Business Results
First Quarter
Fiscal Year Ending March 31, 2007

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Sales Slightly Short of Estimate: Operating Income in Line with Plan

Networking good taste and freshness

FY07/3 1Q Consolidated Results, Interim and Full-Year Forecasts

(100 million yen; amounts less than 100 million yen are omitted)	1Q	Change from FY06/3 1Q (Amount)	Interim (E)	Change from Initial (E) (Amount)	Change from FY06/3 1H (Amount)	Full Year (E)	Change from Initial (E) (Amount)	Change from FY06/3 (Amount)
Net Sales	1,132	-30	2,400	—	+44	4,790	—	+95
Operating Income	35	-2	85	—	+7	181	—	+20
Recurring Income	34	-1	83	—	+6	175	—	+18
Net Income	13	+17	61	+18	+34	111	+18	+48

Note: (E) denotes current forecast; Initial (E) is forecast announced on May 22.

1. Net Sales

(i) Sales were down 3% year on year mainly due to sales decline by 18% for ¥3.8 billion by Marine Products, which cut personnel by 25% last fiscal year. Processed Foods posted a slight increase due to strong sales of pre-cooked frozen foods for commercial use, and Logistics recorded a strong 6% increase.

(ii) Interim and full-year forecasts remained unchanged from initial estimates. Processed Foods plans to increase the penetration rate at the storefront for household use products to make up for setback in sales budget.

2. Operating Income

(i) Operating income was in line with the Plan, but down year on year due to a decline in sales of real estate.

(ii) Processed Foods posted a slight decline, but in line with the Plan, mainly due to the launch of a new sponsored TV program, and heavy advertisement on "*Kikubari-Gozen*" and other products offsetting cost improvement through efficient use of sales promotion expenses.

(iii) Logistics recorded a year-on-year rise ahead of the Plan thanks to strong sales in the Regional Storage and Logistics Network businesses.

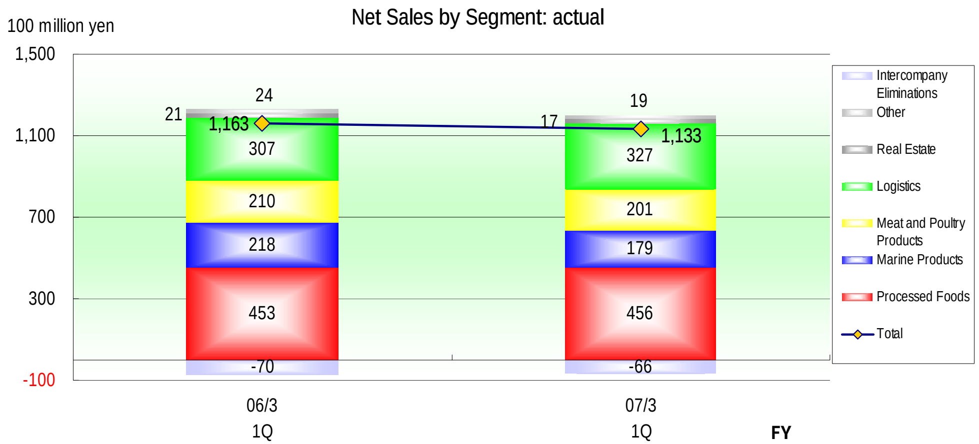
(iv) Marine Products posted a continuing operating loss due to the declining sales, but improved ¥200 million over the previous same period. Monthly sales are also steadily recovering.

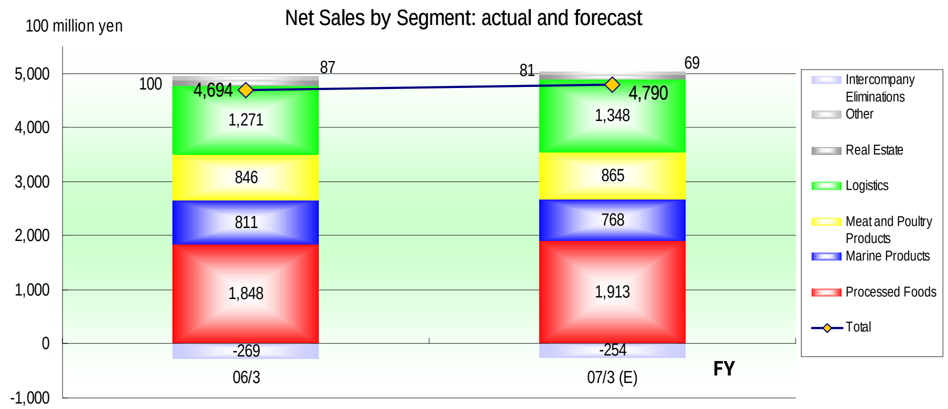
3. Recurring Income and Net Income

(i) Net income improved year on year thanks to a decrease in impairment loss. Net income for the interim and full-year periods are revised upward by ¥1.8 billion each due to an extraordinary gain for ¥3.0 billion following a sale in the 2Q of a portion of shares in RY Foods Service.

Processed Foods: Stepped up Advertising Caused Earnings Decline

Sales and Operating Income by Segment (1)





1. Processed Foods

Sales in pre-cooked frozen foods for commercial use posted another strong increase of 7% led by a significant increase in chicken sales. However, both drops in sales for household use products by 5% and slow sales of Acerola beverage led to just 1% increase in an overall sales. Operating income declined year on year, but in line with the Plan mainly due to the launch of a new sponsored TV program, and stepped up advertising for "*Kikubari-Gozen*" and other products while more efficient use of sales promotion expenses led to improved profitability despite the declined sales of frozen foods for household use.

2. Marine Products

Sales were down due to staff reductions. Sales of shrimp were strong, mainly for our core Southeast Asian shrimp, but profitability rate were down due to a rise in prices for ingredients in processed shrimp products. Sales and operating income are expected to achieve the targets as the Revitalization Plan is proceeding well on track in a difficult business environment.

3. Meat and Poultry Products

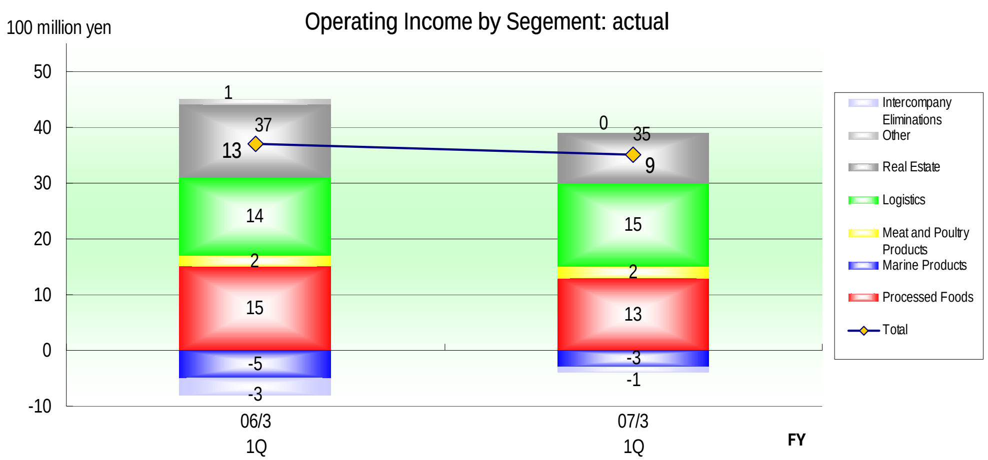
Both sales and earnings were down year on year. Oversupply of Brazilian chicken kept domestic market sluggish, and therefore improvement in profitability will take a little more time.

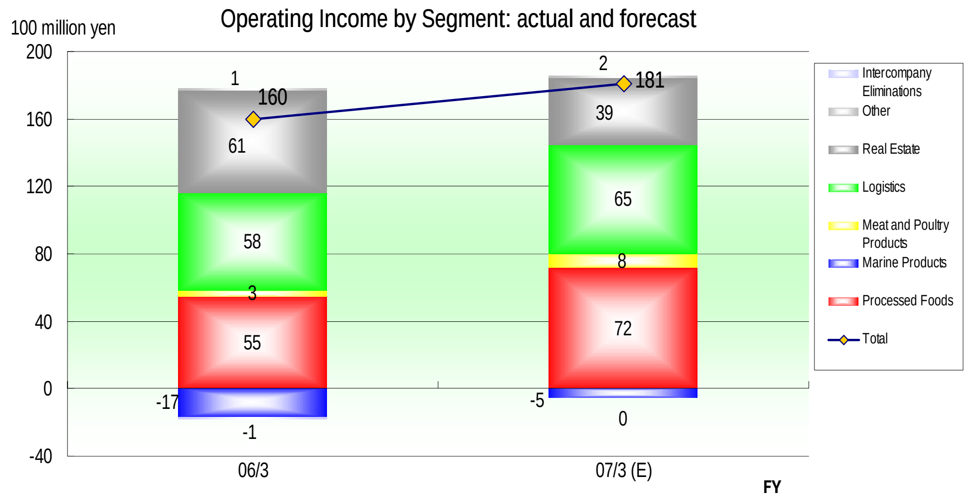
Note: The amounts shown in graphs have been rounded off to the nearest unit where necessary throughout this presentation.

Logistics: Rising Sales and Earnings

Networking good taste and freshness

Sales and Operating Income by Segment (2)





4. Logistics

Both sales and earnings increased year on year , well ahead of the Plan. Logistics Network business posted an increase in both sales boosted by a new distribution center built in the previous fiscal year, and earnings due to turn-around of less profitable facilities. Regional Storage business posted revenue decrease due to a decline in handling of crude fruit juice. However, earnings increased as storage utilization levels remained high, specially in the Tokyo Bay district, and Kanto region successfully implemented cost-cutting program following Kansai and Kyushu regions.

5. Real Estate

Both revenue and earnings were down compared to a year earlier, due to declines in land development and sale, etc.

6. Other

Revenue declined as a result of the loss of sales from a regional wholesale food subsidiary that suspended operations at the end of the previous fiscal year. Tengu Company, although the resumption of U.S. beef imports has been decided, continue to operate at vastly scaled-back production as the resumption of import of processed beef products is expected to take some time.

Pre-Cooked Frozen Foods: Weaker Sales in Household Use, Strong Sales in Commercial Use

1Q Sales of Frozen Foods

1. Frozen Foods Overall

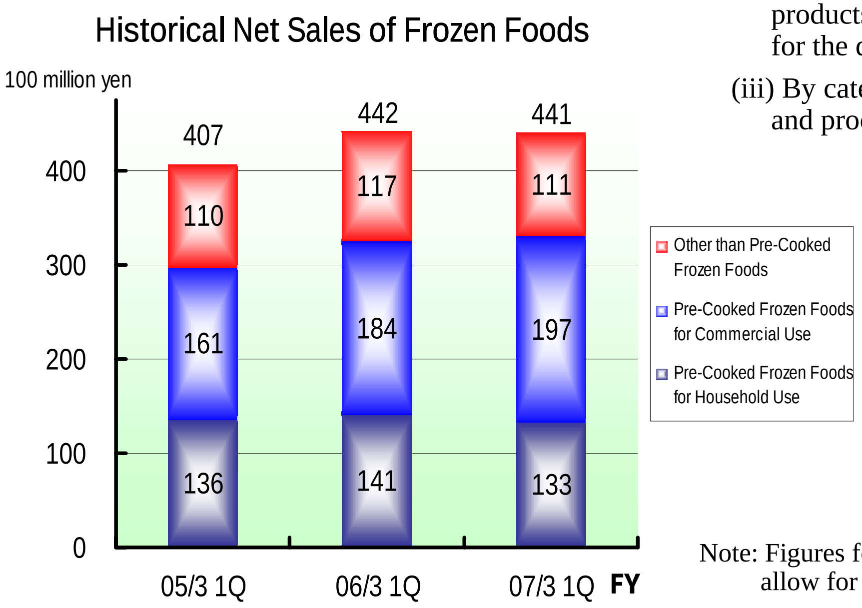
Sales were on par with the previous same quarter. Aggregate revenue of pre-cooked frozen foods both for household and commercial uses was up 2%, Processed agricultural products were down 1%. Sales of processed chicken products and hamburger products continued to grow strongly although sales from Chinese foods and rice products were down year on year.

2. Pre-Cooked Frozen Foods

(i)Household use：1Q sales were down 5% year on year, due to slow sales of "*Karaage Chicken,*" "*Pari-pari no Harumaki,* " and "*Amaebi Shumai* ." Sales of the *Obento-ni*-Good ! (Good for *Bento* Boxed Lunches) series declined year on year, despite strong sales of "*Mini-Hamburg*" and "*Koromo-ga-Sakusaku Gyuniku Croquette.*" Selective use of sales promotion expenses had an adverse effect on sales, but new measures to increase the penetration rate at the storefront from 2Q will be implemented to making up for the sales decline.

(ii) Commercial use: Sales were up 7% year on year. Processed chicken products remained strong, as well as sales of the *Hotto Suru Okazu* series for the delicatessen market segment.

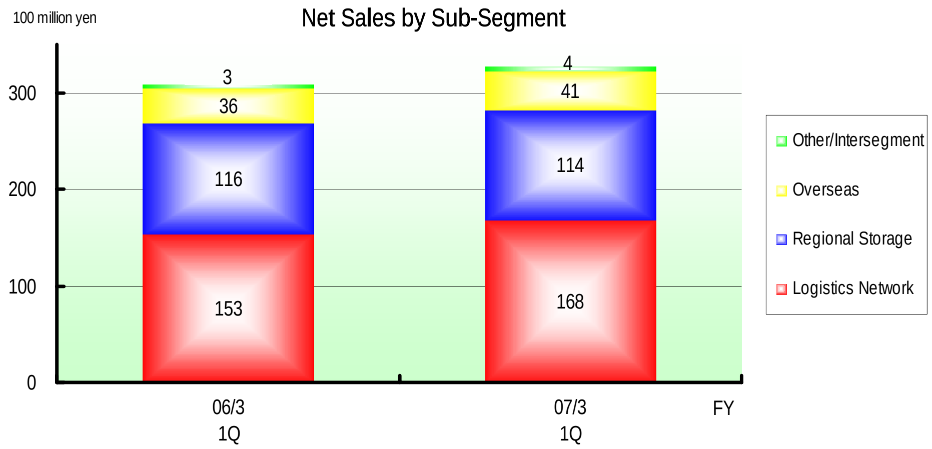
(iii) By category, strong sales were recorded for processed chicken products, and processed meat products such as "*Hamburg*" and "*Hirekatsu*."

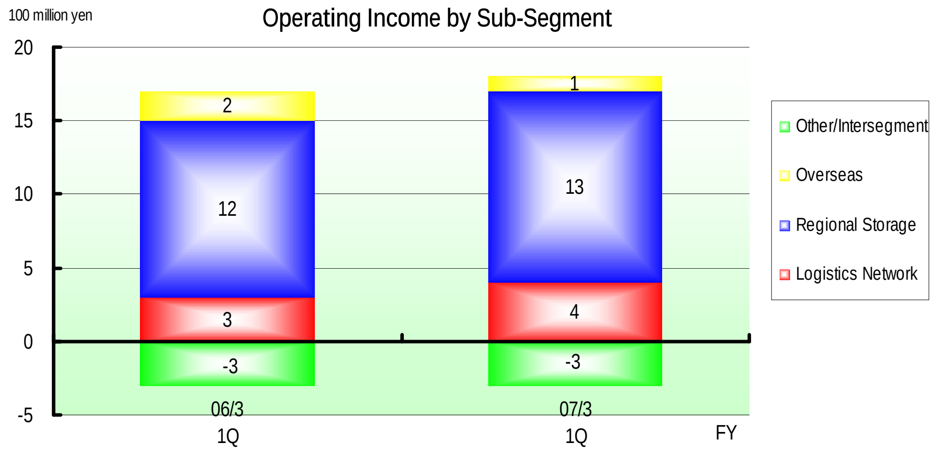


Note: Figures for FY06/31Q and FY05/3 1Q have been retroactively revised to allow for proper comparison with FY07/3 1Q figures.

Logistics Network: Rise in Both Sales and Earnings
Regional Storage: Lower Sales but Rise in Earnings

Factors of Changes in Performance of the Logistics Business





1. Logistics Network Business

(i) The new distribution center started operation in the second half of the previous fiscal year contributed to the rise in earnings.

(ii) Improvements in certain less profitable facilities contributed to the rise in earnings.

2. Regional Storage Business

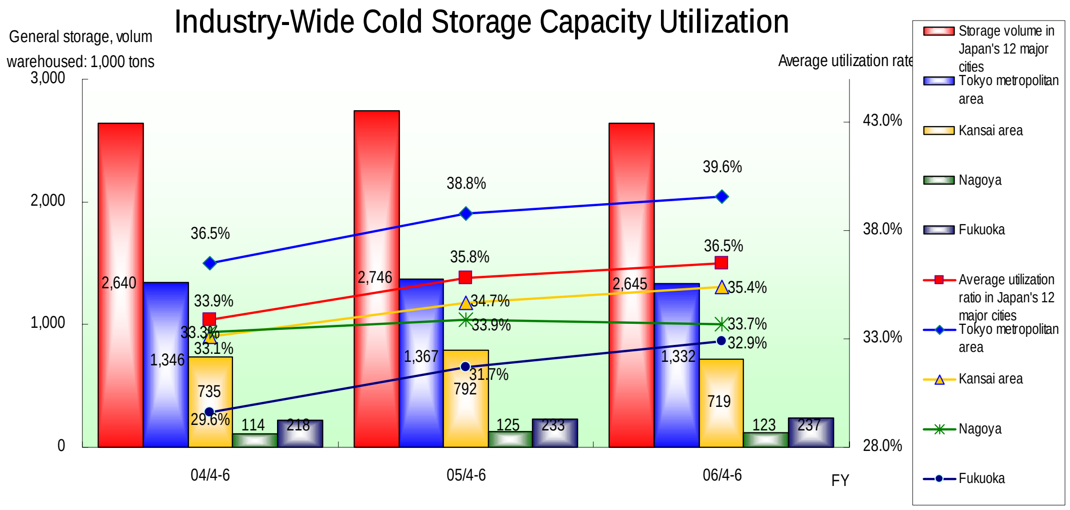
(i) Sales lagged due to a drop in handling of crude fruit juice, due to poor harvests in producing countries.

(ii) Earnings increased thanks to a program for more appropriate personnel assignments already implemented in the Kansai and the Kyushu regions that was successfully applied to the Kanto region together with the low-cost operating structure.

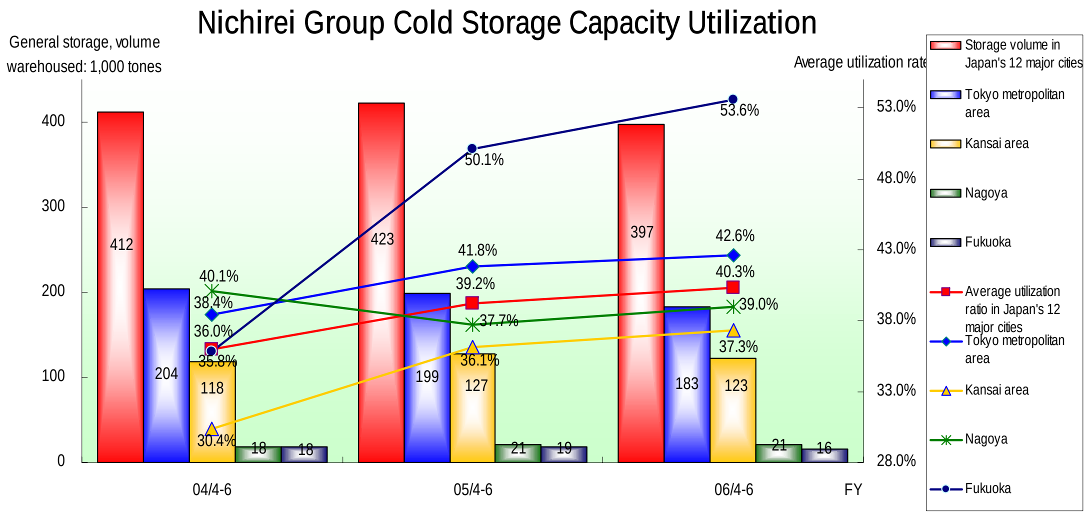
3. Overseas Business

(i) Continued increase in transport volume led to a rise in sales, but the decline in handling of crude fruit juice storage resulted in a fall in earnings.

Cold Storage: Capacity Utilization in the 12 Major Cities Remained High



(Source: The Japan Association of Refrigerated Warehouses)



1. Industry Situation

Although the import volume of agricultural products rose, imports of marine products, and meat and poultry products fell and intake volumes in the Tokyo metropolitan area and Kansai region were down. Overall capacity utilization remained high due to slow shipments led by stalled pork shipments at domestic warehouses.

2. Nichirei Group Situation

Intake volumes fell due to a tight excess capacity and declines in imported products. Overall capacity utilization remained high, particularly in the Tokyo metropolitan area due to continued stagnant shipment of meat and poultry products.

Total Assets Shrunk in accordance with Depreciation of Fixed Assets

Factors for Changes in Consolidated Balance Sheet for FY07/3 1Q

(100 million yen; amounts less than 100 million yen are omitted)

Item	06/3	06/6	Change (Amount)	
[Assets]				
Current Assets	1,081	1,086	+4	(i)
Fixed Assets	1,603	1,574	-28	(ii)
Total Assets	2,685	2,660	-24	
[Liabilities/Shareholders' Equity]				
Current Liabilities	830	847	+16	(iii)
Long-term Liabilities	821	796	-25	(iii)
Total Liabilities	1,652	1,643	-8	
Net Assets	1,032	1,016	-15	
(Portion of Owners' Equity)	1,026	1,010	+9	
(Interest-Bearing Debts)	862	907	+45	(iv)
Item	**05/6**	**06/6**	**Change (Amount)**	
(Capital Investment)	8	10	+2	(v)
(Depreciation and Amortization)	26	22	-3	

Major Factors

(i) Accounts receivable increased by ¥2.6 billion year on year as net sales rose. Inventories increased only by ¥0.1 billion overall as an increase in inventory of frozen vegetables and imported chicken was offset by more efficient inventory management of marine products. Receivables declined by ¥3.2 billion due to collection of sales amount of condominiums in Makuhari, and others.

(ii) Tangible fixed assets declined by ¥1.0 billion due to depreciation. Investment securities fell by ¥2.0 billion through adjustment of a mark-to-market valuation.

(iii) Corporate bonds outstanding declined by ¥10.0 billion due to scheduled redemption while short-term bank loans increased by ¥11.2 billion, and commercial paper by ¥4.0 billion. Fixed liabilities declined with the switchover to short-term loans.

(iv) Short-term bank loans increased in response to a temporary needs in working capital.

(v) Capital investment was made mainly for asset maintenance and repairs.

Note: Figures for net assets for FY06/3 were calculated from the total of shareholders' equity section and minority interests.

Segment Data

Results, Forecasts, and Year on Year Comparisons of Net Sales and Operating Income by Segment

Unit: 100 million yen (amounts less than 100 million yen are omitted, some fractional amounts have been adjusted)

	1Q (Apr.-Jun.)		2Q (Jul.-Sep.)		Interim		Full Year	
	07/3	06/3	07/3 (E)	06/3	07/3 (E)	06/3	07/3 (E)	06/3
(Net Sales)								
Processed Foods	456	453	513	480	969	933	1,913	1,848
Marine Products	179	218	206	209	385	427	768	811
Meat and Poultry Products	201	210	224	208	425	418	865	846
Logistics	327	307	354	324	681	631	1,348	1,271
Real Estate	17	21	23	19	40	40	81	100
Other	19	24	13	21	32	45	69	87
Intercompany Eliminations	-66	-70	-66	-69	-132	-139	-254	-269
Total	1,133	1,163	1,267	1,192	2,400	2,355	4,790	4,694
(Operating Income)								
Processed Foods	13	15	22	15	35	30	72	55
Marine Products	-3	-5	-1	-2	-4	-7	-5	-17
Meat and Poultry Products	2	2	2	0	4	2	8	3
Logistics	15	14	17	18	32	32	65	58
Real Estate	9	13	10	10	19	23	39	61
Other	0	1	0	-1	0	0	2	1
Intercompany Eliminations	-1	-3	0	1	-1	-2	0	-1
Total	35	37	50	41	85	78	181	160

(E) = latest forecast announced on May 22, 2006.

Forward-Looking Statements

This publication contains, in addition to historical facts, forward-looking statements that are based on Nichirei's and its Group companies' current expectations, estimates and projections regarding plans, outlook, strategies and results for the future. All such statements are based on management's assumptions and beliefs derived from the information available to it at the time of publication. Words such as "anticipates," "expects," "intends," "plans," "believes," "seeks," "estimates," "may," "will," and variations of these words or similar expressions are intended to identify forward-looking statements, from which actual results may differ significantly. Thus, it is advised that investors refrain from making investment decisions based solely on these forward-looking statements. Nichirei and its Group companies will not necessarily revise their forward-looking statements in accordance with new information, future events and other results. Risks and uncertainties that could affect the actual results of Nichirei and its Group companies include, but are not limited to:

(1) The business environment and industry conditions, such as trends in personal consumption, that affect the business activities of the Nichirei Group
(2) Fluctuations in exchange rates, mainly U.S. dollar and euro rates
(3) The feasibility of establishing a unified product guarantee structure, covering all aspects from product development, purchasing of ingredients, production and sales
(4) The feasibility of new product and service development
(5) The feasibility of growth strategies and low-cost structures
(6) The feasibility of reductions in interest-bearing debt
(7) The results of contingencies, etc.

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