(TRANSLATION)

Information Disclosed on the Internet under Laws, Regulations and the Articles of Incorporation upon Issuing Notice of the 75th Ordinary General Meeting of Shareholders

NH Foods Ltd.

NH Foods Ltd. provides "Notes to Consolidated Financial Statements" and "Notes to Non-consolidated Financial Statements" to Shareholders by posting them on its website (http://www.nipponham.co.jp/eng/ir/events/generalmeeting/) pursuant to the provisions of laws, regulations and its Articles of Incorporation.

(TRANSLATION)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Notes to the Basis for Preparing Consolidated Financial Statements)

(1) Basis for preparing consolidated financial statements:

Pursuant to the first paragraph of Article 120 of the Ordinance on Company Accounting, the consolidated financial statements of NH Foods Ltd. and its consolidated subsidiaries (collectively, the “Group”) are prepared in accordance with International Financial Reporting Standards (“IFRS”); however, in accordance with the provisions of the second sentence of said paragraph, certain statements and disclosures required under IFRS are omitted.

(2) Matters concerning the scope of consolidation and application of the equity method:

Number of consolidated subsidiaries:	81 companies
Number of equity-method companies:	9 companies

(3) Matters concerning accounting policies:

1. Method and basis of valuation of financial instruments

1) Non-derivative financial assets

(i) Initial recognition and measurement

The Group initially recognizes trade and other receivables as of the occurrence date. All the other financial assets are initially recognized as of the transaction date on which the Group becomes a contracting party of such financial instrument. When the Group initially recognizes the non-derivative financial assets, they are classified into financial assets at amortized cost or financial assets measured at fair value through other comprehensive income or profit or loss. A summary of each classification and measurement model is as follows:

<u>Financial assets measured at amortized cost</u>

Initially measured by adding the transaction cost to the fair value.

<u>Financial assets measured at fair value through other comprehensive income</u>

Initially measured by adding the transaction cost to the fair value.

<u>Financial assets measured at fair value through profit or loss</u>

Initially measured at fair value, and transaction costs are recognized as profit or loss at the time of occurrence.

(ii) Subsequent measurement

After the initial recognition, financial assets are measured as follows, according to classification:

<u>Financial assets measured at amortized cost</u>

Measured at amortized cost based on the effective interest method.

<u>Financial assets measured at fair value through other comprehensive income</u>

Measured at fair value, and changes in their fair values are recognized as other comprehensive income.

However, dividends from financial assets measured at fair value through other comprehensive income are recognized as profit or loss.

<u>Financial assets measured at fair value through profit or loss</u>

Measured at fair value, and changes in their fair values are recognized as profit or loss.

(iii) Derecognition

The Group derecognizes financial assets if the contractual rights of cash flow generated from the financial assets expire, or if the said financial assets are assigned and all the risks and rewards of ownership are transferred.

(iv) Impairment of financial assets

Financial assets measured at amortized cost and debt financial instruments measured at fair value through other comprehensive income are presented after deducting credit losses likely to occur in the future. The Group evaluates whether the credit risk of such financial assets has substantially increased or not since the initial recognition.

If such credit risk has not substantially increased after the initial recognition, allowance for credit losses of such financial assets is measured at the amount equivalent to 12-month expected credit losses. On the other hand, if the credit risk has substantially increased since the initial recognition, allowance for credit losses of such financial asset is measured at an amount equivalent to lifetime expected credit losses.

However, with respect to trade and other receivables, allowance for credit losses is measured at an amount equivalent to lifetime expected credit losses and such measured amount is recognized as profit or loss.

2) Non-derivative financial liabilities

(i) Initial recognition and measurement

The Group initially recognizes debt securities issued by the Group as of such issuance date. All the other financial liabilities are recognized as of the transaction date in which the Group becomes a contracting party of such financial instruments.

The Group holds interest-bearing liabilities and trade and other payables as non-derivative financial liabilities. At initial recognition, those are measured by subtracting from the fair value the transaction costs which are directly attributable to the relevant issuance.

(ii) Subsequent measurement

After the initial recognition, financial liabilities are measured at amortized cost based on the effective interest method.

(iii) Derecognition

The Group derecognizes the financial liabilities if they are extinguished, in other words, when contractual obligations are performed, discharged, cancelled or expire.

3) Derivative and hedge accounting

The Group uses derivatives such as foreign currency forward exchange contracts and interest rate swap contracts to hedge currency risks and interest rate risks. These derivatives are initially measured at fair value at the time the agreement is concluded, and continue to be measured at fair value thereafter.

Amount of changes in fair value of derivatives is recognized as profit or loss in the consolidated statement of income.

Further, the Group has not adopted hedge accounting.

2. Method and basis of valuation of inventories

Inventories are measured at the lower of cost and net realizable value. For calculation of the cost, the average cost method is used. The cost of the inventories includes all costs of

purchase, costs of conversion, and other costs incurred in bringing the inventories to their present locations and conditions.
Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

3. Agricultural accounting
Biological assets are measured at fair value less costs to sell on initial recognition and at the end of each reporting period, if the fair value can be reliably measured. Changes in fair value according to such accounting are recognized as profit or loss. On the other hand, if the fair value measurements are determined to be clearly unreliable, they are measured at cost less any accumulated depreciation and any accumulated impairment losses.
Harvested agricultural produce is reclassified from biological assets to inventories at the amount of fair value less costs to sell at the point of harvest.

4. Property, plant and equipment
For measurement of property, plant and equipment, the cost model is adopted and they are carried at cost less any accumulated depreciation and any accumulated impairment losses.
Property, plant and equipment are depreciated using the straight-line method over the estimated useful life of each asset.

5. Leases
At inception of a contract, the Group assesses whether the contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.
For such lease contracts, at the commencement date of the lease, the Group recognizes right-of-use assets and lease liabilities.
Lease liabilities are initially measured and recognized at the discounted present value of the total lease payments that are not paid at the commencement date. The interest rates implicit in the lease are used to measure the present value of the lease payments that are not paid, if those rates can be readily determined. If those cannot be readily determined, the lessee's incremental borrowing rates are used. Lease payments are allocated to interest expenses and repayments of lease liabilities under the interest method. Interest expenses on the lease liabilities are separately presented from the depreciation charges for the right-of-use assets. The Group initially measures the right-of-use assets by adding any initial direct costs, any lease payments made before the commencement date and any costs of obligations to restore the assets to the conditions required by the contracts to the amount of the initial measurement of the lease liabilities. The right-of-use assets are depreciated under the straight-line basis or another systematic basis over the lease terms.
However, the Group elects not to recognize right-of-use assets and lease liabilities for either short-term leases with a lease term of 12 months or less, or leases for which the underlying assets are of low value. The total lease payments of these leases are recognized as expenses under the straight-line basis or another systematic basis over the lease terms.

6. Intangible assets and goodwill
Intangible assets acquired separately are measured at cost on initial recognition. Intangible assets acquired in a business combination and recognized separately from goodwill are measured at the fair value at the acquisition date.

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For measurement of intangible assets, the cost model is adopted and they are carried at cost less any accumulated depreciation and any accumulated impairment losses.
For amortization of intangible assets with finite useful life, the straight-line method is used over each estimated useful life.
For goodwill, the acquisition cost less accumulated impairment losses is recorded.

7. Impairment of non-financial assets

For impairment of non-financial assets excluding inventories, biological assets, deferred tax assets and assets related to retirement benefits, the Group determines whether there is any indication of impairment at the end of the reporting period. If there is an indication of impairment, the recoverable amount of the asset is estimated. For goodwill and intangible assets with indefinite useful lives, the recoverable amount of the asset is estimated every year at the same time and at any time there is an indication of impairment.
If the recoverable amounts of assets or cash-generating units are lower than the carrying amounts, the carrying amounts are reduced to the recoverable amounts and impairment losses are recognized.

8. Post-employment benefits

The Group adopted the defined benefit plan comprised of defined benefit pension plan and retirement lump-sum severance plan, and defined contribution pension plan, as post-employment benefit plans.
The liabilities or assets of the defined benefit plan are recognized at an amount representing the present value of the defined benefit obligations less the fair value of the plan assets (the effect of the asset ceiling may be taken into account if necessary).
The present value of the defined benefit obligations is calculated by using the projected unit credit method. The discount rate used in this calculation is determined by reference to market yields at the end of the reporting period on high-quality corporate bonds for the period until the expected date of future benefit payment.
Remeasurement of the net defined benefit liabilities or assets is recognized as other comprehensive income at the time of occurrence and is immediately reclassified as retained earnings. Past service cost and any gain or loss on settlement are recognized as profit or loss.
Expenses related to post-employment benefits of the defined contribution pension plan are recognized as expenses at the time an employee provides the relevant service.

9. Revenue

Pursuant to IFRS 15, the Group recognizes revenue based on the following five-step approach:

Step 1: Identify the contract(s) with a customer
Step 2: Identify the performance obligations in the contract
Step 3: Determine the transaction price
Step 4: Allocate the transaction price to the performance obligations in the contract
Step 5: Recognize revenue when (or as) the entity satisfies a performance obligation

The Group mainly engages in the sales of hams and sausages, processed food products, fresh meats, marine products and dairy products.

With respect to the sales contracts of products with customers, since control over the products transfers to the customer and the performance obligations are satisfied as of when the products are delivered to the customer, revenue is recognized at such time.
Revenue is determined as the amount of the consideration in the sales contract less the rebates and discounts based on net sales or the sales amount, and the consideration expected to be refunded to the customer is reasonably estimated and is recorded as refund liabilities.
In addition, if the Group is involved in the sales of products as an agent, revenue is recognized as a net amount.
The consideration in a sales contract for products is primarily recovered within one year from when the products are delivered to the customer. Furthermore, significant financing components are not included.

10. Accounting treatment of consumption taxes
Consumption taxes are excluded from revenues, costs and expenses in the consolidated statement of income.

(4) Changes in the accounting policy
The Group has adopted the following standard from the fiscal year ended March 31, 2020.

Standard	Name of standard	Outline of new establishment or revision
IFRS 16	Leases	Revision of accounting treatment regarding recognition of lease transactions

At inception of a contract, the Group assesses whether the contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. However, the Group elects not to recognize right-of-use assets and lease liabilities for either short-term leases with a lease term of 12 months or less, or leases for which the underlying assets are of low value. When applying IFRS 16, the Group accepted the decisions under IAS 17 “Leases” (“IAS 17”) and IFRIC 4 “Determining Whether an Arrangement Contains a Lease” in respect of whether a contract contains a lease. After the date of initial application, the determination is based on the rules under IFRS 16 “Leases” (“IFRS 16”). The Group elects to recognize the cumulative effect of applying IFRS 16 to all of its leases at the date of initial application.
Lease liabilities in lease transactions are measured at discounted present value of the total lease payments that are not paid at the commencement date. The weighted average of the lessee’s incremental borrowing rate applied to the lease liabilities recognized in the consolidated statement of financial position at the date of initial application is 0.4%. The interest rates implicit in the lease are used to measure the discounted present value of the total lease payments that are not paid, if those rates can be readily determined. If those cannot be readily determined, the lessee’s incremental borrowing rates are used. Lease payments are allocated to interest expenses and repayments of lease liabilities under the interest method. Interest expenses on the lease liabilities are separately presented from the depreciation charges for the right-of-use assets.
The Group initially measures the right-of-use assets by adding any initial direct costs, any lease payments made before the commencement date, and any costs of obligations to restore the assets to the conditions required by the contracts to the amount of the initial measurement of the lease liabilities. The right-of-use assets are depreciated under the straight-line basis or

another systematic basis over the lease terms. The reconciliation from operating lease commitments disclosed applying IAS 17 to lease liabilities recognized in the consolidated statement of financial position at the date of initial application is as follows:

(millions of yen)

Discounted amount of operating lease commitments as of March 31, 2019	8,846
Finance lease obligations as of March 31, 2019	11,264
Cancellable operating lease commitments	16,844
Lease liabilities as of April 1, 2019	36,954

Accordingly, in comparison to when the previous accounting standards were applied, the asset balance in the consolidated statement of financial position at the date of initial application increased by ¥25,690 million.

Further, when applying IFRS 16, the Group uses the following practical expedients:

- The Group applies a single discount rate to a portfolio of leases with reasonably similar characteristics.
- The Group relies on its assessment of whether leases are onerous applying IAS 37 “Provisions, Contingent Liabilities and Contingent Assets” immediately before the date of initial application as an alternative to performing an impairment review.
- The Group excludes initial direct costs from the measurement of right-of-use assets at the date of initial application.
- The Group uses hindsight, such as in determining the lease term if the contract contains options to extend or terminate the lease.

(TRANSLATION)

(Notes to Consolidated Statement of Financial Position)

(1) Accumulated depreciation and accumulated impairment losses of property, plant and equipment: ¥339,805 million

(Notes to Consolidated Statement of Changes in Equity)

(1) Class and total number of issued shares as of March 31, 2020:

Issued shares	Common stock	102,958,904 shares

(2) Matters concerning dividends:

1) Amount of dividends paid

Resolution	Class of shares	Total amount of dividends (millions of yen)	Amount of dividend per share (yen)	Record date	Effective date
Meeting of the Board of Directors held on May 15, 2019	Common stock	9,262	90.00	March 31, 2019	June 3, 2019

2) Dividends for which the record date is in the current fiscal year but the effective date is in the next fiscal year

Resolution	Class of shares	Total amount of dividends (millions of yen)	Amount of dividend per share (yen)	Record date	Effective date
Meeting of the Board of Directors held on May 11, 2020	Common stock	9,263	90.00	March 31, 2020	June 2, 2020

(Notes to Financial Instruments)

(1) Matters relating to the status of financial instruments:

The Group raises necessary funds primarily through bank loans and issuance of corporate bonds based on the demand for funds for conducting business activities.

With regard to trade notes and accounts receivable, the Group controls credit risks in relation to customers in accordance with their credit management rules. The Group holds securities and other financial instruments that are exposed to share price risk. The Group reviews all issues of such equity investments and their holding statuses once a year on an ongoing basis.

Bank loans, etc., are used for working capital (principally short term) and capital expenditures (long term). With regard to part of long-term bank loans, the Group fixes interest rates using interest rate swaps to eliminate interest rate risk relating to floating-rate borrowings.

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The Group uses foreign currency forward exchange contracts to mitigate foreign exchange rate risk. The Group has a policy not to use derivatives for any purpose other than managing market risks.

(2) Matters concerning fair values of financial instruments:

The following table shows the carrying amounts and fair values as of March 31, 2020, along with their differences. Financial instruments measured at fair value and financial instruments whose fair values approximate their carrying amounts are not included in the table below.

(millions of yen)

	Carrying amount	Fair value	Difference
Bonds and borrowings (*)	96,217	96,953	736

(*) Bonds and borrowings, including current portion, are included within interest-bearing liabilities (current liabilities and non-current liabilities) in the consolidated statement of financial position.

(Note) The fair values of financial instruments are determined as follows:

1) Financial instruments measured at amortized cost

(i) Cash and cash equivalents, trade and other receivables, trade and other payables and short-term bank loans

The fair values of these items, which are substantially equivalent to their carrying amounts as they are settled in a short period, are based on the carrying amounts.

(ii) Bonds and long-term bank loans

Bonds and long-term bank loans are measured by discounting the future cash flows to present value at a rate that would be applied to a similar new contract.

2) Financial instruments measured at fair value

(i) Investment securities

The fair values of marketable investment securities are based on quoted prices. The fair values of unlisted investment securities are measured by using valuation techniques, such as the market approach and the income approach.

(ii) Other financial assets

The fair values of foreign currency forward exchange contracts are determined by the discounted cash flow model for the contract term using observable market data such as forward exchange rates.

(iii) Other financial liabilities

The fair values of foreign currency forward exchange contracts and interest rate swap agreements are determined by the discounted cash flow model for the contract term using observable market data such as forward exchange rates and market interest rates.

(TRANSLATION)

(Notes to Per Share Information)

(1) Total equity per share attributable to owners of the parent: ¥3,929.43

(2) Basic earnings per share: ¥186.70

(Other Notes)

(1) Impairment losses

The Group recognized impairment losses of ¥3,904 million on property, plant and equipment, right-of-use assets, intangible assets and goodwill in "Other expenses" in the consolidated statement of income for the fiscal year ended March 31, 2020.
The impairment losses were principally associated with assets used for business which were related to the Fresh Meats Business Division and the Affiliated Business Division as well as intangible assets which were related to the Overseas Business Division.

(2) Special retirement expenses

The Company expanded its optional retirement system as a temporary measure in the fiscal year ended March 31, 2020. Additional special payments and other expenses of ¥8,472 million to employees who retired under the system were included in "Other Expenses" in the consolidated statement of income.

(Note) Figures are given by rounding fractions of a half or more of one million yen upward and the rest downward.

(TRANSLATION)

NOTES TO NON-CONSOLIDATED FINANCIAL STATEMENTS

(Notes to Significant Accounting Policies)

1. Basis and method of valuation of assets:

(1) Basis and method of valuation of securities:

Capital stock of subsidiaries and associated companies:	At cost, determined by the moving-average method
Other securities:	
Those with fair value:	At fair value, determined by quoted prices at the balance sheet date. (Unrealized gains (losses) are reported directly in net assets. Cost of sales is determined by the moving-average method).
Those without fair value:	At cost, determined by the moving-average method

(2) Basis and method of valuation of inventories:

Merchandise and finished goods, work-in-process and raw materials and supplies:	At cost, determined by the moving-average method (carrying amount in the balance sheet is calculated with consideration of write-downs due to decreased profitability).

2. Method of depreciation of fixed assets:

(1) Property, plant and equipment (excluding leased assets):	By the straight-line method.
(2) Intangible assets (excluding leased assets):	By the straight-line method. Software for internal use is amortized by the straight-line method over the estimated useful life (five years).
(3) Leased assets:	Leased assets related to finance lease transactions that do not transfer ownership: Leased assets are depreciated by the straight-line method based on the assumption that the useful life equals the lease term and the residual value equals zero.

(TRANSLATION)

3. Basis for accounting for allowances and accrued liabilities:

(1) Allowance for doubtful accounts: For possible bad debt losses, allowances are provided by taking into consideration the actual loss rate in respect of general receivables and the individual collectibility in respect of specific claims such as probable non-performing receivables.

(2) Liability for retirement benefits: To prepare for retirement benefits for employees, liability for retirement benefits and prepaid pension expenses are recorded based on the projected benefit obligations and plan assets at the end of the fiscal year.

Prior service cost is amortized using the straight-line method for a specific period of years (14 years) within the average remaining years of service of employees.

Actuarial differences are amortized effective from the following fiscal year, using the straight-line method for a specific period of years (13 or 14 years) within the average remaining years of service of employees.

4. Method of hedge accounting:

(i) Method of hedge accounting:

In principle, gains or losses on derivatives are deferred until maturity of the hedged transactions. The interest rate swaps that meet specific matching criteria are not remeasured at fair value but the differential paid or received under the swap agreements is recognized and included in interest expenses or income.

(ii) Hedging instruments and hedged items:

Hedging instruments: Interest rate swaps
Hedged items: Interest expenses on long-term debt

(iii) Hedging policy:

NH Foods Ltd. engages in interest rate swaps to mitigate exposure to interest rate fluctuations.

(iv) Method of evaluating hedge effectiveness:

Evaluation of effectiveness is omitted for interest rate swaps that meet specific matching criteria.

(TRANSLATION)

5. Other significant fundamental matters for the preparation of non-consolidated financial statements:

(1) Accounting treatment of consumption taxes:

Consumption taxes are excluded from revenues, costs and expenses in the non-consolidated statement of income.

(2) Application of consolidated taxation system:

The consolidated taxation system is applied.

(3) Application of tax effect accounting for transition from consolidated taxation system to group tax sharing system:

For the transition to the group tax sharing system, which has been established by the "Act for Partial Amendment of the Income Tax Act, etc." (Act No. 8 of 2020), and the items under the non-consolidated taxation system that have been reviewed in conjunction with the transition to the group tax sharing system, the provisions of paragraph 44 of "Implementation Guidance on Tax Effect Accounting" (ASBJ Guidance No. 28 of February 16, 2018) are not applied, as permitted by paragraph 3 of the "Treatment of Tax Effect Accounting for the Transition from the Consolidated Taxation System to the Group Tax Sharing System" (PITF No.39 of March 31, 2020). As a result, the amounts of deferred tax assets and deferred tax liabilities are based on the provisions of the tax laws before the amendment.

(TRANSLATION)

(Notes to Non-consolidated Balance Sheet)

1. Assets pledged:

   NH Foods Ltd. has pledged time deposits in banks in the amount of ¥51 million as security for guarantees for transactions.

2. Accumulated depreciation of property, plant and equipment: ¥31,937 million

3. Guarantee obligations:

(millions of yen)

Guarantee	Description	Guarantee amount
NH Foods Australia Pty. Ltd. and seven other companies	Guarantee for loans and transactions	14,336

4. Accounts receivable from and payable to subsidiaries and associated companies:

Short-term monetary claims	¥79,277 million
Long-term monetary claims	¥102,809 million
Short-term monetary liabilities	¥93,824 million

(Notes to Non-consolidated Statement of Income)

1. Transactions with subsidiaries and associated companies:

Net sales	¥593,892 million
Purchases	¥540,467 million
Transactions other than ordinary business	¥16,151 million

2. Special retirement expenses (Extraordinary Losses)

   The Company expanded its optional retirement system as a temporary measure in the fiscal year ended March 31, 2020. Special retirement expenses in extraordinary losses included additional special payments and other expenses to employees who retired under the system.

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(Notes to Non-consolidated Statement of Changes in Net Assets)

1. Class and number of shares of treasury stock as of March 31, 2020:

Common stock	39,542 shares

(Outline of the causes of the change)

Major causes:

Increase due to the purchase of shares of less than one unit:	836 shares
Decrease due to the exercise of stock options	7,500 shares
Decrease due to the sale of shares of less than one unit:	82 shares

2. Class and number of shares to be issued or transferred upon exercise of stock acquisition rights (excluding those for which the exercise period has not started), as of March 31, 2020:

Common stock	10,000 shares

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(Notes to Tax Effect Accounting)

Significant components of deferred tax assets and deferred tax liabilities

	(millions of yen)
Deferred tax assets	
Accrued bonuses	558
Liability for retirement benefits	1,192
Capital stock of subsidiaries and associated companies	9,673
Allowance for doubtful accounts	1,586
Impairment losses	1,726
Loss on valuation of investment securities	860
Others	1,272
Subtotal of deferred tax assets	16,867
Valuation allowance	(13,578)
Total deferred tax assets	3,289
Deferred tax liabilities	
Reserve for deferral of capital gain on property	(326)
Unrealized gains on other marketable securities	(1,575)
Others	(49)
Total deferred tax liabilities	(1,950)
Net deferred tax assets	1,339

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(Notes to Related-Party Transactions)

(millions of yen)

Category	Name	Proportion of voting rights held (Note 1)	Relationship	Transaction	Amount	Account	Year-end balance
Subsidiary (Note 7)	NH Foods marketing Ltd.	100% held	Sales of products; Interlocking directorate	Sales of products (Note 2)	144,822	Accounts receivable–trade	14,277
	Naka Nippon Food, Inc.	100% held	Sales of products; Safekeeping of funds;	Sales of products (Note 2)	119,032	Accounts receivable–trade	13,553
			Interlocking directorate	Management of funds (Note 3)	-	Deposits received from subsidiaries and associated companies	14,308
	Kanto Nippon Food, Inc.	100% held	Sales of products;	Sales of products (Note 2)	127,632	Accounts receivable–trade	12,898
			Safekeeping of funds;	Management of funds (Note 3)	-	Deposits received from subsidiaries and associated companies	11,066
			Interlocking directorate	Receipt of dividends (Note 5)	1,863		
	Nishi Nippon Food, Inc.	100% held	Sales of products; Safekeeping of funds;	Sales of products (Note 2)	93,280	Accounts receivable–trade	10,506
			Interlocking directorate	Management of funds (Note 3)	-	Deposits received from subsidiaries and associated companies	7,747
	Higashi Nippon Food, Inc.	100% held	Sales of products; Interlocking directorate	Sales of products (Note 2)	71,089	Accounts receivable–trade	8,006

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Category	Name	Proportion of voting rights held (Note 1)	Relationship	Transaction	Amount	Account	Year-end balance
Subsidiary (Note 7)	Japan Food Corporation	100% held	Purchases of products;	Purchases of products (Note 2)	268,463	Accounts payable–trade	66,258
			Financial support;	Management of funds (Note 3)	-	Short-term loans receivable from subsidiaries and associated companies	41,063
			Interlocking directorate	Receipt of dividends (Note 5)	1,862		
	Nipponham Factory Ltd.	100% held	Purchases of products; Financial support;	Purchases of products (Note 2)	51,396	Accounts payable–trade	8,003
			Interlocking directorate	Lending of funds (Note 4)	3,000	Long-term loans receivable	20,169
	Interfarm Co., Ltd.	100% held	Financial support;	Management of funds (Note 3)	-	Short-term loans receivable from subsidiaries and associated companies	6,436
			Interlocking directorate	Lending of funds (Note 4)	1,500	Long-term loans receivable	9,264
	Nipponham Processed Foods Ltd.	100% held	Financial support;	Management of funds (Note 3)	-	Short-term loans receivable from subsidiaries and associated companies	5,484
			Interlocking directorate	Lending of funds (Note 4)	4,000	Long-term loans receivable	9,508
	Nippon Pure Food, Inc.	100% held	Financial support;	Management of funds (Note 3)	-	Short-term loans receivable from subsidiaries and associated companies	5,357
			Interlocking directorate	Lending of funds (Note 4)	-	Long-term loans receivable	7,536

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Category	Name	Proportion of voting rights held (Note 1)	Relationship	Transaction	Amount	Account	Year-end balance
Subsidiary (Note 7)	Nippon Logistics Center, Inc.	100% held	Financial support;	Management of funds (Note 3)	-	Short-term loans receivable from subsidiaries and associated companies	6,000
			Interlocking directorate	Lending of funds (Note 4)	500	Long-term loans receivable	6,423
	Hoko Co., Ltd.	100% held	Financial support; Interlocking directorate	Lending of funds (Note 4)	-	Long-term loans receivable	10,955
	Nippon White Farm Co., Ltd.	100% held	Financial support; Interlocking directorate	Lending of funds (Note 4)	5,000	Long-term loans receivable	8,334
	Premium Kitchen Co., Ltd.	100% held	Financial support; Interlocking directorate	Management of funds (Note 3)	-	Short-term loans receivable from subsidiaries and associated companies	7,340
	Marine Foods Corporation	100% held	Financial support; Interlocking directorate	Management of funds (Note 3)	-	Short-term loans receivable from subsidiaries and associated companies	7,000
	NH Foods Australia Pty. Ltd.	100% held	Interlocking directorate; Debt guarantee	Debt guarantees (Note 6)	5,618		
	Niiburo, Co., Ltd.	100% held	Financial support; Interlocking directorate	Lending of funds (Note 4)	400	Long-term loans receivable	5,718
	Nippon Luna, Inc.	97.1% held	Safekeeping of funds; Interlocking directorate	Lending of funds (Note 4)	700	Long-term loans receivable	6,322
	Fighters Sports & Entertainment Co., Ltd.	67.1% held	Safekeeping of funds; Interlocking directorate	Management of funds (Note 3)	-	Deposits received from subsidiaries and associated companies	23,911

(Note 1) In calculating the proportion of voting rights, voting rights that are held indirectly by the subsidiaries are included.

(Note 2) Prices and other terms and conditions of transactions are determined through negotiations by taking into consideration prevailing quoted prices.

(Note 3) NH Foods Ltd. has introduced a Cash Management System (“CMS”) for the purpose of improving the efficiency of management of funds within the Group. Given that it is difficult in practice to tally the transaction amount of financial transactions using CMS on a transaction-by-transaction basis, the transaction amount is not shown. Interest rates and other terms and conditions of transactions are determined reasonably by taking into consideration market interest rates. No collateral is accepted or offered.

(Note 4) Interest rates and other terms and conditions of transactions are determined reasonably by taking into consideration market interest rates. No collateral is accepted or offered.

(Note 5) These are the dividends received in accordance with the dividend policy of the subsidiaries.

(Note 6) NH Foods Ltd. provides debt guarantees for bank loans. Guarantee commissions are determined by taking into consideration the standard guarantee ratios of financial institutions, etc.

(Note 7) For long-term loans receivable from subsidiaries, NH Foods Ltd. recorded an allowance for doubtful accounts totaling ¥5,099 million, and a provision of allowance for doubtful accounts totaling ¥332 million in the fiscal year ended March 31, 2020.

(Note 8) The amounts of transactions do not include consumption taxes, while the year-end balances include consumption taxes (excluding short-term loans receivable from subsidiaries and associated companies, long-term loans receivable and deposits received from subsidiaries and associated companies).

(TRANSLATION)

(Notes to Per Share Information)

(i)	Net assets per share:	¥2,041.34
(ii)	Basic earnings per share:	¥91.85
(iii)	Diluted earnings per share:	¥91.82

(Note) Figures are given by rounding fractions of a half or more of one million yen upward and the rest downward with the exception of per share amounts.