (Percentage of voting rights held: 100.0%)
Number of shares sold	22,666,000 shares (Number of voting rights: 22,666,000)
Percentage of ownership after the sale	— share (Number of voting rights: —) (Percentage of voting rights held: — %)

4) Profit (loss) from discontinued operations

Details of profit (loss) from discontinued operations are as follows.

	(millions of yen)	
	Cumulative third quarter of the year ended March 31, 2022 (consolidated) (April 1, 2021 through December 31, 2021)	Cumulative third quarter of the year ending March 31, 2023 (consolidated) (April 1, 2022 through December 31, 2022)
Net sales	57,110	—
Gain (loss) on sales of business (Note)	—	(408)
Other profit (loss)	(55,982)	—
Profit (loss) before tax from discontinued operations	1,128	(408)
Income tax expense	(701)	87
Profit (loss) from discontinued operations	427	(321)

(Note) Gain (loss) on sales of business classified as discontinued operations in the cumulative third quarter of the year ending March 31, 2023 was due to an adjustment to the transfer price of The Marine Foods' shares held by the Company pursuant to the share transfer agreement.

3. Significant subsequent events

The Company, at the meeting of its Board of Directors held on January 31, 2023, determined to transfer all of the shares of its consolidated subsidiary, Breeders & Packers Uruguay S.A. ("BPU"), to Minerva S.A. (hereinafter referred to as the "Transfer").

1) Reason for the transfer

In working to build an optimal business portfolio, the Company has determined that the best way for BPU to further grow in the future, while leveraging its business foundation and strengths, is to operate with a new partner.

2) Outline of the company to be changed (BPU)

Name of the subsidiary	Breeders & Packers Uruguay S.A.
Location	Durazno and Montevideo, Oriental Republic of Uruguay
Nature of business	Meat processing and sales (beef)

3) Number of transferred shares and status of shareholding before and after the transfer

Numbers of shares owned before the change	1,797,343,133 shares (Number of voting rights: 1,797,343,133) (Percentage of voting rights held: 100.0%)
Number of shares to be transferred	1,797,343,133 shares (Number of voting rights: 1,797,343,133)
Transfer price	The actual transfer price will be determined based on the enterprise value of 40 million USD, and the price adjustments stipulated in the stock purchase agreement, including net interest-bearing debt and working capital of BPU.
Number of shares owned after the transfer	— share (Number of voting rights: —) (Percentage of voting rights held: —%)

Since the final transfer price will be determined after the price adjustments at the time of execution of the share transfer as stipulated in the stock purchase agreement, the amount of gain or loss arising from the transfer is yet to be determined.

Third quarter of
the year ending March 31, 2023

Supplementary materials

NH Foods Ltd.

January 2023

Note: The Company has classified certain business as discontinued operations from the fourth quarter of the year ended March 31, 2022. Accordingly, the corresponding figures for the third quarter of the same year are reclassified in the same manner in this supplementary document.

I Financial Highlights

Consolidated Accounts (millions of yen)

	Third quarter of the year ended March 31, 2021 (results)	Third quarter of the year ended March 31, 2022 (results)	Third quarter of the year ending March 31, 2023 (results)	The percentages indicate the rates of increase (decrease) from the third quarter of the previous fiscal year	Year ended March 31, 2022 (results)	Year ending March 31, 2023 (plan)
Net sales	902,988	896,129	986,103	10.0%	1,174,389	1,270,000
Gross profit	167,982	159,491	140,286	(12.0)%	200,028	
Business profit	43,914	44,130	24,725	(44.0)%	48,116	22,000
Profit before tax	44,370	49,109	25,174	(48.7)%	51,366	22,000
Equity attributable to owners of the parent	28,511	36,747	19,219	(47.7)%	48,049	17,000

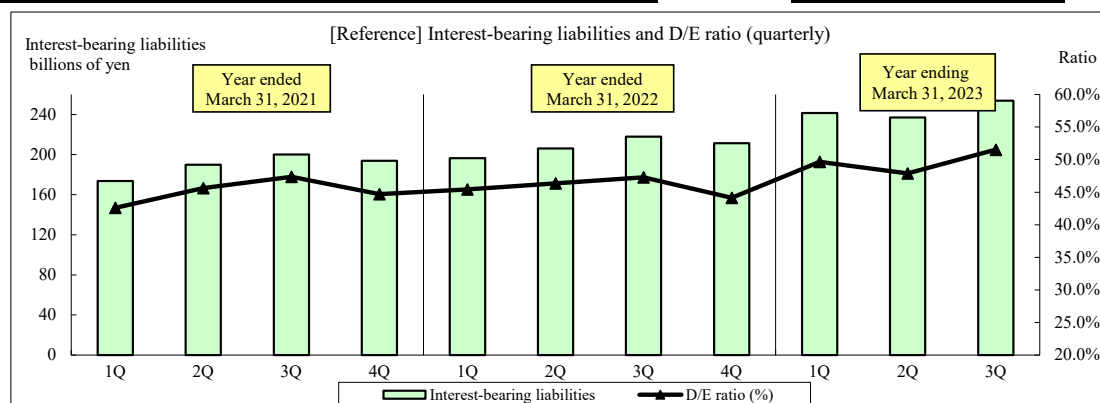
(Note) Figures for the third quarter of the year ended March 31, 2021 include discontinued operations.

Gross profit margin	18.6%	17.8%	14.2%		17.0%	
Business profit margin	4.9%	4.7%	2.5%		3.9%	1.7%
Return on equity (ROE)	6.9%	8.2%	4.0%		10.5%	3.5%
Return on invested capital (ROIC)	4.9%	4.6%	2.3%		5.0%	2.1%

(Note) Figures for the third quarter of the year ended March 31, 2021 include discontinued operations.
Business profit margin was calculated using business profit after adjustment on discontinued operations.



	Third quarter of the year ended March 31, 2021 (results)	Third quarter of the year ended March 31, 2022 (results)	Third quarter of the year ending March 31, 2023 (results)	Year ended March 31, 2022 (results)	Year ending March 31, 2023 (plan)
Total assets	827,019	902,437	984,219	909,213	
Total equity attributable to owners of the parent	422,262	460,925	492,669	479,069	
Interest-bearing liabilities	199,993	217,844	253,865	211,407	
D/E ratio	0.47	0.47	0.52	0.44	
Capital expenditures	54,034	44,167	47,305	80,395	76,800
Depreciation expense	25,301	27,057	28,313	36,379	38,700



II Segment Information

[Cumulative third quarter]

(millions of yen)

	Consolidated cumulative third quarter of the year ended March 31, 2022 (April 1, 2021 through December 31, 2021)		Consolidated cumulative third quarter of the year ending March 31, 2023 (April 1, 2022 through December 31, 2022)		Increase (decrease) from the third quarter of the previous fiscal year	
	Amount	% of sales	Amount	% of sales	Amount	The rate of increase (decrease)
Processed Foods Business Division						
Sales to external customers	362,396	94.7%	299,792	93.4%	(62,604)	(17.3)%
Intersegment sales	20,450	5.3%	21,028	6.6%	578	2.8%
Total net sales	382,846	100.0%	320,820	100.0%	(62,026)	(16.2)%
Segment profit	14,133	3.7%	6,002	1.9%	(8,131)	(57.5)%
Fresh Meats Business Division						
Sales to external customers	474,639	90.8%	519,574	91.1%	44,935	9.5%
Intersegment sales	48,054	9.2%	50,616	8.9%	2,562	5.3%
Total net sales	522,693	100.0%	570,190	100.0%	47,497	9.1%
Segment profit	30,460	5.8%	22,566	4.0%	(7,894)	(25.9)%
Overseas Business Division						
Sales to external customers	105,946	53.2%	144,128	57.5%	38,182	36.0%
Intersegment sales	93,377	46.8%	106,486	42.5%	13,109	14.0%
Total net sales	199,323	100.0%	250,614	100.0%	51,291	25.7%
Segment profit (loss)	2,209	1.1%	(2,670)	(1.1)%	(4,879)	–
Others						
Sales to external customers	8,944	78.7%	10,659	81.6%	1,715	19.2%
Intersegment sales	2,417	21.3%	2,408	18.4%	(9)	(0.4)%
Total net sales	11,361	100.0%	13,067	100.0%	1,706	15.0%
Segment profit (loss)	(208)	(1.8)%	1,231	9.4%	1,439	–
Eliminations, adjustments and others						
Net sales	(162,984)		(168,588)		(5,604)	
Segment profit	(2,464)		(2,404)		60	
Consolidated (before adjustment for discontinued operations)						
Total net sales	953,239	100.0%	986,103	100.0%	32,864	3.4%
Segment profit	44,130	4.6%	24,725	2.5%	(19,405)	(44.0)%
Transfer to discontinued operations						
Total net sales	(57,110)		–		57,110	
Segment profit	(2,263)		–		2,263	
Consolidated (after adjustment for discontinued operations)						
Total net sales	896,129	100.0%	986,103	100.0%	89,974	10.0%
Segment profit	41,867	4.7%	24,725	2.5%	(17,142)	(40.9)%

(Note) Segment profit (loss) is calculated by deducting cost of goods sold and selling, general and administrative expenses from net sales, and accounting for foreign exchange gains and losses determined by the Group, while excluding adjustments in accordance with IFRS and non-recurring items.

NH FOODS LTD. (2282)
BRIEF STATEMENT OF ACCOUNTS FOR
THE THIRD QUARTER OF THE YEAR
ENDING MARCH 31, 2023

[Third quarter]

(millions of yen)

	Consolidated third quarter of the year ended March 31, 2022 (October 1, 2021 through December 31, 2021)		Consolidated third quarter of the year ending March 31, 2023 (October 1, 2022 through December 31, 2022)		Increase (decrease) from the third quarter of the previous fiscal year	
	Amount	% of sales	Amount	% of sales	Amount	The rate of increase (decrease)
Processed Foods Business Division						
Sales to external customers	132,253	94.6%	108,970	93.3%	(23,283)	(17.6)%
Intersegment sales	7,593	5.4%	7,831	6.7%	238	3.1%
Total net sales	139,846	100.0%	116,801	100.0%	(23,045)	(16.5)%
Segment profit	7,136	5.1%	4,668	4.0%	(2,468)	(34.6)%
Fresh Meats Business Division						
Sales to external customers	174,923	90.7%	189,428	90.8%	14,505	8.3%
Intersegment sales	17,941	9.3%	19,110	9.2%	1,169	6.5%
Total net sales	192,864	100.0%	208,538	100.0%	15,674	8.1%
Segment profit	12,651	6.6%	8,346	4.0%	(4,305)	(34.0)%
Overseas Business Division						
Sales to external customers	40,068	56.0%	47,335	58.2%	7,267	18.1%
Intersegment sales	31,472	44.0%	33,931	41.8%	2,459	7.8%
Total net sales	71,540	100.0%	81,266	100.0%	9,726	13.6%
Segment profit (loss)	1,581	2.2%	(1,734)	(2.1)%	(3,315)	—
Others						
Sales to external customers	2,330	74.6%	1,760	69.6%	(570)	(24.5)%
Intersegment sales	795	25.4%	769	30.4%	(26)	(3.3)%
Total net sales	3,125	100.0%	2,529	100.0%	(596)	(19.1)%
Segment loss	(639)	(20.4)%	(697)	(27.6)%	(58)	—
Eliminations, adjustments and others						
Net sales	(57,501)		(57,055)		446	
Segment profit	(851)		(1,062)		(211)	
Consolidated (before adjustment for discontinued operations)						
Total net sales	349,874	100.0%	352,079	100.0%	2,205	0.6%
Segment profit	19,878	5.7%	9,521	2.7%	(10,357)	(52.1)%
Transfer to discontinued operations						
Total net sales	(22,863)		—		22,863	
Segment profit	(1,138)		—		1,138	
Consolidated (after adjustment for discontinued operations)						
Total net sales	327,011	100.0%	352,079	100.0%	25,068	7.7%
Segment profit	18,740	5.7%	9,521	2.7%	(9,219)	(49.2)%

(Note) Segment profit (loss) is calculated by deducting cost of goods sold and selling, general and administrative expenses from net sales, and accounting for foreign exchange gains and losses determined by the Group, while excluding adjustments in accordance with IFRS and non-recurring items.

NH FOODS LTD. (2282)
BRIEF STATEMENT OF ACCOUNTS FOR
THE THIRD QUARTER OF THE YEAR
ENDING MARCH 31, 2023

[Reference Information: Breakdown of Overseas Business Division]

[Cumulative third quarter]

(millions of yen)

	Consolidated cumulative third quarter of the year ended March 31, 2022 (April 1, 2021 through December 31, 2021)		Consolidated cumulative third quarter of the year ending March 31, 2023 (April 1, 2022 through December 31, 2022)		Increase (decrease) from the third quarter of the previous fiscal year	
	Amount	% of sales	Amount	% of sales	Amount	The rate of increase (decrease)
Asia and Europe						
Sales to external customers	19,274	40.3%	24,853	47.1%	5,579	28.9%
Intersegment sales	28,597	59.7%	27,891	52.9%	(706)	(2.5)%
Total net sales	47,871	100.0%	52,744	100.0%	4,873	10.2%
Segment loss	(6)	(0.0)%	(678)	(1.3)%	(672)	–
Americas						
Sales to external customers	19,205	25.5%	25,949	27.3%	6,744	35.1%
Intersegment sales	56,053	74.5%	69,127	72.7%	13,074	23.3%
Total net sales	75,258	100.0%	95,076	100.0%	19,818	26.3%
Segment profit	1,070	1.4%	1,131	1.2%	61	5.7%
Australia						
Sales to external customers	67,468	86.4%	93,326	88.9%	25,858	38.3%
Intersegment sales	10,622	13.6%	11,700	11.1%	1,078	10.1%
Total net sales	78,090	100.0%	105,026	100.0%	26,936	34.5%
Segment profit (loss)	1,837	2.4%	(2,286)	(2.2)%	(4,123)	–

(Note) Due to intersegment eliminations, the figures above do not agree with those of “Overseas Business Division” in the segment information.

[Third quarter]

(millions of yen)

	Consolidated third quarter of the year ended March 31, 2022 (October 1, 2021 through December 31, 2021)		Consolidated third quarter of the year ending March 31, 2023 (October 1, 2022 through December 31, 2022)		Increase (decrease) from the third quarter of the previous fiscal year	
	Amount	% of sales	Amount	% of sales	Amount	The rate of increase (decrease)
Asia and Europe						
Sales to external customers	6,962	41.2%	7,342	49.2%	380	5.5%
Intersegment sales	9,938	58.8%	7,574	50.8%	(2,364)	(23.8)%
Total net sales	16,900	100.0%	14,916	100.0%	(1,984)	(11.7)%
Segment profit (loss)	88	0.5%	(383)	(2.6)%	(471)	–
Americas						
Sales to external customers	6,617	26.0%	8,493	26.5%	1,876	28.4%
Intersegment sales	18,818	74.0%	23,538	73.5%	4,720	25.1%
Total net sales	25,435	100.0%	32,031	100.0%	6,596	25.9%
Segment profit	417	1.6%	717	2.2%	300	71.9%
Australia						
Sales to external customers	26,490	87.7%	31,500	90.8%	5,010	18.9%
Intersegment sales	3,711	12.3%	3,180	9.2%	(531)	(14.3)%
Total net sales	30,201	100.0%	34,680	100.0%	4,479	14.8%
Segment profit (loss)	1,308	4.3%	(1,768)	(5.1)%	(3,076)	–

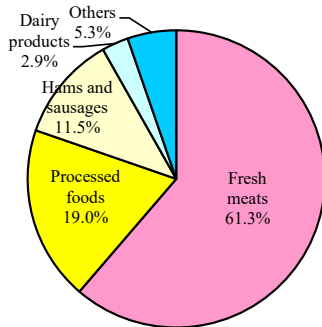
(Note) Due to intersegment eliminations, the figures above do not agree with those of “Overseas Business Division” in the segment information.

III Breakdown of Consolidated Net Sales

(millions of yen)

	Third quarter of the year ended March 31, 2022 (results)		Third quarter of the year ending March 31, 2023 (results)		The percentages indicate the rates of increase (decrease) from the third quarter of the previous fiscal year	Year ended March 31, 2022 (results)		Year ending March 31, 2023 (plan)	
		Composition ratio		Composition ratio			Composition ratio		Composition ratio
Hams and sausages	102,663	11.5%	101,502	10.3%	(1.1)%	131,147	11.2%	130,000	10.3%
Processed foods	170,710	19.0%	179,350	18.2%	5.1%	224,976	19.2%	235,000	18.5%
Fresh meats	549,662	61.3%	622,515	63.1%	13.3%	722,843	61.5%	799,000	62.9%
Dairy products	26,002	2.9%	27,533	2.8%	5.9%	35,214	3.0%	37,000	2.9%
Others	47,092	5.3%	55,203	5.6%	17.2%	60,209	5.1%	69,000	5.4%
Total	896,129	100.0%	986,103	100.0%	10.0%	1,174,389	100.0%	1,270,000	100.0%

Percentage of consolidated sales for the third quarter of the year ended March 31, 2022



Percentage of consolidated sales for the third quarter of the year ending March 31, 2023

