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Summary of Consolidated Results for the First Quarter of the Fiscal Year Ending March 31, 2011

(Stock code: 2871)

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FY11/3 Q1 Consolidated Results and Interim/Full-Year Forecasts

(100 million yen; amounts less than 100 million yen are omitted)	Q1		Q2 (Cumulative)			Full Year		
	Actual	Change from FY10/3 Q1 (Amount)	(E)	Change from FY10/3 Q1-2 (Amount)	Change from Previous (E) (Amount)	(E)	Change from FY10/3 (Amount)	Change from Previous (E) (Amount)
Net Sales	1,085	-18	2,194	-29	-67	4,394	+12	-103
Operating Income	44	+8	84	+8	+11	168	-0	+3
Recurring Income	43	+9	75	+6	+10	150	-4	+3
Net Income	21	-0	44	-2	+8	83	-7	+4
EPS (Yen)	7.1	-0.0	14.2	-0.9	+ 2.6	26.8	-2.5	+1.3

Note: (E) denotes current forecast; Previous (E) is forecast announced on May 11, 2010.

1. Net sales

- (i) Overall net sales fell 2% year on year. By segment, sales rose in Marine Products, Meat and Poultry Products, Logistics, and Real Estate, but declined 7% in Processed Foods, reflecting the termination of OEM procurement of certain chicken products last summer and the sale of the acerola beverage business.
- (ii) The full-year forecasts of Processed Foods, Meat and Poultry Products, and Logistics have been revised downward. Overall, the forecast for the first half is down ¥6.7 billion, and the full-year forecast has declined ¥10.3 billion.

2. Operating income

- (i) Operating income in Processed Foods increased a significant ¥0.8 billion, attributable to falls in procurement costs and the improvement of plant productivity. Operating income in Marine Products rose ¥0.3 billion with improved earnings from shrimp and octopus. Operating income in Logistics fell ¥0.1 billion year on year, but was mostly in line with the forecast. Overall operating income rose ¥0.8 billion.
- (ii) The full-year forecasts of Processed Foods and Marine Products have been revised upward by ¥0.5 billion and ¥0.2 billion, respectively, reflecting progress in the first quarter. The full-year forecast of Meat and Poultry Products has been revised downward by ¥0.2 billion. The overall full-year forecast has been revised upward by ¥0.3 billion.

3. Recurring income and net income

- (i) With a change in the accounting standard for asset retirement obligations, ¥0.7 billion was posted in extraordinary losses.

FY11/3 Q1 Sales and Operating Income by Segment, with Interim and Full-Year Forecasts

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

		Q1		Q2 (Cumulative)					Full year					
		Actual	Change from FY10/3 Q1		(E)	Change from FY10/3 Q1-2		Change from Previous (E)		(E)	Change from FY10/3		Change from Previous (E)	
			Amount	Ratio		Amount	Ratio	(E)	Amount		Amount	Ratio	(E)	Amount
Net Sales	Processed Foods	398	-31	-7%	798	-55	-6%	822	-24	1,606	-15	-1%	1,636	-30
	Pre-Cooked Foods for Household Use	120	-1	-1%	235	3	1%	247	-12	481	17	4%	496	-15
	Pre-Cooked Foods for Commercial Use	184	-21	-10%	378	-30	-7%	390	-12	770	-4	-0%	785	-15
	Health Value	13	-11	-46%	23	-26	-53%	23	0	46	-33	-42%	46	0
	Other	81	2	3%	162	-3	-2%	162	0	309	5	2%	309	0
	Marine Products	168	5	3%	346	9	3%	346	0	695	23	3%	695	0
	Meat and Poultry Products	195	0	0%	390	6	2%	425	-35	770	-6	-1%	823	-53
	Logistics	347	4	1%	708	13	2%	721	-13	1,418	28	2%	1,442	-24
	Logistics Network	187	5	2%	384	13	4%	387	-3	772	19	3%	775	-3
	Regional Storage	109	-6	-6%	226	-6	-2%	229	-3	451	-1	-0%	453	-2
	Overseas	39	-1	-2%	83	-1	-1%	91	-8	168	3	2%	187	-19
	Other/Intersegment	11	6	116%	15	6	75%	14	1	27	7	34%	27	0
	Real Estate	18	0	2%	36	1	2%	36	0	71	1	2%	71	0
	Other	16	-0	-2%	30	-4	-12%	30	0	64	-5	-7%	64	0
	Intercompany Eliminations	-57	3	-	-114	1	-	-119	5	-230	-13	-	-234	4
Total	1,086	-19	-2%	2,194	-29	-1%	2,261	-67	4,394	13	0%	4,497	-103	
Operating Income	Processed Foods	12	8	202%	22	17	322%	12	10	45	19	76%	40	5
	Marine Products	4	3	394%	5	2	43%	3	2	9	0	1%	7	2
	Meat and Poultry Products	1	-1	-47%	3	0	5%	5	-2	6	-1	-11%	8	-2
	Logistics	19	-1	-3%	37	-4	-9%	36	1	73	-6	-7%	73	0
	Logistics Network	7	3	54%	14	4	43%	11	3	26	6	29%	23	3
	Regional Storage	12	-2	-16%	23	-5	-18%	22	1	44	-9	-17%	43	1
	Overseas	2	-1	-31%	3	-2	-42%	5	-2	7	-0	-3%	10	-3
	Other/Intersegment	-2	0	-	-3	-1	-	-2	-1	-4	-3	-	-3	-1
	Real Estate	10	0	5%	19	0	2%	19	0	38	1	2%	38	0
	Other	1	1	144%	1	-1	-33%	0	1	2	-2	-53%	2	0
	Intercompany Eliminations	-3	-3	-	-3	-6	-	-2	-1	-5	-12	-	-3	-2
Total	44	8	22%	84	9	12%	73	11	168	0	0%	165	3	

1. Processed Foods

- (i) Net sales fell ¥3.1 billion year on year, primarily reflecting the termination of OEM procurement of some chicken products and the sale of the acerola beverage business. Sales of pre-cooked foods for commercial use other than chicken products remained below the year-ago level in the first quarter, but products emphasizing moderate prices that were introduced last autumn and in the spring of this year are gradually permeating the market, and sales are recovering. Sales of pre-cooked foods for household use were mostly on a par with the year-ago level. The positive effect of the trend of eating at home on demand appears to have come to a halt.
- (ii) Operating income rose ¥0.8 billion year on year. Profitability improved, reflecting the termination of underperforming OEM procurement, continued falls in the prices of raw materials, and the improvement of productivity at plants. The substantial rise in operating income also reflects bad debt expenses in the previous fiscal year and a fall in fixed costs including operating expenses.
- (iii) Nichirei has revised downward its full-year sales forecast by ¥3.0 billion and revised upward its full-year operating income forecast by ¥0.5 billion. In association with the revisions, the sales forecast for the first half has been revised downward by ¥2.4 billion, and the operating income forecast for the first half has been revised upward by ¥1.0 billion. The sales forecasts of pre-cooked foods for household use and of pre-cooked foods for commercial use other than chicken products have been revised downward, reflecting sales in the first quarter. The new construction and expansion of chicken product plants in Thailand have been delayed slightly, but the delay has not affected sales forecasts. Profitability is expected to continue to improve in the second quarter.

2. Marine Products

- (i) Net sales rose 3% year on year. Profit margins increased because of rises in the sales price of octopuses and the improved profitability of flounder processed in China. Meanwhile, sales channels of shrimp, an area of strength for Nichirei, expanded. As a result, operating income rose ¥0.3 billion.
- (ii) Nichirei has not changed its full-year sales forecast, but has revised upward its full-year operating income forecast by ¥0.2 billion, reflecting operating income in the first quarter.

3. Meat and Poultry Products

- (i) Net sales remained largely unchanged from a year ago. Nichirei secured operating income, but it declined ¥0.1 billion, attributable to the declining profitability of domestic pork, affected by foot-and-mouth disease, and of beef and chicken, the import prices for which rose, as volume retailers continue to advertise low prices.
- (ii) Sales prices are not expected to rise, and Nichirei has revised downward its net sales and operating income forecasts, by ¥5.3 billion and ¥0.2 billion, respectively.

4. Logistics

- (i) Overall sales rose 1% year on year, and overall operating income fell ¥0.1 billion. Declines in Regional Storage and Overseas were offset by an increase in Logistics Network. The results were mostly on a par with the forecasts.
- (ii) Logistics Network: Net sales grew 2% thanks to the contributions of mass transit and new transfer centers. Operating income climbed ¥0.3 billion, exceeding the forecast, partly because of an improvement in vehicle allocation efficiency, which Nichirei is prioritizing.
- (iii) Regional Storage: Net sales were down 6%, and operating income declined ¥0.2 billion. Although the intake volume recovered, the capacity utilization rate fell from the second half of last year. The depreciation of facilities operated in February and March this year was also a reason for the fall in operating income.
- (iv) Overseas: Net sales slipped 2%, and operating income fell ¥0.1 billion. Declines in shipments bottomed out in Europe, and falls in operating income narrowed in local currency terms. The results of a French distribution subsidiary that was acquired in July will be reflected in consolidated results from the third quarter.
- (v) Nichirei has revised downward its full-year sales forecast by ¥2.4 billion, of which ¥1.3 billion is the effect of foreign currency translation adjustment, which reflected a weak euro. The full-year operating income forecast remains unchanged, with the effect of foreign currency translation adjustment offset by an upward revision in Logistics Network.

5. Other

- (i) Operating income rose ¥0.1 billion, reflecting the strong sales of culture media products in bioscience.

Factors Influencing Changes in Consolidated Balance Sheet for FY11/3 Q1

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

Item	10/6	10/3	Change (Amount)	
[Assets]				
Current assets	1,000	948	52	(i)
Fixed assets	1,832	1,826	6	(ii)
Total assets	2,833	2,774	58	
[Liabilities/Shareholders' equity]				
Current liabilities	947	895	51	(iii)
Fixed liabilities	664	652	11	(iv)
Total liabilities	1,611	1,548	63	
Net assets	1,222	1,226	-4	
(Shareholders' equity)	1,165	1,159	6	
Interest-bearing debt	882	857	24	(iii)
(Excluding lease obligations)	640	609	31	
Item	10/6	09/6	Change (Amount)	
Capital investment	41	52	-11	(v)
(Excluding leased assets)	38	36	1	
Depreciation and amortization	33	32	1	
(Excluding leased assets)	24	23	1	

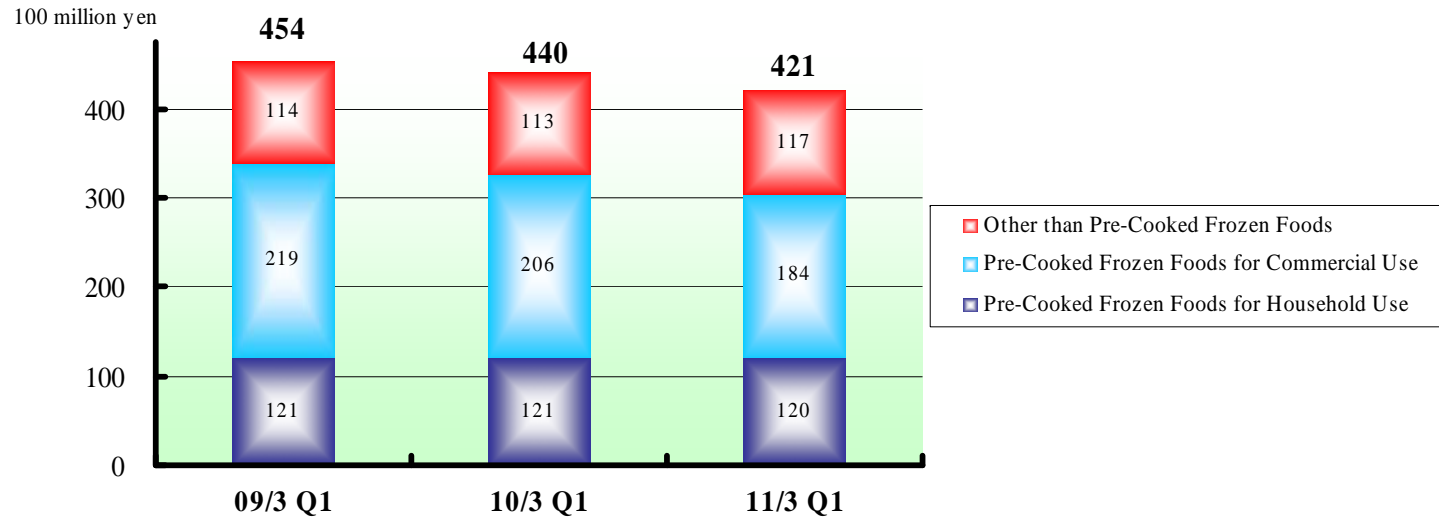
Main Factors

- (i) Notes and accounts receivable and inventories in current assets rose on seasonal factors.
- (ii) In fixed assets, property, plant and equipment increased ¥1.0 billion with the posting of asset retirement obligations, but investment securities declined ¥1.2 billion, reflecting falls in stock prices.
- (iii) In current liabilities, notes and accounts payable increased ¥2.4 billion, and short-term interest-bearing debt rose ¥2.9 billion, attributable to an increase in working capital.
- (iv) Asset retirement obligations rose ¥1.8 billion.
- (v) Major capital investments during FY11/3 Q1
 - (Logistics)
Higashi-Ogishima DC, Fukuoka-Higashihama DC
 - (Processed Food)
GFPT Nichirei, Surapon Nichirei Foods (chicken product facilities)

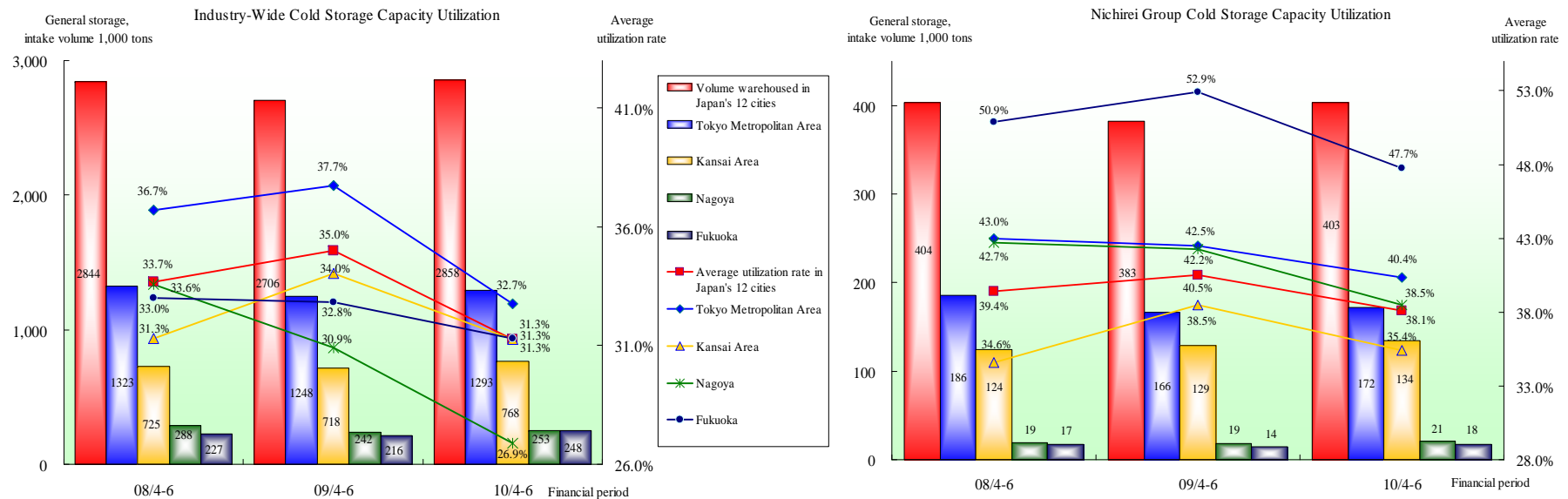
Reference Data

Historical Net Sales for Frozen Foods

(Based on definitions from the Japan Frozen Food Association, includes processed foods as well as marine products, meat and poultry products)



Cold Storage Capacity Utilization (Industry data adapted by Nichirei from Japan Association of Refrigerated Warehouses documents)



* The Ishikari region and the Bihoku region are included.

Forward-Looking Statements

Aside from historical facts, Nichirei's present plans, forecasts and strategies as outlined in this publication consist of forward-looking statements about future business performance. These forecasts of future business performance and explanations of future business activities may or may not include words such as "believe," "expect," "plan," "strategy," "estimate," "anticipate" or other similar expressions. These statements are based on the information available to Nichirei management at the time of publication. Actual results may differ materially from these forecasts for a variety of reasons, and readers are therefore advised to refrain from making investment decisions based solely on these forward-looking statements. Nichirei will not necessarily revise its forward-looking statements in accordance with new information, future events, and other results. Risks and uncertainties that could affect Nichirei's actual business results include, but are not limited to:

- (1) Changes in the economic conditions and business environment that may affect the Nichirei Group's business activities.
- (2) Foreign exchange rate risks, especially as regards the US dollar and the euro.
- (3) Risks associated with the practicability of maintaining quality controls throughout the process from product development, procurement of raw materials, production, and sale.
- (4) Risks associated with the practicability of development of new products and services.
- (5) Risks associated with the practicability of growth strategies and implementation of low-cost systems.
- (6) Risks associated with the practicability of achieving benefits through alliances with outside companies.
- (7) Contingency risks.

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