

(Translation)

May 10, 2018

Dear Sirs and Madams

Name of the Company:	NH Foods Ltd.
Representative:	Yoshihide Hata President and Representative Director (Code No. 2282, First Section of the Tokyo Stock Exchange)
Person to contact:	Masahito Kataoka Executive Officer, General Manager of Corporate Communication Department, Communication Strategy Division

**Discontinuation (Abolition) of Defense Plan against a Large Purchase Action of Shares of the Company (Takeover Defense Plan)**

Notice is hereby given that, NH Foods Ltd. (the "Company"), at the meeting of its Board of Directors held today, resolved to discontinue and abolish "Defense Plan against a Large Purchase Action of Shares of the Company (Takeover Defense Plan)" (hereinafter referred to as the "Takeover Defense Plan"), as described below:

Description

The Company introduced the Takeover Defense Plan with the approval by the shareholders at the 61<sup>st</sup> ordinary general meeting of shareholders held on June 28, 2006. Thereafter, the Company renewed it most recently by the resolution at the 70<sup>th</sup> ordinary general meeting of shareholders held on June 25, 2015 (the renewed Takeover Defense Plan shall be hereinafter referred to as the "Plan").

The Company, even after the introduction of the Takeover Defense Plan, has made active efforts to enhance the corporate value by way of developing the New Medium-Term Management Plan and its consistent implementation, to enhance the shareholders' return such as acquisitions of treasury stocks and increase of dividends, and to strengthen the corporate governance. Further, having regard to the changes of the business environment surrounding the Company as well as the recent trend involving takeover defense plans generally since the introduction of the Takeover Defense Plan, opinions of the shareholders and the advice from the Corporate Value Enhancement Committee which consists of the outside committee members who are independent from the Company, the Company has carefully considered the direction of the Plan, including whether it should be continued. As a result, the Company has decided that the necessity of the Takeover Defense Plan has become relatively diminished in ensuring the corporate value of the Company and the common interest of the shareholders and therefore, at the meeting of its Board of Directors held today, resolved to discontinue and abolish the Plan at the expiry of the Plan when the ordinary general meeting of shareholders to be held in June this year is concluded.

Even after the abolition of the Plan, the Company will make continuous efforts to enhance and ensure the Company's corporate value and common interest of the shareholders, and will seek necessary and sufficient information from those who may attempt to make a large purchase action of shares of the Company in order to allow the shareholders to make a proper decision as to the appropriateness of the action. Also, in such case, the Company will also disclose views etc. of the Board of Directors and, in addition to the efforts to ensure information and time for consideration of the shareholders, will take appropriate steps in accordance with the Financial Instruments and Exchange Act, the Companies Act and other relevant laws.

The Company has developed and publicized today "NH Foods Group Medium-Term Management Plan 2020 (April 2018 to March 2021, the theme: "Building systems that pave the way to the future"), with imagining and contemplating the future of the Company group and with keeping in mind "Ideals" from a

long-term point of view, to make continuous growth of the business in the rapidly changing environment. With upholding the five management policies (1. Strengthen profitability by improving the efficiency of the existing businesses; 2. Create value through dialog with consumers; 3. Enhance and develop technological capabilities for conceptualizing and realizing the future of food; 4. Change gears in overseas market deployment; 5. Pursue sustainability) as its management strategy, the Company group will make united efforts to enhance the corporate value with a medium to long term point of view. We appreciate your continued support to our group.

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