



Business Results

for the Third Quarter of FY2021/3

February 1, 2021 (Mon.)

NH Foods Ltd.

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Consolidated Financial Results for FY2021/3 3Q

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- * The Company has adopted International Financial Reporting Standards (“IFRS”).
- * For the purpose of clarifying income derived from business activities, NH Foods Ltd. and its subsidiaries (the “Group”) uses business profit instead of operating income from forecast of consolidated business results for the year ended March 31, 2020 onward. Business profit is calculated by deducting cost of goods sold and selling, general and administrative expenses from net sales, and making adjustments of foreign exchange gains and losses determined by the Group, adjustments in accordance with IFRS, and adjustments of non-recurring items.
- * Due to rounding, numbers may not match totals.
- * The novel coronavirus will be referred to as COVID-19.
- * As our Affiliated Business Division and the extract/primary processing business, which was previously managed by the Fresh Meats Business Division, have been integrated into the Processed Foods Business Division in FY2021/3, their respective business profits are shown in a breakdown. In addition, figures before FY2020/3 have been retroactively adjusted. (According to NH Foods calculations, but not audited.)

I



**Consolidated Business
Results for FY2021/3 3Q**

1. Consolidated Business Results for 3Q (Oct.-Dec.)
2. Segment Data: Processed Foods Business Division
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**Consolidated Financial
Results for FY2021/3 3Q**

Results Summary

Decreased sales and increased profit in 3Q

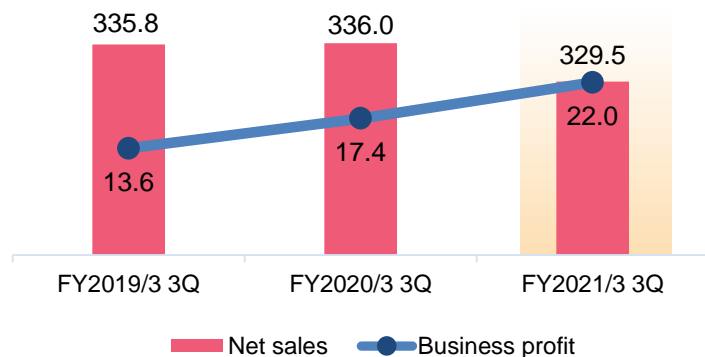
- Reason for decreased sales: Deceleration in commercial-use product sales due to new COVID-19 wave
- Reason for increased profit: Consumer products continued to sell strongly

Decreased sales and increased profit in 1Q-3Q

- Reason for decreased sales: Decreased sales of commercial-use products and ongoing deterioration of the overseas sales environment
- Reason for increased profit: Strong performance in consumer products and steady market price of domestic chicken

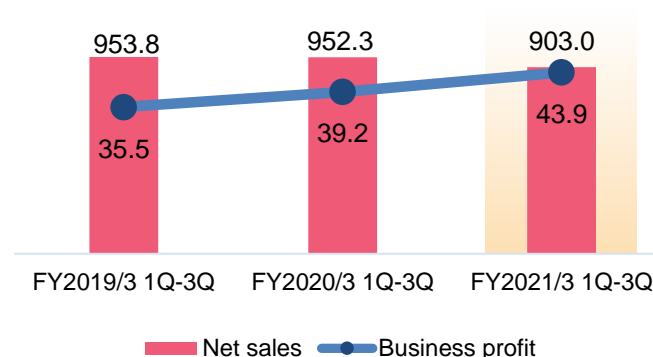
3Q Results (Oct.-Dec.)

(¥ billion)



1Q-3Q Results (Apr.-Dec.)

(¥ billion)



Consolidated business results for FY2021/3 3Q

(¥ billion)

	3Q	Variance	Variance (%)
Net sales	329.5	(6.5)	(1.9)%
Business profit	22.0	4.6	26.3%
Business profit ratio	6.7%	-	-

	1Q-3Q	Variance	Variance (%)
Net sales	903.0	(49.3)	(5.2)%
Business profit	43.9	4.7	11.9%
Business profit ratio	4.9%	-	-

1. Consolidated Business Results for 3Q (Oct.-Dec.) (2)

3Q Results (Oct.-Dec.)

(¥ billion)

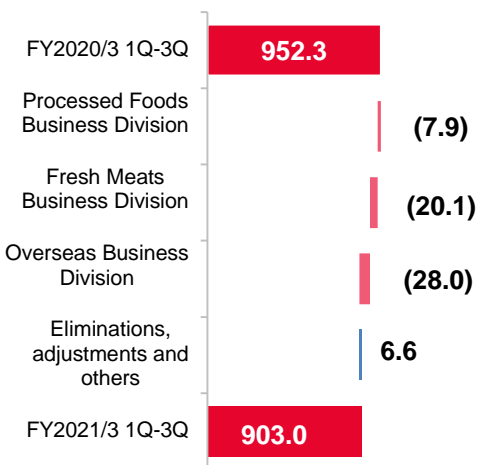
		FY2019/3 3Q	FY2020/3 3Q	FY2021/3 3Q	Variance	Variance (%)
Processed Foods Business Division	Net sales	154.5	151.4	150.8	(0.6)	(0.4)
	Business profit	6.5	7.6	9.6	2.0	25.6
Fresh Meats Business Division	Net sales	199.9	203.1	200.6	(2.5)	(1.2)
	Business profit	9.9	10.0	14.1	4.1	41.2
Overseas Business Division	Net sales	65.8	66.2	58.6	(7.6)	(11.5)
	Business profit	(1.1)	1.1	(0.2)	(1.3)	-
Eliminations, adjustments and others	Net sales	(84.5)	(84.7)	(80.4)	4.2	-
	Business profit	(1.7)	(1.3)	(1.5)	(0.2)	-
Consolidated	Net sales	335.8	336.0	329.5	(6.5)	(1.9)
	Business profit	13.6	17.4	22.0	4.6	26.3

1Q-3Q Results (Apr.-Dec.)

(¥ billion)

		FY2019/3 1Q-3Q	FY2020/3 1Q-3Q	FY2021/3 1Q-3Q	Variance	Variance (%)
Processed Foods Business Division	Net sales	423.4	411.9	404.1	(7.9)	(1.9)
	Business profit	10.2	12.8	16.0	3.1	24.4
Fresh Meats Business Division	Net sales	571.5	582.4	562.3	(20.1)	(3.4)
	Business profit	27.5	24.2	32.3	8.1	33.4
Overseas Business Division	Net sales	197.5	198.0	170.0	(28.0)	(14.1)
	Business profit	(2.0)	3.0	0.3	(2.7)	(88.9)
Eliminations, adjustments and others	Net sales	(238.5)	(239.9)	(233.3)	6.6	-
	Business profit	(0.2)	(0.9)	(4.7)	(3.8)	-
Consolidated	Net sales	953.8	952.3	903.0	(49.3)	(5.2)
	Business profit	35.5	39.2	43.9	4.7	11.9

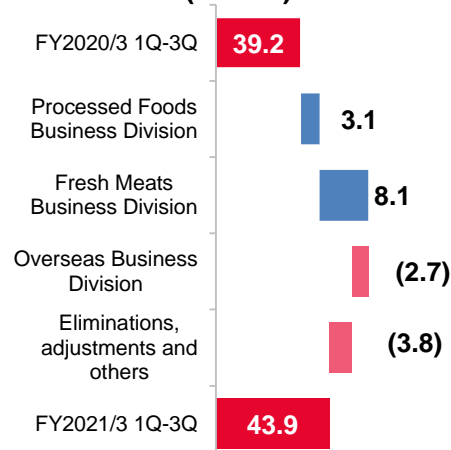
Changes in net sales (1Q-3Q)



Factor Analysis: Changes in net sales

- [Processed Foods Business Division]**
 - Decline in demand for commercial-use products
- [Fresh Meats Business Division]**
 - Slow recovery of restaurant demand
- [Overseas Business Division]**
 - Ongoing decline of global beef sales environment
 - Decline in Japanese demand for commercial-use products

Changes in business profit (1Q-3Q)



Factor Analysis: Changes in business profit

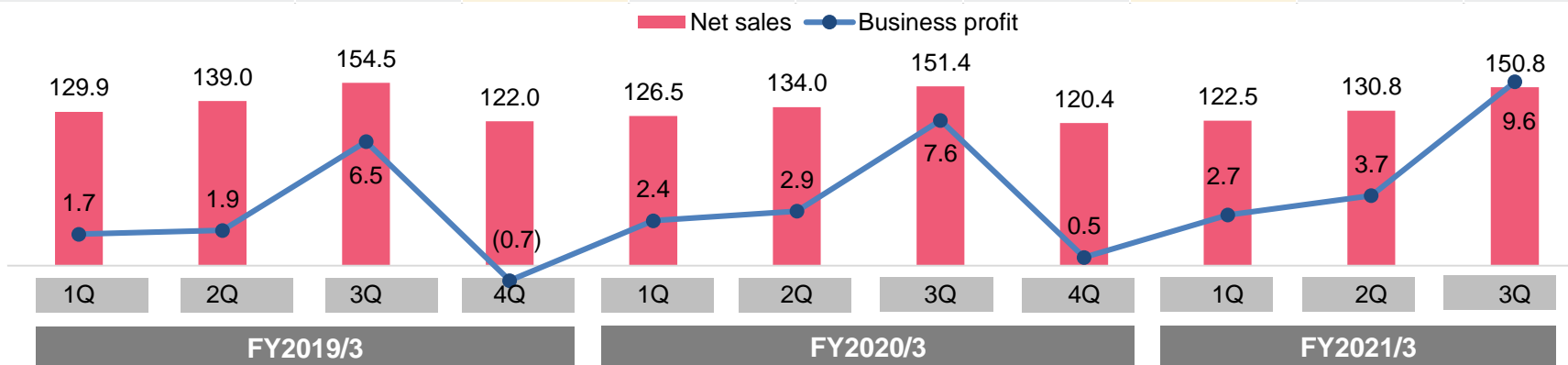
- [Processed Foods Business Division]**
 - Growth in core brand
 - Reduction in sales promotion expenses, etc.
- [Fresh Meats Business Division]**
 - Strong domestic chicken market prices and productivity improvements
 - Higher domestic pork sales prices
- [Overseas Business Division]**
 - Ongoing harsh beef purchase environment
 - Slow recovery of sales environment

2. Segment Data: Processed Foods Business Division (1)

Profit increased due to consumer product growth and internal improvements, despite the commercial-use product sales environment, which remained harsh and saw sales decline

(¥ billion)

	3Q				1Q-3Q			
	FY2020/3	FY2021/3	Variance	Variance (%)	FY2020/3	FY2021/3	Variance	Variance (%)
Net sales	151.4	150.8	(0.6)	(0.4)%	411.9	404.1	(7.9)	(1.9)%
Business profit	7.6	9.6	2.0	25.6%	12.8	16.0	3.1	24.4%
of which marine/dairy product, extract, etc.	1.7	2.4	0.8	44.8%	2.5	2.9	0.4	17.5%
Business profit ratio	5.0%	6.3%	1.3%	-	3.1%	4.0%	0.8%	-



Net Sales in FY2021/3 1Q-3Q

Hams and sausages, deli and processed foods

- Consumer: Strong sales for core brands
- Commercial-use: Sales to convenience stores and restaurant channels fell

Marine/dairy products and extract/primary processing

- Consumer: Growth, especially for *Vanilla Yogurt*
- Commercial-use: Decline in sales of commercial-use cheese for bakeries

Business Profit in FY2021/3 1Q-3Q

Hams and sausages, deli and processed foods

- Gross profit: Product mix improved due to growth in core brand
- Expenses: Reduction in sales promotion expenses, etc.

Marine/dairy products and extract/primary processing

- Gross profit: Gross profit improved for core fish products, but commercial-use product sales volume failed to recover, leading to an overall decline
- Expenses: Fell due to labor cost reductions in plants

2. Segment Data: Processed Foods Business Division (2)

Commercial-use product sales struggled, but synergy generated through organization reforms contributed to a recovery trend

Hams and sausages, deli and processed foods sales results

1) Consumer products: Maintained strong performance due to ongoing demand for home meals

- Hams and sausages: Growth in wiener and bacon products

- Deli and processed foods: Shelf-stable, hamburg, chilled dish, and chilled bakery products grew

SCHAU ESSEN products in a zipper pouch, launched in response to growing home meal demand

KANADE, which allows customers to enjoy the taste of freshly baked pizzeria pizza at home

The CHUKA MEISAI product customer base was expanded through the use of television commercials



- Gifts: Self consumption demand showed strong performance

Our core brand Honkakuha, which was overhauled this year



Made using Maboroshi no Miso, a processing synergy product



Year-on-year growth in sales by channel

		FY2020/3 1Q-3Q results	Volume	Amount
Hams and sausages	Consumer	105%	105%	106%
	Commercial-use	85%	85%	87%
	Total	100%	100%	102%
Deli and processed foods	Consumer	108%	108%	110%
	Commercial-use	83%	83%	83%
	Total	96%	96%	99%

Year-on-year sales comparison of consumer products

		Consumer products	1Q-3Q			Consumer products	1Q-3Q
Hams and sausages	Wieners		106%	Deli and processed foods	Chilled bakery		114%
	Loin hams		95%		Chilled dish		107%
	Bacon		111%		Fried chicken		101%
	Yakibutas		101%		Hamburg and meatball		116%
	Total		106%		Total		110%

Gift product sales results

		FY2020/3 results	FY2021/3 results
Summer gift-giving season	Overall sales	92%	98%
	(Utsukushi-no-Kuni)	101%	89%
Year-end gift-giving season	Overall sales	95%	98%
	(Utsukushi-no-Kuni)	95%	95%
Total	Overall sales	94%	98%
	(Utsukushi-no-Kuni)	97%	93%

Marine/dairy products and extract/primary processing results

- 1) Marine → Proposals were enhanced for sushi toppings for volume retailers and consumer products, but restaurant sales fell.
- 2) Dairy products → The sales environment for commercial-use cheese products remained harsh for bakeries and restaurants and sales fell. In yogurt, despite sales growth for Vanilla Yogurt and new products, lactic acid probiotic beverage sales struggled.
- 3) Extract, primary processing → Sales of hot pot meatballs, yakiniku meats, etc., for volume retailers trended strongly. Processed food sales channels were used, contributing to a recovery trend from 3Q onwards.

Factor Analysis: Changes in business profit

FY2021/3			
	1st half results	3Q results	1Q-3Q results
Hams and sausages, deli and processed foods	2.1	1.1	3.1
External factors	(0.4)	0.2	(0.2)
Principal raw material price	(1.2)	(0.3)	(1.5)
Other materials/fuels	0.9	0.5	1.4
Internal factors	2.4	0.9	3.3
Volume expansion	0.6	0.2	0.8
Improvement activities	1.8	0.7	2.6
Vendor and logistics	(0.6)	0.1	(0.4)
Marine/dairy products and extract/primary processing	(0.3)	0.8	0.4
Others	0.0	0.0	0.0
Total	1.2	2.0	3.1

(¥ billion)

Variation Factor Analysis (1Q-3Q)

[External factors] ¥(0.2) billion

Principal raw materials:
Raw material prices for pork and beef rose
Other materials/fuels:
Prices of sheep casings and fuel improved

[Internal factors] ¥3.3 billion

Volume expansion:
Growth in consumer products
Improvement activities:
Improved product mix and higher unit prices
Reduction in sales promotion expenses, etc.

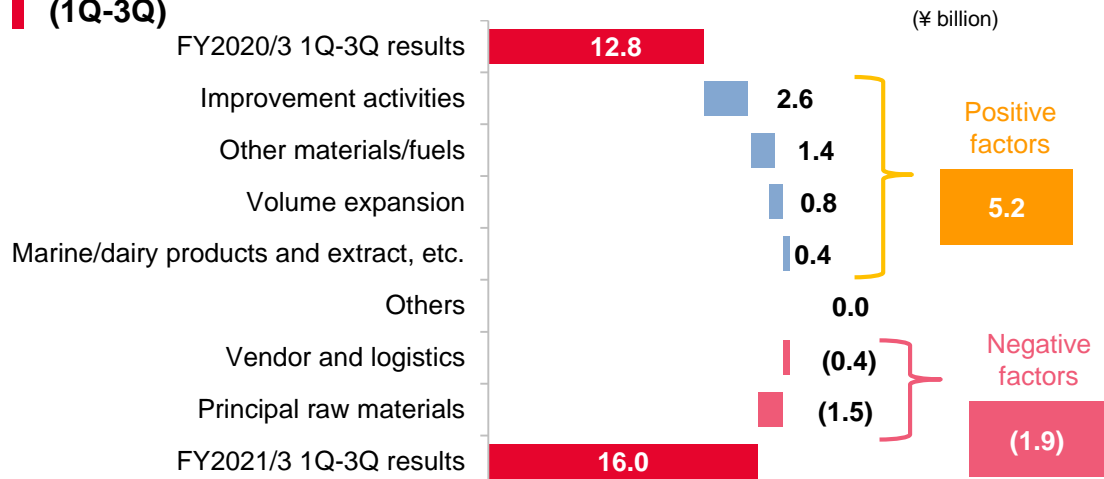
[Vendor and logistics] ¥(0.4) billion

Vendor:
Sales rose for salad and frozen food product lines in which there was new investment
Logistics:
Temporary increase in expenditures in conjunction with the start of operations at the new center

[Marine/dairy products and extract/primary processing] ¥0.4 billion

Marine:
Sales of sushi toppings and high-value-added products rose and labor costs were reduced
Dairy products:
Sales were strong for consumer products but struggled for commercial-use products
Extract/primary processing:
Sales fell in conjunction with the slump in restaurant demand

Factor Analysis Graph: Changes in business profit results (1Q-3Q)

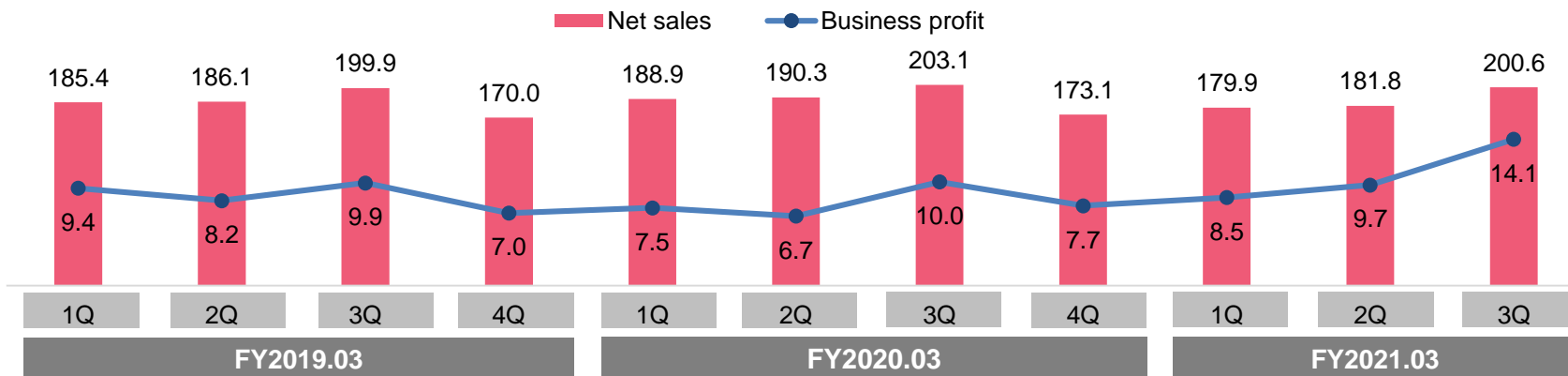


3. Segment Data: Fresh Meats Business Division (1)

Restaurant sales volume failed to recover and sales declined, but profit rose due to increased sales to volume retailers, achieved by leveraging our procurement and sales strengths

(¥ billion)

	3Q				1Q-3Q			
	FY2020/3	FY2021/3	Variance	Variance (%)	FY2020/3	FY2021/3	Variance	Variance (%)
Net sales	203.1	200.6	(2.5)	(1.2)%	582.4	562.3	(20.1)	(3.4)%
Business profit	10.0	14.1	4.1	41.2%	24.2	32.3	8.1	33.4%
Business profit ratio	4.9%	7.0%	2.1%	-	4.2%	5.7%	1.6%	-



Net Sales in FY2021/3 1Q-3Q

- Sales → Although domestic fresh meats sales to volume retailers were strong, the decline in restaurant use due to the COVID-19 pandemic caused sales volume to fall significantly for imported fresh meats

Business Profit in FY2021/3 1Q-3Q

- Production → Domestic chicken and pork market prices remained strong
Domestic chicken productivity improved
- Sales → Sales of brand meat to volume retailers trended strongly
Increased demand led to costs being passed on, especially for domestic chicken and pork, and profits were secured

Factor Analysis: Changes in business profit

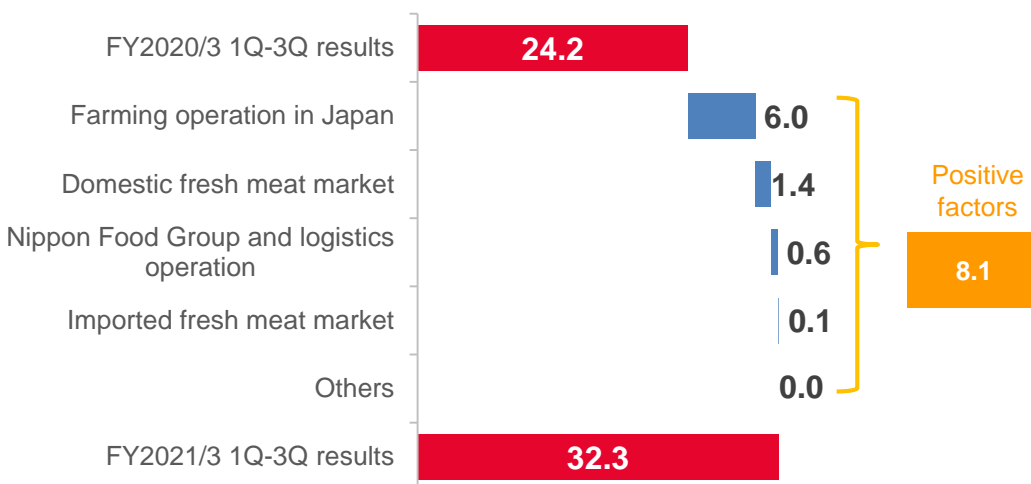
(¥ billion)

FY2021/3			
	1st half results	3Q results	1Q-3Q results
Imported fresh meat market	(1.4)	1.4	0.1
Domestic fresh meat market	1.0	0.5	1.4
Farming operation in Japan	3.9	2.1	6.0
Nippon Food Group and logistics operation	0.3	0.3	0.6
Others	0.2	(0.1)	0.0
Total	4.0	4.1	8.1

* Extract/primary processing business, previously included in the Nippon Food Group and logistics operation, was transferred to the Processed Foods Business Division from FY2021/3

Factor Analysis Graph: Changes in business profit results (1Q-3Q)

(¥ billion)



Variation Factor Analysis (1Q-3Q)

[Imported fresh meat market] ¥0.1 billion

Chicken:

Sales struggled during the first half of the year due to a decline in commercial-use product demand, but there has been a recovery trend from 3Q

Pork:

There were production delays for US pork, but increased volume retailer demand led to strong sales of chilled products

Sales of frozen products struggled due to decreased commercial-use product demand

Beef:

The shortfall in Australian beef production volume was made up for with the relatively stable supply of US beef and sales were expanded for volume retailers

[Domestic fresh meat market] ¥1.4 billion

Pork:

Increased sales prices made up for rising market prices

Chicken:

Sales grew, mainly for highly profitable *Sakurahime*

[Farming operation in Japan] ¥6.0 billion

Domestic chicken and pork market prices increased from previous year significantly

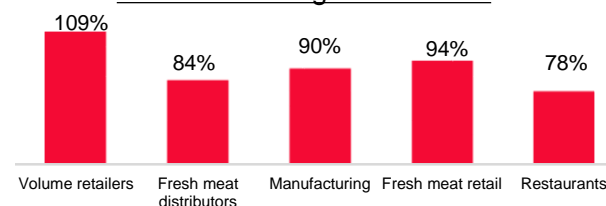
Productivity improved, mainly for chicken

[Nippon Food Group and logistics operation] ¥0.6 billion

Sales:

Expanded sales of domestic brand meat for volume retailers, etc. secured revenue

FY2021/3 1Q-3Q Sales Results of Nippon Food Group: Overall volume growth of 97%

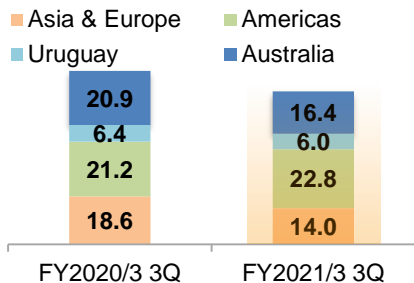


4. Segment Data: Overseas Business Division (1)

US domestic processed product sales were strong, but beef exports stagnated and Australia livestock prices soared, resulting in decreased sales and profits

3Q Results

[Net Sales]

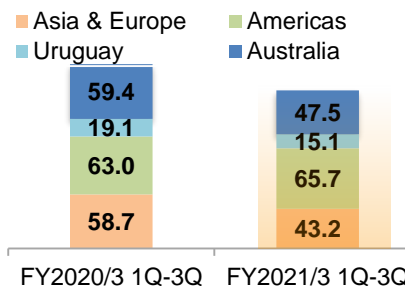


(¥ billion)

	FY20/3	FY21/3	Variance	Variance (%)
Overseas total	66.2	58.6	(7.6)	(11.5)%
Australia	20.9	16.4	(4.6)	(21.8)%
Uruguay	6.4	6.0	(0.3)	(5.4)%
Americas	21.2	22.8	1.6	7.8%
Asia & Europe	18.6	14.0	(4.6)	(24.5)%

1Q-3Q Results

[Net Sales]

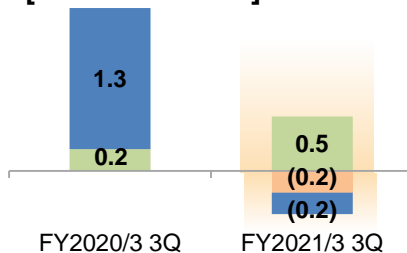


(¥ billion)

	FY20/3	FY21/3	Variance	Variance (%)
Overseas total	198.0	170.0	(28.0)	(14.1)%
Australia	59.4	47.5	(11.9)	(20.1)%
Uruguay	19.1	15.1	(4.0)	(21.2)%
Americas	63.0	65.7	2.7	4.3%
Asia & Europe	58.7	43.2	(15.5)	(26.4)%

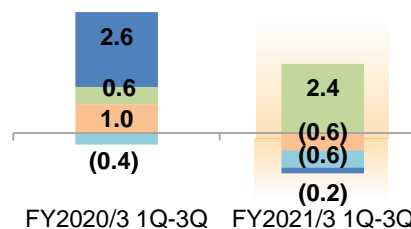
* Net sales and business profit figures are amounts before the elimination of intersegment sales. (The sum of figures for each region does not match the "overseas total," due to the elimination of intersegment transactions.)

[Business Profit]



	FY20/3	FY21/3	Variance	Variance (%)
Overseas total	1.1	(0.2)	(1.3)	-
Australia	1.3	(0.2)	(1.5)	-
Uruguay	0.0	0.0	0.0	-
Americas	0.2	0.5	0.4	211.4%
Asia & Europe	0.0	(0.2)	(0.2)	-

[Business Profit]



	FY20/3	FY21/3	Variance	Variance (%)
Overseas total	3.0	0.3	(2.7)	(88.9)%
Australia	2.6	(0.2)	(2.8)	-
Uruguay	(0.4)	(0.6)	(0.2)	-
Americas	0.6	2.4	1.8	288.9%
Asia & Europe	1.0	(0.6)	(1.5)	-

Net Sales in FY2021/3 1Q-3Q

Australia Business

- Australia: The number of cattle processed continued to fall and global demand continued to decline
- Uruguay: Sales of beef to China were on a recovery track but did not reach last year's levels

Americas Business

→ Sales of processed foods are strong due to rising demand for home meals

Asia & Europe

- Thailand, EU: Decreased exports to Japan
- Turkey: Reinforced sales of processed products for domestic volume retailers

Business Profit in FY2021/3 1Q-3Q

Australia Business

- Australia: Livestock prices remained high
- Uruguay: High purchase costs and low sales prices

Americas Business

→ Strong sales of processed products within the US

Asia & Europe

- Turkey: Feed costs soared, exceeding unit sales prices

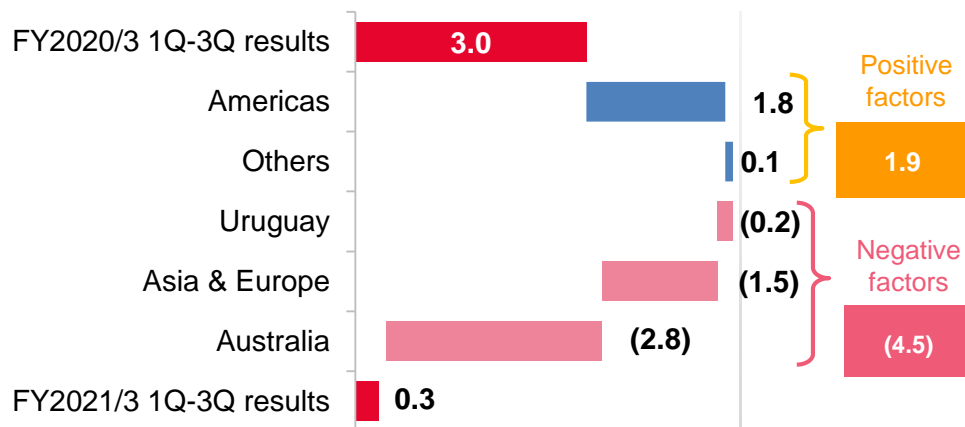
Factor Analysis: Changes in business profit

(¥ billion)

FY2021/3			
	1st half results	3Q results	1Q-3Q results
Australia	(1.3)	(1.5)	(2.8)
Uruguay	(0.2)	0.0	(0.2)
Americas	1.4	0.4	1.8
Asia & Europe	(1.3)	(0.2)	(1.5)
Others	0.1	0.0	0.1
Total	(1.4)	(1.3)	(2.7)

Factor Analysis Graph: Changes in business profit results (1Q-3Q)

(¥ billion)



Variation Factor Analysis (1Q-3Q)

[Australia] ¥(2.8) billion

- Production: Livestock purchase prices soared due to the falling number of livestock raised
- Sales: Sales prices fell, mainly for restaurants

[Uruguay] ¥(0.2) billion

- Production: Purchase costs increased due to a rise in the price of purchasing livestock from farmers, but there were improvements in 3Q
- Sales: The sales environment deteriorated, with low sales prices for China and sluggish demand due to the COVID-19 pandemic

[Americas] ¥1.8 billion

- Stable processed product material prices and improved productivity
- Increased sales volume due to high home meal demand

[Asia & Europe] ¥(1.5) billion

- Rising feed costs due to the weak Turkish lira

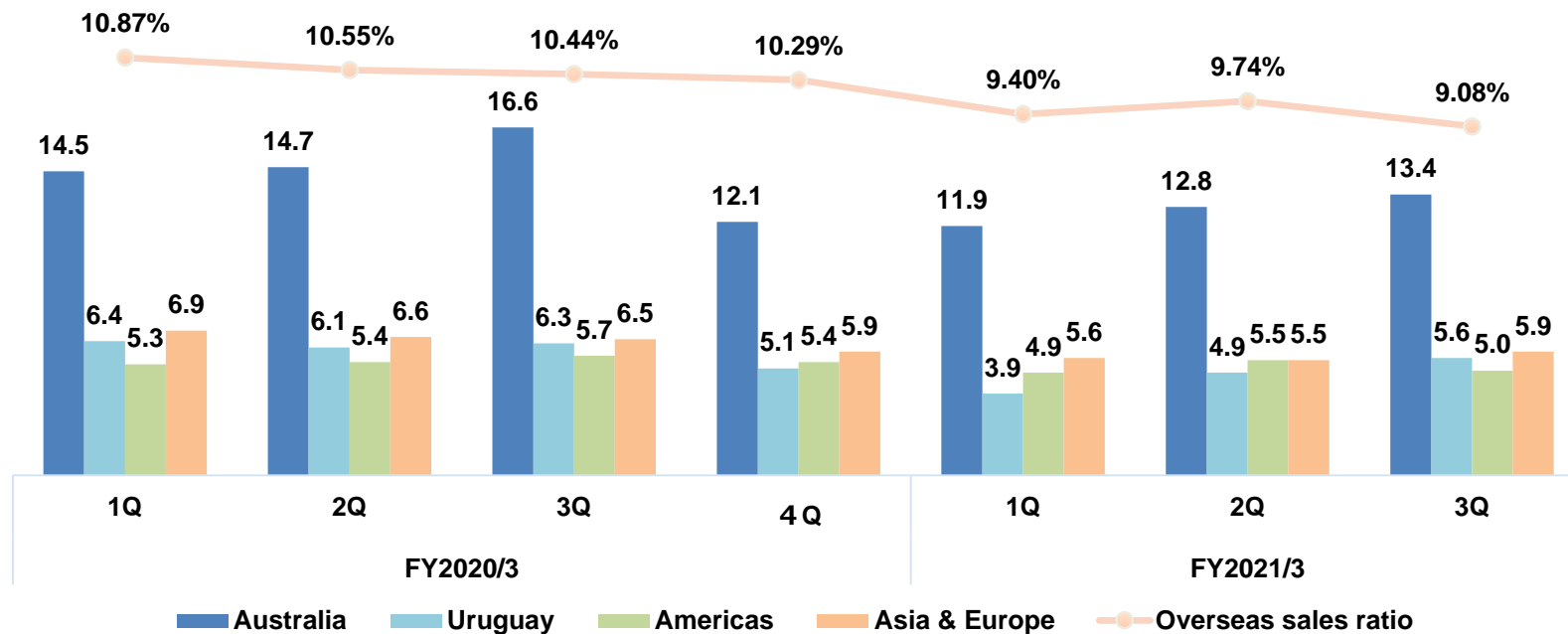
5. External Customer Net Sales Results in Major Overseas Geographical Areas

(¥ billion)

	FY2020/3					FY2021/3		
	1Q	2Q	3Q	4 Q	Full year	1Q	2Q	3Q
Australia	14.5	14.7	16.6	12.1	58.0	11.9	12.8	13.4
Uruguay	6.4	6.1	6.3	5.1	23.8	3.9	4.9	5.6
Americas	5.3	5.4	5.7	5.4	21.9	4.9	5.5	5.0
Asia & Europe	6.9	6.6	6.5	5.9	26.0	5.6	5.5	5.9
Overseas total	33.1	32.9	35.1	28.6	129.6	26.2	28.6	29.9
Overseas sales ratio	10.87%	10.55%	10.44%	10.29%	10.54%	9.40%	9.74%	9.08%

* Net sales figures represent net sales to external customers.

(¥ billion)



I



**Consolidated Business
Results for FY2021/3 3Q**

II



Outlook for FY2021/3

1. FY2021/3 Business Profit Forecasts
2. Processed Foods Business Division:
Outlook
3. Fresh Meats Business Division:
Outlook
4. Overseas Business Division: Outlook

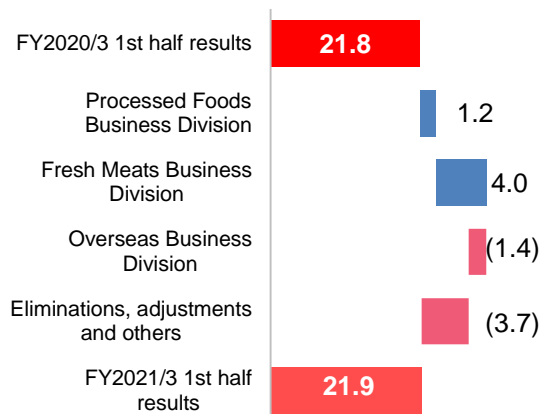
III



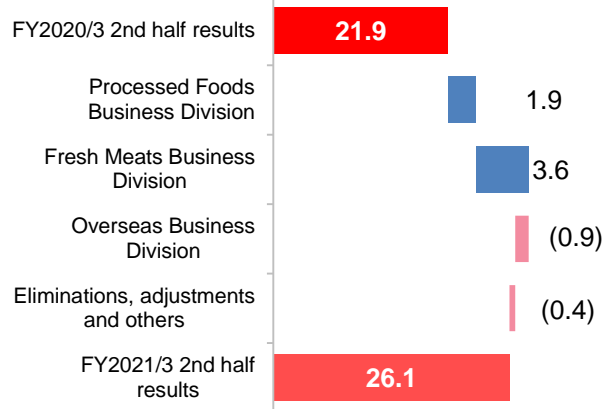
**Consolidated Financial
Results for FY2021/3 3Q**

1. FY2021/3 Business Profit Forecasts (1)

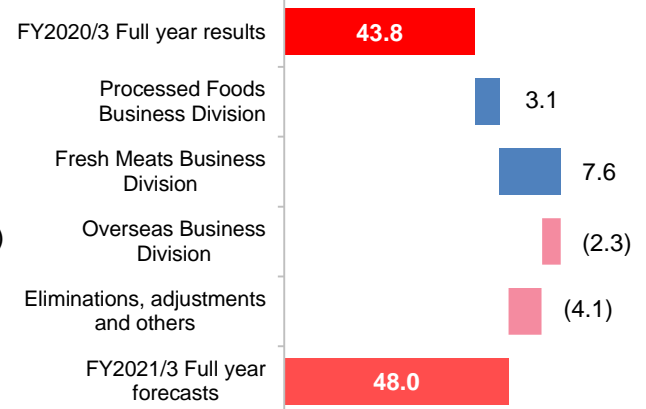
Changes in 1st half results



Changes in 2nd half forecasts



Changes in full year forecasts



(¥ billion)

	FY2021/3 1st half			FY2021/3 2nd half			FY2021/3 Full year		
	FY2020/3 1st half results	Results	Variance	FY2020/3 2nd half results	Forecasts	Variance	FY2020/3 Full year results	Forecasts	Variance
Processed Foods Business Division	5.2	6.4	1.2	8.1	10.0	1.9	13.3	16.4	3.1
of which marine/dairy product, extract, etc.	0.8	0.5	(0.3)	1.4	2.2	0.8	2.2	2.6	0.5
Fresh Meats Business Division	14.2	18.2	4.0	17.7	21.3	3.6	31.9	39.5	7.6
Overseas Business Division	1.9	0.5	(1.4)	(0.1)	(1.0)	(0.9)	1.9	(0.5)	(2.3)
Eliminations, adjustments and others	0.4	(3.2)	(3.6)	(3.7)	(4.2)	(0.4)	(3.3)	(7.4)	(4.1)
of which value creation expenses	(0.2)	(1.1)	(0.9)	(0.4)	(1.1)	(0.7)	(0.6)	(2.2)	(1.6)
of which profit or loss of baseball club (consolidated)	1.0	(1.6)	(2.7)	(3.1)	(2.9)	0.2	(2.1)	(4.5)	(2.4)
of which others	(0.4)	(0.5)	(0.0)	(0.2)	(0.2)	0.0	(0.7)	(0.7)	(0.0)
Total	21.8	21.9	0.1	21.9	26.1	4.2	43.8	48.0	4.2

1. FY2021/3 Business Profit Forecasts (2)

Revised the full year forecast upwards to ¥48.0 billion reflecting 3Q business results

Changes from 2Q business profit forecasts

* 2nd half and full year forecasts are forecasts revised after 3Q.

(¥ billion)

	FY2021/3 1st half	FY2021/3 3Q	FY2021/3 1Q-3Q	FY2021/3 2nd half			FY2021/3 Full year		
	Results	Results	Results	2Q Forecasts	3Q Forecasts	Variance	2Q Forecasts	3Q Forecasts	Variance
Processed Foods Business Division	6.4	9.6	16.0	7.0	10.0	2.9	13.4	16.4	2.9
of which marine/dairy product, extract, etc.	0.5	2.4	2.9	0.6	2.2	1.6	1.0	2.6	1.6
Fresh Meats Business Division	18.2	14.1	32.3	18.5	21.3	2.8	36.7	39.5	2.8
Overseas Business Division	0.5	(0.2)	0.3	(1.0)	(1.0)	0.0	(0.5)	(0.5)	0.0
Eliminations, adjustments and others	(3.2)	(1.5)	(4.7)	(4.5)	(4.2)	0.3	(7.7)	(7.4)	0.3
of which value creation expenses	(1.1)	(0.4)	(1.5)	(1.4)	(1.1)	0.3	(2.5)	(2.2)	0.3
of which profit or loss of baseball club (consolidated)	(1.6)	(1.2)	(2.8)	(3.0)	(2.9)	0.1	(4.6)	(4.5)	0.1
of which others	(0.5)	0.0	(0.4)	(0.1)	(0.2)	(0.1)	(0.6)	(0.7)	(0.1)
Total	21.9	22.0	43.9	20.1	26.1	6.0	42.0	48.0	6.0

1. FY2021/3 Business Profit Forecasts (3)

Factor Analysis: Changes in business profit forecasts

(¥ billion)

Processed Foods Business Division

	FY2021/3 2nd half			FY2021/3 Full year		
	2Q forecasts	3Q forecasts	Variance	2Q forecasts	3Q forecasts	Variance
Hams and sausages, deli and processed foods	(0.3)	1.1	1.3	1.8	3.1	1.3
External factors	(1.2)	0.0	1.2	(1.5)	(0.3)	1.2
Principal raw material price	(1.3)	(0.5)	0.8	(2.5)	(1.7)	0.8
Other materials/fuels	0.1	0.5	0.4	1.0	1.4	0.4
Internal factors	0.9	1.0	0.1	3.3	3.5	0.1
Volume expansion	0.0	0.2	0.2	0.6	0.8	0.2
Improvement activities	0.9	0.8	(0.1)	2.7	2.7	(0.1)
Vendor and logistics	0.0	0.1	0.0	(0.5)	(0.5)	0.0
Marine/dairy products and extract/primary processing	(0.8)	0.8	1.6	(1.1)	0.5	1.6
Others	0.0	0.0	0.0	0.0	0.0	0.0
Total	(1.0)	1.9	2.9	0.2	3.1	2.9

Fresh Meats Business Division

	FY2021/3 2nd half			FY2021/3 Full year		
	2Q forecasts	3Q forecasts	Variance	2Q forecasts	3Q forecasts	Variance
Imported fresh meat market	0.1	1.2	1.0	(1.2)	(0.2)	1.0
Domestic fresh meat market	0.3	0.7	0.4	1.3	1.7	0.4
Farming operation in Japan	1.2	2.2	1.0	5.1	6.1	1.0
Nippon Food Group and logistics operation	(0.5)	(0.2)	0.3	(0.2)	0.1	0.3
Others	(0.4)	(0.3)	0.1	(0.2)	(0.2)	0.1
Total	0.8	3.6	2.8	4.8	7.6	2.8

Overseas Business Division

	FY2021/3 2nd half			FY2021/3 Full year		
	2Q forecasts	3Q forecasts	Variance	2Q forecasts	3Q forecasts	Variance
Australia	(0.8)	(1.0)	(0.2)	(2.4)	(2.5)	(0.2)
Australia	(1.4)	(1.7)	(0.3)	(2.7)	(3.0)	(0.3)
Uruguay	0.6	0.7	0.1	0.4	0.4	0.1
Americas	0.2	0.3	0.1	1.6	1.7	0.1
Asia & Europe	(0.4)	(0.4)	0.1	(1.7)	(1.7)	0.1
Others	0.1	0.1	0.0	0.2	0.2	0.0
Total	(1.0)	(0.9)	0.0	(2.3)	(2.3)	0.0

(Business profit forecasts)

	FY2021/3 2nd half		FY2021/3 Full year	
	2Q forecasts	3Q forecasts	2Q forecasts	3Q forecasts
Australia	(0.3)	(0.5)	(0.9)	(1.1)
Australia	(0.0)	(0.3)	0.0	(0.3)
Uruguay	(0.3)	(0.2)	(0.9)	(0.8)
Americas	0.4	0.6	2.3	2.4
Asia & Europe	(0.6)	(0.6)	(0.9)	(0.9)
Others	(0.5)	(0.5)	(1.0)	(1.0)
Total	(1.0)	(1.0)	(0.5)	(0.5)

New products will be developed and sold to flexibly meet changes in lifestyles, such as increases in home meal demand

Efforts in Hams and Sausages, and Deli and Processed Foods

(1) Consumer

- Rapid store rollout of new products that capture increased stock demand and large package volume demand
- Sales promotion efforts for core brands (television commercials, etc.)

* See the new products on the following page

Net sales forecasts by channel (year-on-year comparison)

	Channel	Full year forecast
Hams and sausages	Consumer	104%
	Commercial-use	88%
	Total	101%
Deli and processed foods	Consumer	108%
	Commercial-Use	86%
	Total	99%

(2) Commercial-use

- Strengthen sales in channels where demand will remain strong, such as fast food

Efforts in marine/dairy products and extract/primary processing businesses

(1) Marine

- Continue to strengthen sales of highly profitable products such as sushi toppings

(2) Dairy products

- Yogurt business: Ongoing sales reinforcement for *Vanilla Yogurt* and development of health-focused products
- Cheese business: Expand consumer product sales and strengthen proposals aimed at new commercial-use product sales channels

(3) Extract/primary processing

- Expand new sales channels and use processed food sales channels to advance into consumer category

Net sales forecasts of consumer products (year-on-year comparison)

	Category	Full year forecast		Category	Full year forecast
Hams and sausages	Wieners	105%	Deli and processed foods	Chilled bakery	114%
	Loin hams	94%		Chilled dish	106%
	Bacons	109%		Fried chicken	102%
	Yakibutas	100%		Hamburg and meatball	113%
	Total	104%		Total	108%

Initiatives for synergy effects

Strive to realize the benefits of the Synergy Project

- Sales channel use: Expand sales by sharing sales channels within the Processed Foods Business Division
- Purchasing integration: Make improvements by centrally purchasing materials and creating standards for shared materials
- Logistics integration: Achieve improvements through use of trunk logistics, local delivery, and in-house storage
- Marketing integration: Promote sales by performing purchasing analysis using ID-POS



Sell *Shumai* (Chinese steamed dumplings) produced by HOKO using NH Foods frozen foods sales channels

Examples of new products

The Lifestyle Research Office is researching the ongoing diversification of consumer styles and non-contiguous changes in attitudes and behavior caused by the COVID-19 pandemic. New products are proposed together with nine distinct and detailed dining table themes.

Dinners made with stock products that have been given a unique twist



Made using the “fresh heating” technique to create a sealed pouch product that can be stored at room temperature but has the delicious flavor of freshly cooked food
Ajiwai Range—Total of 6 products



Sausages with natural casings that can be stored at room temperature
Stock Pork—Total of 4 products

High protein meals for the health conscious



Supporting more diverse sources of protein
Natu Meat—Total of 8 products



Health food loved throughout Ireland
High protein, zero fat dairy product
Isey SKYR

Environmentally friendly products



Uses film made from recycled plastic bottles



Home dinners that offer a little taste of luxury



Shelf-stable smoked cheese made with rich cheddar cheese
Kunsei Cheese



Products that make it easy for customers to enjoy the flavor of ramen from ramen shop while in their very own home
Choi Tashi Change—Total of 3 products

Takeout and delivery dinners at home



Bright, chunky, easily prepared
Gorotto Salmon Bowl



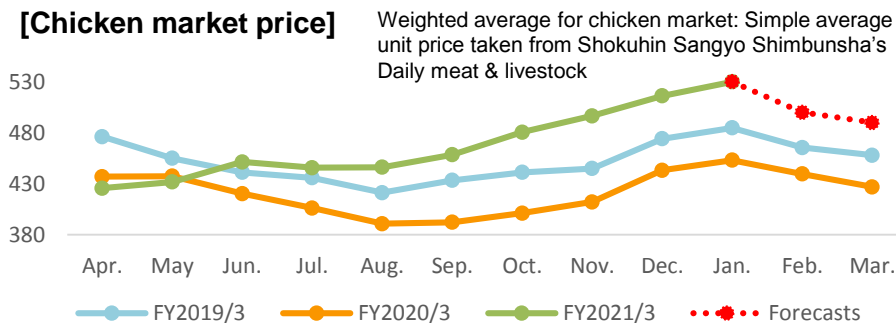
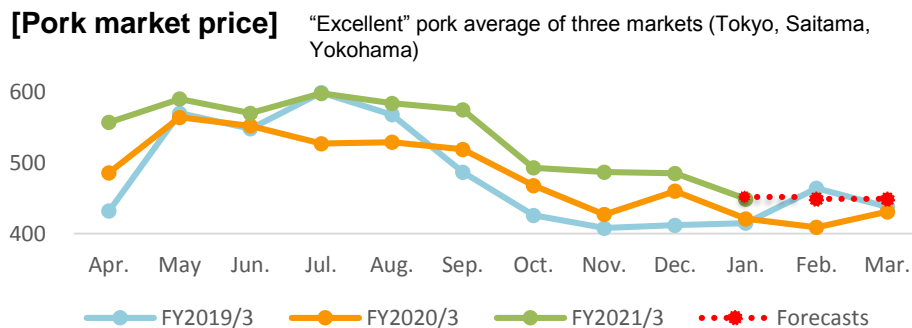
Crisply breaded, delicious
Thick-cut Pork Loin Cutlet Made with Sangen Pork

3. Fresh Meats Business Division: Outlook

Leverage the strengths of stable domestic production and overseas procurement capabilities to flexibly respond to changes in the environment

Domestic fresh meat market

- Pork) Due to the high temperatures last summer, the number of livestock shipped is expected to fall slightly in comparison to last year
 - Chicken) Thoroughly implement avian flu countermeasures and seek to achieve a stable supply that meets strong demand
- Feed prices are expected to rise in the future, but we will continue to improve productivity and secure revenue



Domestic pork is expected to be supported by solid home meal demand, and prices during 4Q are expected to exceed those of the previous year.

Domestic chicken trend of usual years is expected to continue during 4Q, but the rise in home meal demand is forecast to result in prices that surpass those of the previous year.

Imported fresh meat market

- Beef) High costs of Australian beef due to the surge in livestock prices and supply instability are expected to continue
Production of US beef is stable, but local prices are rising due to US demand and recovering Chinese demand
There are concerns about the potential exercising of safeguards with respect to US beef
- Pork) There are still concerns regarding supply due to North American production delays caused by the COVID-19 pandemic and container shortages
The price of European pork will remain high due to Chinese purchasing
- Chicken) Brazilian and Thai chicken production levels remain stable, but due to the state of COVID-19 in Japan, forecasts of imported chicken prices are uncertain

Fresh meats sales (Nippon Food Group)

- Rapidly meet needs prompted by the COVID-19 crisis through the use of a flexible sales system that matches demand
- Reinforce proposals of brand meat and value added products based on client needs and promote the shift to regular deliveries
- Continue efforts to create a logistics system that is optimized based on demand

Make internal improvement and reinforce sales of highly profitable, high-value-added products with the aim of securing revenue

Efforts in various areas

[Asia & Europe]

Thailand) Continued decrease in exports of commercial-use products for Japan.

- ▶ Expand sales volume through the development of new products

Turkey) Declining domestic demand and ongoing soaring feed prices

- ▶ Reinforce sales of high-value-added cut products and promote sales of primary processed products

[Americas]

Processed foods) Strong domestic consumption is expected to continue.

- ▶ Strengthen sales of core brand processed foods

Export) Close attention must be paid to the production system due to COVID-19.

- ▶ Stabilize supply of brand meat to Japan and strengthen exports

[Australia]

Due to rains, livestock prices are expected to rise even higher. It is expected to take some time before production volume recovers.

Production)

- ▶ Difficulties in collecting livestock will continue to reduce the number of cattle processed. We will continue to expand sales of high-value-added brand beef.

- ▶ Continue to engage in internal improvement activities

Sales) Outlook unclear due to declines caused by seasonal factors and the COVID-19 pandemic

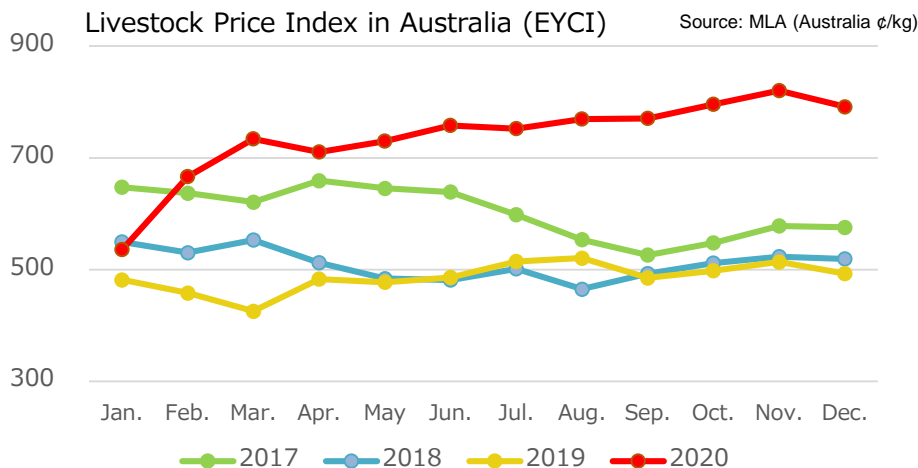
[Uruguay]

It is expected to take some time before the export environment recovers.

- ▶ Reinforce internal improvement under the new system in this harsh external environment

- ▶ Operation management appropriate for supply and demand balance

- ▶ Close attention must be paid to the state of key Chinese exports



Main brand products sold in various countries



Produced and sold in Turkey
KARAGE



Produced in Australia, sold in the US
NATURE'S FRESH



Produced and sold in the US
MANDARIN ORANGE CHICKEN

I



**Consolidated Business
Results for FY2021/3 3Q**

II



Outlook for FY2021/3

III



**Consolidated Financial
Results for FY2021/3 3Q**

1. FY2021/3 Business Results at a Glance and Full Year Forecasts
2. Balance Sheets / Capital Expenditures / Depreciation and Amortization
3. Cash Flows

1. FY2021/3 Business Results at a Glance and Full Year Forecasts

		FY2020/3 results			FY2021/3 results and forecasts									(¥ million, %)
		1Q-3Q results	4Q results	Full year results	1Q-3Q results	Variance	Volume growth rate	4Q forecasts	Variance	Volume growth rate	Full year forecasts	Variance	Volume growth rate	
(1)	Net sales	952,306	277,520	1,229,826	902,988	(5.2)	-	277,012	(0.2)	-	1,180,000	(4.1)	-	
	Hams and sausages	102,250	28,732	130,982	103,649	1.4	0.3	29,051	1.1	0.5	132,700	1.3	0.4	
	Processed foods	175,102	53,731	228,833	168,070	(4.0)	(3.9)	53,730	(0.0)	(0.8)	221,800	(3.1)	(3.2)	
	Fresh meats	549,756	161,997	711,753	516,166	(6.1)	(5.9)	160,734	(0.8)	(2.9)	676,900	(4.9)	(5.2)	
	Beef	234,861	62,052	296,913	200,675	(14.6)	(12.8)	56,525	(8.9)	(11.8)	257,200	(13.4)	(12.5)	
	Pork	172,316	54,296	226,612	175,834	2.0	(3.5)	55,966	3.1	(0.9)	231,800	2.3	(2.9)	
	Chicken	125,544	40,488	166,032	123,439	(1.7)	(3.0)	42,861	5.9	0.2	166,300	0.2	(2.3)	
	Other fresh meats	17,035	5,161	22,196	16,218	(4.8)	(10.8)	5,382	4.3	3.8	21,600	(2.7)	(7.4)	
	Marine products	64,338	16,386	80,724	60,520	(5.9)	(4.3)	16,080	(1.9)	(0.8)	76,600	(5.1)	(3.6)	
	Dairy products	25,707	7,907	33,614	24,661	(4.1)	(4.2)	7,639	(3.4)	(14.6)	32,300	(3.9)	(6.7)	
	Others	35,153	8,767	43,920	29,922	(14.9)	-	9,778	11.5	-	39,700	(9.6)	-	
(2)	Cost of goods sold	788,663	235,633	1,024,296	735,006	(6.8)	-							
	Gross profit	163,643	41,887	205,530	167,982	2.7	-							
	Gross profit ratio	17.2%	15.1%	16.7%	18.6%	-	-							
(3)	SG&A expenses	122,860	43,170	166,030	120,048	(2.3)	-							
	Other income and expenses	(7,010)	(4,188)	(11,198)	(4,814)	-	-	(1,886)	-	-	(6,700)	-	-	
	Finance income and costs	(1,196)	(1,422)	(2,618)	289	-	-	(1,789)	-	-	(1,500)	-	-	
	Share of profit (loss) in investments accounted for using the equity method	823	532	1,355	961	16.8	-	239	(55.1)	-	1,200	(11.4)	-	
	Profit before tax	33,400	(6,361)	27,039	44,370	32.8	-	(5,370)	-	-	39,000	44.2	-	
	Income tax expense	9,364	(1,258)	8,106	16,679	78.1	-	(2,679)	-	-	14,000	72.7	-	
	Tax rate	28.0%	19.8%	30.0%	37.6%	-	-	49.9%	-	-	35.9%	-	-	
	Profit attributable to owners of parent	23,927	(4,713)	19,214	28,511	19.2	-	(2,511)	-	-	26,000	35.3	-	
(4)	Operating income (1)-(2)-(3)	40,783	(1,283)	39,500	47,934	17.5	-	(1,934)	-	-	46,000	16.5	-	
(5)	Foreign exchange gains (losses)	(1,645)	(557)	(2,202)	(1,299)	-	-	-	-	-	-	-	-	
(6)	Adjustments in accordance with IFRS and others	3,189	(5,259)	(2,070)	5,319	66.8	-	-	-	-	-	-	-	
	Business profit (4)-(5)-(6)	39,239	4,533	43,772	43,914	11.9	-	4,086	(9.9)	-	48,000	9.7	-	

★ Other income and expenses and the share of profit (loss) in investments accounted for using the equity method for 1Q-3Q and full year of FY2021/3 include roughly ¥7.1 billion in impairment losses for Panus Poultry (Thailand), chicken integrator.

Consolidated balance sheets

(¥ million, %)

	FY2020/3	FY2021/3	Variance (%)	Variance
	Year-end	3Q		
Total assets	768,861	827,019	7.6	58,158
(1) Cash and cash equivalents	72,399	63,836	(11.8)	(8,563)
Trade and other receivables	130,213	179,071	37.5	48,858
Inventories	114,520	107,031	(6.5)	(7,489)
Property, plant and equipment	284,060	310,200	9.2	26,140
Right-of-use assets	35,545	35,886	1.0	341
Other financial assets - non-current	32,647	34,471	5.6	1,824
Deferred tax assets	29,745	25,158	(15.4)	(4,587)
Total liabilities	352,264	393,409	11.7	41,145
(2) Trade and other payables	99,802	119,508	19.7	19,706
Interest-bearing liabilities	176,493	199,993	13.3	23,500
Total equity attributable to owners of parent	404,414	422,262	4.4	17,848
Non-controlling interests	12,183	11,348	(6.9)	(835)
Total equity	416,597	433,610	4.1	17,013

Major reasons for increase/decrease

(1) Property, plant and equipment
Mainly due to an increase in capital expenditures (of which ¥16.2 billion for a new baseball stadium)

(2) Interest-bearing liabilities
Due primarily to an increase in short-term bank loans

Capital expenditures, depreciation and amortization

(¥ million, %)

	FY2020/3	FY2021/3				
	1Q-3Q	1Q-3Q		Full year		
	Results	Results	Variance (%)	Variance	2Q forecasts	Full year forecasts
Capital expenditures	30,410	54,034	77.7	23,624	104,400	84,700
Processed Foods Business Division	10,149	14,496	42.8	4,347	28,700	26,700
Fresh Meats Business Division	7,837	8,930	13.9	1,093	26,600	18,300
Overseas Business Division	4,668	4,054	(13.2)	(614)	6,900	5,100
Others	7,756	26,554	242.4	18,798	42,200	34,600
Depreciation and amortization	24,545	25,301	3.1	756	34,400	34,400

Consolidated statements of cash flows

(¥ million)

		FY2020/3	FY2021/3		FY2021/3
		3Q results	3Q results	Variance	Full year forecasts
(1)	Cash flows from operating activities	22,215	34,724	12,509	73,900
(2)	Cash flows from investing activities	(28,507)	(44,064)	(15,557)	(65,300)
(3)	Cash flows from financing activities	12,841	809	(12,032)	(13,400)

Major reasons for increase/decrease

(1) Cash flow from operating activities

Net cash provided by operating activities amounted to ¥34.7 billion, mainly due to profit before tax of ¥44.4 billion, depreciation and amortization expense of ¥25.4 billion, and an increase in trade and other payables of ¥19.8 billion, despite an increase in trade and other receivables of ¥48.5 billion.

(2) Cash flows from investing activities

Net cash used in investing activities amounted to ¥44.1 billion, mainly due to the acquisition of fixed assets of ¥44.7 billion.

(3) Cash flows from financing activities

Net cash provided by financing activities amounted to ¥0.8 billion, mainly due to proceeds from debt of ¥48.7 billion, despite cash dividends of ¥9.3 billion, a decrease in short-term bank loans of ¥6.5 billion, and repayments of debts of ¥28.5 billion.

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Forward-looking statements

This presentation includes forecasts regarding targets, strategies and earnings. These forecasts are based on information available at the current time and contain certain assumptions about the future. They are subject to numerous external uncertainties in areas such as economic environment, market trends and exchange rates.

Actual performance may differ significantly from the targets in this presentation, and investment decisions should not be based exclusively on them.