

Minutes of the Institutional Investor/Analyst Briefing for the First Quarter of the Fiscal Year Ending March 31, 2016

NH Foods Ltd.

Date & Time:	August 4, 2015 (Tuesday) – 10:00–11:00
Attendees:	Vice President and Representative Director, General Manager of Corporate Management Division: <i>Yoshihide Hata</i> General Manager of Public and Investor Relations Department, Corporate Management Division: <i>Shigeru Nakajima</i>

[Supplement and Additional Matters to the Briefing Materials]

(At the start of the meeting)

- The aim of our capital and business alliance with CHUBUSHIRYO CO., LTD.

To develop the cooperation system and focus on the following points:

- 1) Stable procurement of mixed feed
- 2) Development of branded fresh meats and enhancement of traceability
- 3) Accumulation of knowledge on feed

- Effect of foreign exchange on the Australian business (Australian dollar cross rate against U.S. dollar)

Australian dollar depreciated from the average of 0.933 for the first quarter of the previous fiscal year to the average of 0.778 for this fiscal year.

¥2.7 billion included in the ¥0.8 billion increase in operating income for the first quarter was attributable to the favorable effects of changes in foreign exchange.

[Q&A]

Fresh Meats Business

Q) What is the current status and outlook of the Australian business?

A) Costs to procure livestock are on the rise due to a decrease in the number of bred livestock in Australia and thus situations are expected to become harsh from the second quarter onwards.

Q) What measures will be taken to improve the hog-raising business at Texas Farm, LLC in the Americas business?

A) We will improve efficiency in our own farms and focus on improvements in productivity and others.

Q) What are your prospects for domestic market prices of fresh meats?

A) We expect the prices to stay at the present level. However, in the second half, prices mainly for imported meat are expected to fall below the level in the previous fiscal year.

Processed Foods Business

Q) What are the sales conditions for the consumer and commercial-use products?

A) Consumer products: In hams and sausages, sales are recovering, mainly in *Mori-no-Kaori coarse-ground wieners*. In deli and processed foods, new products are generating effects on sales, mainly in *Chuka Meisai* and *Ishigama Kobo*.

Commercial-use products: We are promoting business negotiations and the sales volume is expected to recover from the second half.

Q) How are the cost-cutting effects in the Processed Foods Business Division?

A) Reorganization of product lines, category reduction, etc. are generating favorable effects. Recovery in sales volume towards the second half is expected to contribute to further improvement in revenue.