

Summary of Consolidated Results  
for the Third Quarter of the Fiscal Year  
Ending March 31, 2012

(Stock code: 2871)

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# Summary of Consolidated Results: FY12/3 Q3 Results and Full-Year Forecasts



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

	Q3 (Oct. - Dec.)			Q3 (Cumulative)			Full year				
	Actual	Change from FY11/3 Q3		Actual	Change from FY11/3 Q1 - Q3		Forecast	Change from FY11/3		Change from previous forecast	
		Amount	Ratio		Amount	Ratio		Amount	Ratio	Previous forecast	Change
Processed Foods	457	30	7%	1,326	91	7%	1,740	121	7%	1,740	0
Marine Products	197	1	1%	524	-16	-3%	655	-13	-2%	655	0
Meat and Poultry Products	205	-9	-4%	580	-18	-3%	735	-48	-6%	735	0
Logistics	392	29	8%	1,140	76	7%	1,500	106	8%	1,500	0
Real Estate	12	-5	-29%	38	-14	-27%	51	-15	-23%	51	0
Other	15	-2	-13%	43	-4	-8%	60	-2	-4%	60	0
Adjustment	-53	1	-	-161	5	-	-221	-6	-	-221	0
<b>Total Net Sales</b>	<b>1,225</b>	<b>46</b>	<b>4%</b>	<b>3,491</b>	<b>120</b>	<b>4%</b>	<b>4,520</b>	<b>142</b>	<b>3%</b>	<b>4,520</b>	<b>0</b>
Processed Foods	16	-1	-8%	42	-1	-2%	50	4	8%	50	0
Marine Products	2	-2	-54%	6	-4	-44%	6	0	1%	6	0
Meat and Poultry Products	3	0	19%	6	3	114%	6	2	55%	6	0
Logistics	26	-0	-1%	62	-3	-4%	73	0	0%	73	0
Real Estate	6	-4	-39%	18	-10	-36%	21	-15	-41%	21	0
Other	1	-1	-41%	3	-1	-16%	4	-0	-4%	4	0
Adjustment	0	-0	-	0	1	-	0	2	-	0	0
<b>Total Operating Income</b>	<b>54</b>	<b>-8</b>	<b>-13%</b>	<b>137</b>	<b>-14</b>	<b>-9%</b>	<b>160</b>	<b>-7</b>	<b>-4%</b>	<b>160</b>	<b>0</b>
<b>Recurring Income</b>	<b>51</b>	<b>-9</b>	<b>-15%</b>	<b>129</b>	<b>-17</b>	<b>-12%</b>	<b>149</b>	<b>-12</b>	<b>-8%</b>	<b>149</b>	<b>0</b>
<b>Net Income</b>	<b>32</b>	<b>-4</b>	<b>-11%</b>	<b>74</b>	<b>-13</b>	<b>-15%</b>	<b>81</b>	<b>41</b>	<b>100%</b>	<b>81</b>	<b>0</b>

ROE				7%	4%		7%
EPS	24 yen	-4 yen	-13%	27 yen	14 yen	109%	27 yen

## 1. Business results for FY12/Q3

Note: Forecast denotes current forecast; Previous forecast is forecast announced on November 1, 2011.

- (1) Net sales: Overall net sales for the October-December quarter were up 4% year on year as Processed Foods and Logistics continued the strong performance seen in the first half.
  - (2) Operating income: Operating income fell by ¥0.8 billion due to a contract renewal for a rental building in the Real Estate segment and a decline in profit in Marine Products.
2. The full-year forecast remains unchanged from the previous forecast. No impact from the earthquake is expected in the second half.
  3. Acquisition of treasury stock: Of 15 million shares, the target of the medium-term management plan, 13.79 million shares had been acquired as of January 31, 2012.

# Processed Foods: FY12/3 Q3 Results and Full-Year Forecasts



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

		Q3 (Oct. - Dec.)		Q3 (Cumulative)			Full year					
		Actual	Change from FY11/3 Q3		Actual	Change from FY11/3 Q1 - Q3		Forecast	Change from FY11/3		Change from previous forecast	
			Amount	Ratio		Amount	Ratio		Amount	Ratio	Previous forecast	Change
Processed Foods	Total Net Sales	457	30	7%	1,326	91	7%	1,740	121	7%	1,740	0
	Pre-Cooked Frozen Foods for Household Use	131	8	6%	389	33	9%	514	34	7%	514	0
	Pre-Cooked Frozen Foods for Commercial Use	223	8	4%	621	30	5%	805	34	4%	805	0
	Health Value	11	0	2%	40	3	7%	54	6	12%	54	0
	Other	92	14	19%	276	26	10%	367	48	15%	367	0
	Operating Income	16	-1	-8%	42	-1	-2%	50	4	8%	50	0

Note: Forecast denotes current forecast; Previous forecast is forecast announced on November 1, 2011.

## Third Quarter Results

### 1. Overall

Sales increased 7% from the same period last year. Operating income fell by ¥0.1 billion as increased sales and improved productivity largely covered higher prices for raw materials and purchases and a delay in the start of operations at GFPT Nichirei (GFN).

### 2. Pre-Cooked Frozen Foods for Household Use

Sales increased faster than the second half of last fiscal year but the pace of growth slowed compared to the first half of this fiscal year, however, sales growth continued to outpace the market, rising 6% year on year. Processed chicken products and croquettes were positive.

### 3. Pre-Cooked Frozen Foods for Commercial Use

Overall sales increased by 4% driven by the mainstay processed chicken products.

### 4. Health Value

Sales of wellness foods declined but sales of acerola raw materials were strong, boosting sales by 2% over the same period last year.

### 5. Other

Sales increased 19% year on year as GFN began sales operations in Europe and in Thailand during the current term and sales of processed agricultural products were strong.

## Full-year Forecasts

1. The trend of increased sales in the third quarter is expected to continue in the fourth quarter.
2. The rise in the cost of raw materials has stabilized in the second half and is expected to subside by the end of the fiscal year.
3. The full-year forecast for net sales and operating income remains unchanged from the previous forecast.

## Progress of Important Measures

### GFN Forecast

1. In January, GFN reached the target of 100,000 live birds processed daily on schedule.
2. Sales of processed chicken breast meat products to Europe are making steady progress and are expected to hit the target of ¥0.4 billion.
3. Fourth quarter losses are expected to shrink as operations of the factory improves over last year when operations were just getting started.

# Marine Products & Meat and Poultry: FY12/3 Q3 Results and Full-Year Forecasts



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

		Q3 (Oct. - Dec.)			Q3 (Cumulative)			Full year				
		Actual	Change from FY11/3 Q3		Actual	Change from FY11/3 Q1 - Q3		Forecast	Change from FY11/3		Change from previous forecast	
			Amount	Ratio		Amount	Ratio		Amount	Ratio	Previous forecast	Change
Marine Products	Net Sales	197	1	1%	524	-16	-3%	655	-13	-2%	655	0
	Operating Income	2	-2	-54%	6	-4	-44%	6	0	1%	6	0
Meat and Poultry	Net Sales	205	-9	-4%	580	-18	-3%	735	-48	-6%	735	0
	Operating Income	3	0	19%	6	3	114%	6	2	55%	6	0

Note: Forecast denotes current forecast; Previous forecast is forecast announced on November 1, 2011.

## Marine Products Business

### Third Quarter Results

Sales increased by 1% year on year. Operating income declined by ¥0.2 billion. Sales of products for users showed strong growth. Domestic prices increased as shrimp, octopus and other fish species remained in short supply but we were unable to shift higher prices in the local producing areas to our customers so profit declined.

### Full-year Forecasts

Full-year forecasts for sales and operating income remain unchanged from the last forecast. In this difficult environment, Nichirei will continue to buy carefully and minimize inventory risks. We will also propose optimally processed products to user routes and will seek to expand sales through sales activities using close connections. We will also work to cut distribution costs and administrative expenses.

## Meat and Poultry Business

### Third Quarter Results

Sales declined by 4% from last year. Operating income was flat compared to last year. The overall domestic market for meat was sluggish due to the large amount of imported chicken and a decline in consumption due to worries over the nuclear accident and a warm winter but thorough procurement management and a focus on selling processed products ensured profits were flat compared to last year.

### Full-year Forecasts

Full-year forecasts for sales and operating income remain unchanged from the last forecast. Profitability continued to worsen as the domestic price of imported chicken fell but Nichirei will endeavor to continuously concentrate on stressing high-margin sales, expanding sales routes of conscious raw ingredients, such as Jun Wakei (pure Japanese chicken), and processed foods for user routes.

# Logistics: FY12/3 Q3 Results and Full-Year Forecasts



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

		Q3 (Oct. - Dec.)			Q3 (Cumulative)			Full year				
		Actual	Change from FY11/3 Q3		Actual	Change from FY11/3 Q1 - Q3		Forecast	Change from FY11/3		Change from previous forecast	
			Amount	Ratio		Amount	Ratio		Amount	Ratio	Previous forecast	Change
Logistics	Total Net Sales	392	29	8%	1,140	76	7%	1,500	106	8%	1,500	0
	Logistics Network	217	15	7%	631	44	7%	828	59	8%	828	0
	Regional Storage	123	6	5%	356	15	5%	461	24	5%	461	0
	Overseas	49	8	18%	144	23	19%	191	27	16%	191	0
	Other/Intersegment	3	1	52%	10	-7	-41%	20	-4	-16%	20	0
	Total Operating Income	26	-0	-1%	62	-3	-4%	73	0	0%	73	0
	Logistics Network	10	1	7%	23	-1	-4%	28	2	7%	28	0
	Regional Storage	15	-2	-11%	37	-3	-8%	42	-1	-1%	42	0
	Overseas	2	1	105%	8	3	64%	10	3	43%	10	0
	Other/Intersegment	-2	-0	8%	-5	-2	39%	-7	-4	155%	-7	0

Note: Forecast denotes current forecast; Previous forecast is forecast announced on November 1, 2011.

## Third quarter results

- Overall  
Sales increased 8% year on year. Operating income was flat compared to last year.
- Logistics Network  
Sales increased by 7%, operating income increased by ¥0.1 billion. The positive impact of new TC (transfer centers) contributed to sales and earnings.
- Regional Storage  
The Higashi-Ogishima DC (distribution center) and the utilization of other new DCs contributed to a 5% increase in sales. On the other hand, increased depreciation expenses and a reduction in the movement of goods due to a recovery in the utilization rate caused a ¥0.2 billion decline in operating income.
- Overseas  
Sales increased 18%; operating income increased by ¥0.1 billion. This was better than last year despite the impact of foreign exchange.

## Full-year Forecasts

- Overall  
Full-year forecasts for sales and operating income remain unchanged from the last forecast.

## Progress of Important Measures

- Logistics Network  
Two newly constructed TCs are expected to begin operating in the fourth quarter bringing the total number of TCs to 28.
- Regional Storage  
Cargo booking at the Higashi-Ogishima DC is progressing and the utilization rate will reach 40%. Going forward, Nichirei will continue to review the improvement of income and expenditure from operations and the composition of cargo and make progress toward improving profitability.
- Overseas  
The trend of sales and operating income exceeding last year's figures will continue but, underlying this are concerns over the impact of prolonged financial instability on the real economy.

## Factors Influencing Changes in Consolidated Balance Sheet for FY12/3 Q3



Unit: 100 million yen (amounts less than 100 million yen are omitted)

Item	11/12	11/3	Change (Amount)	
<b>[Assets]</b>				
Current assets	1,221	1,031	190	(i)
Fixed assets	1,735	1,813	-78	(ii)
Total assets	2,957	2,845	111	
<b>[Liabilities/ Shareholders' equity]</b>				
Current liabilities	1,061	1,103	-41	(iii)
Fixed liabilities	715	564	150	(iii)
Total liabilities	1,776	1,668	108	
Net assets	1,180	1,177	3	
(Shareholders' equity)	1,167	1,150	17	
Interest-bearing debt	1,012	969	42	(iv)
(Excluding lease obligations)	783	724	59	
Item	11/12	10/12	Change (Amount)	
Capital investment	77	131	-54	(v)
(Excluding leased assets)	61	116	-55	
Depreciation and amortization	111	103	8	
(Excluding leased assets)	83	75	7	

### Main Factors

- (i) Notes and accounts receivable and inventories rose, reflecting an increase in sales and seasonal factors. Cash and time deposits, which had been built up to ensure there was adequate cash on hand following the earthquake, was reduced by ¥5.8 billion.
- (ii) Tangible fixed assets declined by ¥4.7 billion as depreciation progressed on last term's capital investments.
- (iii) Accounts payable increased by ¥6.2 billion due to seasonal factors. In order to ensure stable, long-term access to capital, ¥20.0 billion of bonds were issued and was used to repay short-term loans.
- (iv) To respond to year-end demand, operating capital was increased.
- (v) The main capital investment in the third quarter Logistics, Higashi-Ogishima DC No. 2 Building

# Factors Influencing Changes in Non-Operating Revenues/Expenses and Extraordinary Income/Losses for FY12/3 Q3



(100 million yen; amounts less than 100 million yen are omitted) Positive numbers indicate profits		Q3 (Oct. - Dec.)					Full year		
		11/12	10/12	Change (Amount)			Forecast	Change from FY11/3 (Amount)	Change from previous forecast (Amount)
[Non-operating Revenues/Expenses] (Main Item)		-2	-1	-1	[Non-operating Revenues/Expenses] (Main Item)		-11	-5	-
Dividend income and interest expenses, net		-2	-2	+0	Dividend income and interest expenses, net		-10	+0	-
[Extraordinary Income/Loss] (Main Item)		+1	-1	+2	[Extraordinary Income/Loss] (Main Item)		-7	+65	-
Gain on sales of fixed assets		+3	+1	+2	Gain on sales of fixed assets		+7	-2	-
Loss on disaster	(i)	-0	-	-0	Loss on disaster	(i)	-3	+28	-
Loss on adjustment for changes of accounting standard for asset retirement obligations	(ii)	-	-	-	Loss on adjustment for changes of accounting standard for asset retirement obligations	(ii)	-	+7	-
Loss on valuation of investment securities	(iii)	-1	-0	-1	Loss on valuation of investment securities	(iii)	-6	-6	-
Loss on discontinued operations		-0	-2	+2	Loss on discontinued operations		-1	+2	-
					Compensation income	(iv)	-	-30	-
					Loss on revision of retirement benefit plan	(v)	-	+66	-

Note: Forecast denotes current forecast; Previous forecast is forecast announced on November 1, 2011.

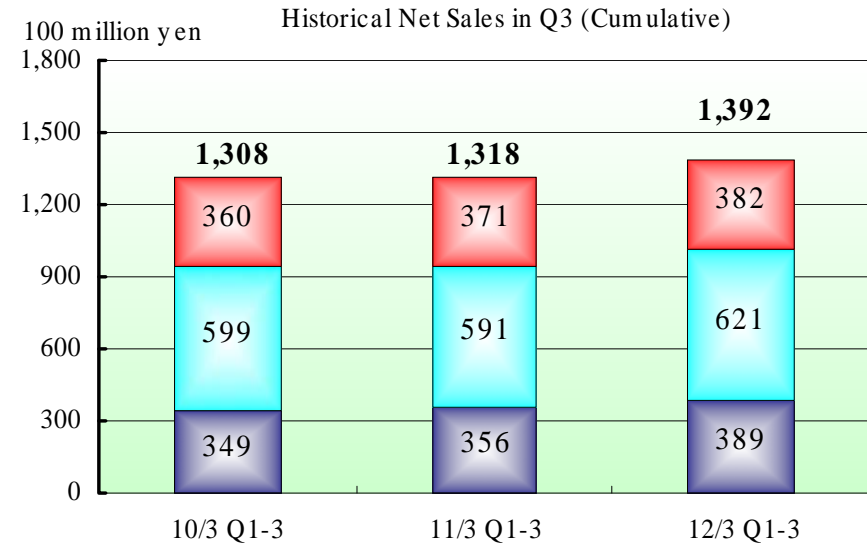
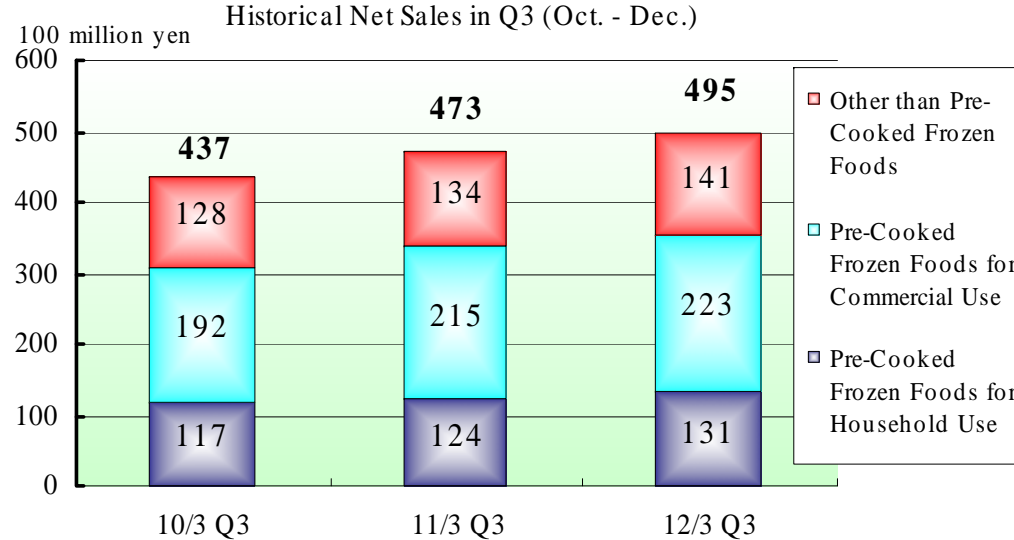
- (i) Extraordinary loss as a result of the impact of the Tohoku-Kanto Earthquake
- (ii) Extraordinary loss associated with the application of the revised accounting standard for asset retirement obligations
- (iii) Extraordinary loss associated with declines in stock prices
- (iv) Extraordinary profit from a gain on the establishment of superficies
- (v) Extraordinary loss associated with a change in the retirement benefit plan

# Reference Data

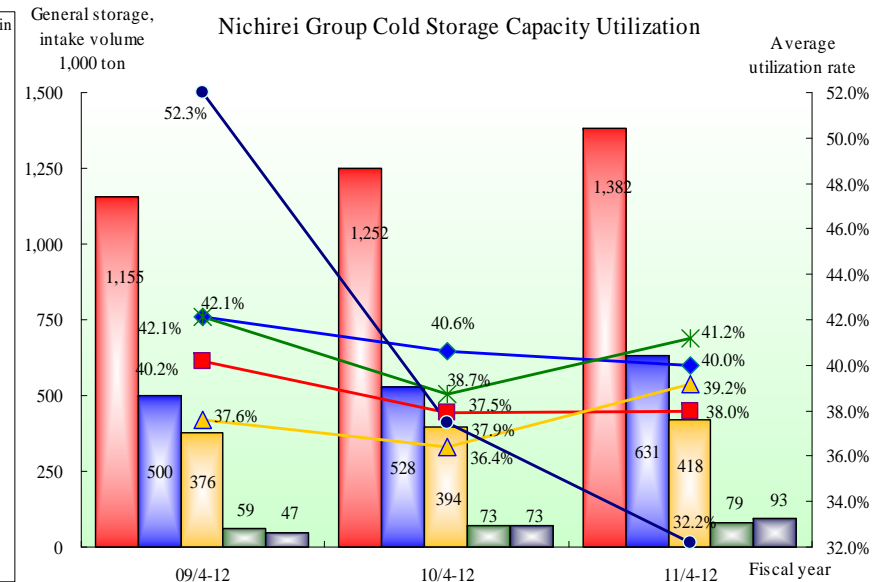
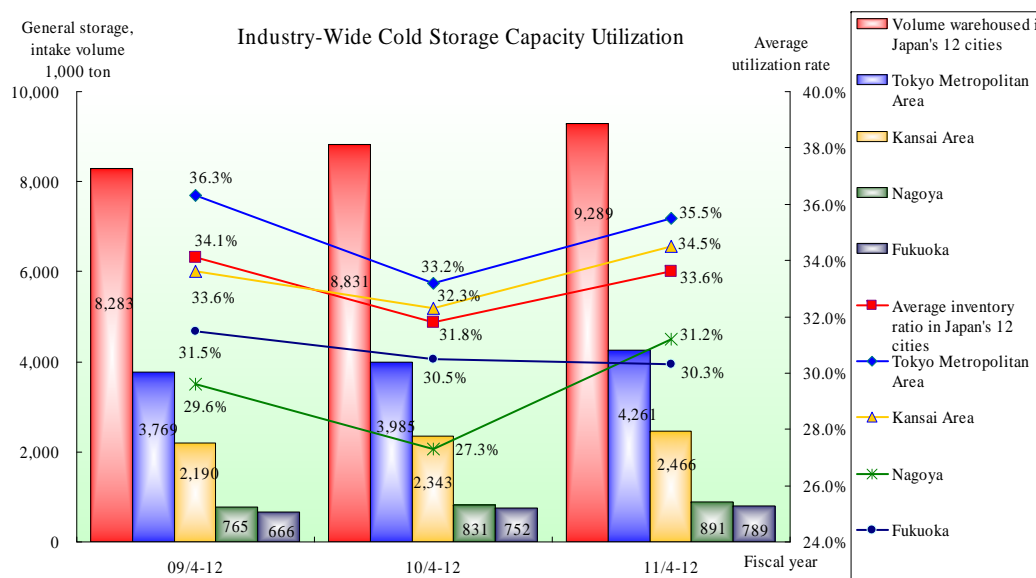


## Historical Net Sales for Frozen Foods

(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)



Note: The utilization rate is the percentage of total cold storage space being used to store cargo. Total space usually includes half of the space taken up by corridors and work areas where cargo cannot be stored.



## 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 significantly 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.

However, factors that may affect the performance of the Nichirei Group are not limited to those listed above. Further, risks and uncertainties include the possibility of future events that may have a serious and unpredictable impact on the Group. This publication is provided for the sole purpose of enhancing the reader's understanding of the Nichirei Group, and should not be taken as a recommendation regarding investment decisions.