

(Translation)

January 21, 2016

Dear Sirs,

Name of the Company: NH Foods Ltd.

Representative: Juichi Suezawa
President and Representative Director

(Code No. 2282, First Section of the Tokyo Stock Exchange)

Person to contact: Shigeru Nakajima
Executive Officer, General Manager of
Public & Investor Relations Department,
Corporate Management Division

**Notice of Making Lay Hong Berhad of Malaysia an Equity Method Associated Company
by Additional Acquisition of its Shares**

NH Foods Ltd. (the "Company") today entered into a share purchase agreement with an existing shareholder of Lay Hong Berhad (listed on the Malaysia Stock Exchange; Head office: Klang, Selangor; Representative: Mr. Yap Hoong Chai, the "Lay Hong"), a leading company of integrated poultry farming business in Malaysia, to acquire its issued shares of common stock.

As a result, the shareholding ratio of the Company in Lay Hong will be 22.94%, making Lay Hong an equity method associated company of the Company.

Description

1. Reason for the acquisition of the shares:

By additionally acquiring the shares of its capital and business alliance partner Lay Hong and making Lay Hong an equity method associated company, the Company will build up a stronger cooperative framework of both companies and further develop its presence in Southeast Asia where demand is expected to expand.

With regard to the content of the capital and business alliance with Lay Hong, please refer to the "Notice of Capital and Business Alliance with Lay Hong Berhad of Malaysia" disclosed on January 8, 2016.

2. Outline of the party to become an equity method associated company:

(1) Trade name	Lay Hong Berhad		
(2) Location	Klang, Selangor, Malaysia		
(3) Representative's name and title	Mr. Yap Hoong Chai, Executive Chairman		
(4) Main business	Integrated poultry farming business		
(5) Capital	MYR 57,750,000		
(6) Establishment	September 1983		
(7) Major shareholder and shareholding ratio	Mr. Yap Hoong Chai: 38.7% (including indirect holdings)		
(8) Relationships between the Company and Lay Hong	Capital relationship	The Company holds 5,250,000 shares of Lay Hong.	
	Personnel relationship	Not applicable	
	Business relationship	Not applicable	
	Related party status	Not applicable	
(9) Business results and financial positions of Lay Hong for the most recent three fiscal years on a consolidated basis	(millions of MYR unless otherwise stated)		
Fiscal year ended	March 31, 2013	March 31, 2014	March 31, 2015
Net assets	134	142	161
Total assets	393	420	427
Net assets per share (MYR)	2.255	2.401	2.691
Net sales	521	579	672
Operating income	(17)	18	37
Income before income taxes	(23)	10	28
Profit attributable to owners of the parent	(18)	7	19
Earning per share attributable to owners of the parent (MYR)	(0.3575)	0.1438	0.3707
Dividend per share (MYR)	-	0.05	-

For reference: Reference exchange rate by The Bank of Tokyo-Mitsubishi UFJ, Ltd. as of January 21, 2016: MYR1 = JPY 26.79

3 Number of shares to be acquired and the status of the shares held before and after the acquisition:

Company name	Number of shares held before the acquisition	Number of shares to be acquired	Number of shares to be held after the acquisition
NH Foods Ltd.	5,250,000 shares (9.09%)	8,000,000 shares	13,250,000 shares (22.94%)

4. Time schedule:

(1) Conclusion of the share purchase agreement	January 21, 2016
(2) Acquisition of the shares	January 27, 2016 (expected)

5. Future outlook:

The effect of the acquisition of the shares on the Company's consolidated business results for the fiscal year ending March 31, 2016 is expected to be insignificant.

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