

Summary of Consolidated Results
for the First Quarter of the Fiscal Year
Ending March 31, 2013

(Stock code: 2871)

Nichirei Corporation

Tel: (+81-3) 3248-2167

E-mail: tanakah@nichirei.co.jp

URL: <http://www.nichirei.co.jp/english/ir/index.html>

Summary of Consolidated Results: FY13/3 Q1 Results 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 FY12/3 Q1		Forecast	Change from FY12/3 Q1-Q2		Change from previous forecast		Forecast	Change from FY12/3		Change from previous forecast	
		Change	Ratio		Change	Ratio	Previous forecast	Change		Change	Ratio	Previous forecast	Change
Processed Foods	452	28	7%	922	53	6%	922	0	1,850	108	6%	1,850	0
Marine Products	155	-1	-1%	326	-1	-0%	336	-10	660	3	1%	690	-30
Meat and Poultry Products	185	-4	-2%	380	4	1%	390	-10	780	24	3%	780	0
Logistics	382	21	6%	774	26	3%	766	8	1,540	45	3%	1,536	4
Real Estate	11	-2	-17%	25	-1	-4%	25	0	50	1	1%	50	0
Other	14	-1	-4%	29	0	1%	29	0	61	1	1%	61	0
Adjustment	-50	5	-	-116	-7	-	-115	-1	-231	-21	-	-227	-4
Total Net Sales	1,150	46	4%	2,340	74	3%	2,353	-13	4,710	161	4%	4,740	-30
Processed Foods	15	5	48%	28	2	9%	28	0	60	8	16%	60	0
Marine Products	-1	-3	-139%	0	-4	-	3	-3	4	2	80%	7	-3
Meat and Poultry Products	1	-2	-63%	3	-0	-8%	4	-1	7	2	33%	8	-1
Logistics	21	5	32%	41	4	12%	36	5	78	4	6%	76	2
Real Estate	6	-1	-15%	10	-2	-19%	10	0	21	-3	-11%	21	0
Other	1	-0	-21%	1	-1	-47%	1	0	4	-1	-17%	3	1
Adjustment	-2	-1	-	-2	-2	-	-2	0	-1	-1	-	-2	1
Total Operating Income	41	4	10%	81	-2	-3%	80	1	173	11	7%	173	0
Recurring Income	42	5	14%	78	-0	-0%	77	1	165	12	8%	165	0
Net Income	35	10	41%	52	10	24%	49	3	100	21	27%	100	0

ROE	8%	1%		8%	-
EPS	34 yen	8 yen	29%	34 yen	-

1. Business results for FY13/Q1

Note: Forecast denotes current forecast; Previous forecast is forecast announced on May 8, 2012.

- (i) **Net sales:** Total net sales for the April-June quarter were up 4% year on year as Nichirei's mainstay units, Processed Foods and Logistics posted significant 7% and 6% growth, respectively.
- (ii) **Operating income:** Total operating income rose by ¥0.4 billion as increases in Processed Foods and Logistics offset falls in Marine Products and Meat and Poultry Products.
- (iii) **Recurring income, net income:** Net income was up by ¥1.0 billion due to a gain on sales of investment securities and others.

2. **Full-year forecast** Net sales of Marine Products were revised downward by ¥3.0 billion from the previous forecast. Operating income was revised upward for Logistics and downward for Marine Products and Meat and Poultry Products, with the consequence that total operating income was unchanged from the previous forecast.

Processed Foods: FY13/3 Q1 Results 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 FY12/3 Q1		Forecast	Change from FY12/3 Q1-Q2		Change from previous forecast		Forecast	Change from FY12/3		Change from previous forecast		
		Change	Ratio		Change	Ratio	Previous forecast	Change		Change	Ratio	Previous forecast	Change	
Processed Foods	Total Net Sales	452	28	7%	922	53	6%	922	0	1,850	108	6%	1,850	0
	Pre-Cooked Frozen Foods for Household Use	133	-1	-1%	265	7	3%	265	0	534	13	2%	534	0
	Pre-Cooked Frozen Foods for Commercial Use	206	12	6%	410	12	3%	410	0	839	28	3%	839	0
	Health Value	14	-0	-3%	31	2	7%	31	0	61	11	22%	61	0
	Other	99	17	21%	216	32	17%	216	0	416	56	16%	416	0
	Operating Income	15	5	48%	28	2	9%	28	0	60	8	16%	60	0

Note: Forecast denotes current forecast; Previous forecast is forecast announced on May 8, 2012.

First Quarter Results

Overall

Net sales increased 7% from the same period last year. Operating income increased by ¥0.5 billion from the previous year, due mainly to the effects of revenue growth and lower costs of poultry materials and other raw materials compared to the previous year.

1. Pre-Cooked Frozen Foods for Household Use

With the growing tendency of taking meals cooked at home and home-meal replacement, processed chicken products remained strong and maintained the level of the previous year when significant growth was posted.

2. Pre-Cooked Frozen Foods for Commercial Use

Sales increased 6%, led by mainstay processed chicken products. Increased sales of spring rolls and cream croquettes, the plant for which has recovered from the adverse influence of the earthquake disaster, also contributed.

3. Health Value

Both wellness foods and acerola declined 3% from the previous year.

4. Other

Increased sales of GFPT Nichirei (GFN) in Europe and Thailand and steady sales of frozen vegetables also boosted overall performance.

Full-year Forecasts

The previous forecast of net sales and operating income was not changed.

Progress in Overseas Measures

1. Sales of GFN processed chicken breast meat products for Europe expanded as planned. The increase of production lines is in progress as scheduled to prepare for the operation to be started in June 2013. The selling price of raw meat in Thailand bottomed out in April and back on the recovery path since May.
2. The frozen vegetables production company, Taian Jiayu Foodstuff Company Limited in China has started its operation in June just as scheduled.
3. Acquisition of InnovAsian Cuisine Enterprises, which is strong in Asian Foods, was completed at the end of June. Now Nichirei is going to expand the business in frozen foods market in the United States.

Marine Products & Meat and Poultry: FY13/3 Q1 Results 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 FY12/3 Q1		Forecast	Change from FY12/3 Q1-Q2		Change from previous forecast		Forecast	Change from FY12/3		Change from previous forecast	
			Change	Ratio		Change	Ratio	Previous forecast	Change		Change	Ratio	Previous forecast	Change
Marine Products	Net Sales	155	-1	-1%	326	-1	0%	336	-10	660	3	1%	690	-30
	Operating Income	-1	-3	-139%	0	-4	-	3	-3	4	2	80%	7	-3
Meat and Poultry	Net Sales	185	-4	-2%	380	4	1%	390	-10	780	24	3%	780	0
	Operating Income	1	-2	-63%	3	-0	-8%	4	-1	7	2	33%	8	-1

Note: Forecast denotes current forecast; Previous forecast is forecast announced on May 8, 2012.

Marine Products Business

First Quarter Results

Sales decreased 1% year on year. Operating income decreased by ¥0.3 billion. The general decline in selling prices of frozen fishes, including those caught in the north sea area that were purchased at high prices in the preceding fiscal year, had negative effects, although the handling of products for users increased.

Full-year Forecasts / Progress of Important Measures

Despite the decrease in the full-year forecast, net sales are likely to level off from the previous year while operating income should increase by ¥0.2 billion. Even with the business environment remaining severe, sustained efforts have been made to reduce and turn-over inventory and to boost sales of value-added products, including premium quality ingredients and processed products.

Meat and Poultry Business

First Quarter Results

Sales went down 2% year on year. Operating income decreased by ¥0.2 billion. Because of consumer preferences for lower prices, the profitability of chicken deteriorated despite growth in the volume handled. The profitability of pork also declined as demand shifted to cheaper chicken.

Full-year Forecasts / Progress of Important Measures

Full-year forecasts expect to see a sales increase of 3% year on year and an increase in operating income of ¥0.2 billion. To secure stable earnings, careful purchase and inventory management are pursued, while enhancing the sale of premium quality ingredients such as Jun Wakei (pure Japanese chicken) and providing foods processed to the level consumers seek.

Logistics: FY13/3 Q1 Results 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 FY12/3 Q1		Forecast	Change from FY12/3 Q1-Q2		Change from previous forecast		Forecast	Change from FY12/3		Change from previous forecast	
			Change	Ratio		Change	Ratio	Previous forecast	Change		Change	Ratio	Previous forecast	Change
Logistics	Total Net Sales	382	21	6%	774	26	3%	766	8	1,540	45	3%	1,536	4
	Logistics Network	218	17	9%	439	26	6%	434	5	871	38	5%	866	5
	Regional Storage	116	4	4%	238	5	2%	236	2	467	8	2%	465	2
	Overseas	45	2	4%	93	-2	-2%	93	0	185	-3	-2%	189	-4
	Other/Intersegment	2	-2	-42%	4	-3	-39%	3	1	17	2	16%	16	1
	Total Operating Income	21	5	32%	41	4	12%	36	5	78	4	6%	76	2
	Logistics Network	10	4	54%	18	5	40%	15	3	34	5	16%	31	3
	Regional Storage	11	2	22%	24	2	12%	22	2	45	4	10%	44	1
	Overseas	2	-0	-4%	4	-2	-32%	5	-1	7	-2	-25%	9	-2
	Other/Intersegment	-3	-0	23%	-5	-1	37%	-6	1	-8	-2	38%	-8	0

Note: Forecast denotes current forecast; Previous forecast is forecast announced on May 8, 2012.

First Quarter Results

Overall

Sales increased 6% year on year; operating income increased by ¥0.5 billion.

1. Logistics Network

Sales increased 9%; operating income was up by ¥0.4 billion. The start of full-scale operations of the transfer center (TC) established at the end of the previous fiscal year and the restoration of the earthquake-stricken center in Sendai have contributed to sales and earnings.

2. Regional Storage

Sales increased 4%; operating income increased by ¥0.2 billion. Both intake volume and the utilization rate surpassed the levels of the previous year by capturing robust demand for storage, mainly in large urban areas.

3. Overseas

Sales increased 4%; operating income remained at the level of the previous year. Although influenced by the weaker Euro, increase in sales and earnings was attained in the local currency base thanks to the growth of demand for transport etc.

Full-year Forecasts

- The full-year forecast for sales is growth of 3% year on year, while operating income is expected to rise by ¥0.4 billion. Given the conditions of logistics network and regional storage in the first quarter, which offset the impact of higher electric power charges, an upward revision was made.
- The impact of the raised electric power charge began to be included in the forecast from this time.

Progress of New Centers

- Logistics Network**
A new TC commenced operations in Saga prefecture in June.
- Regional Storage**
Cargo pickup services have been developed to prepare for the start of operations of Higashi-Ogishima DC No. 2 Building scheduled for July 2013. The establishment of a new center in Kansai area is now being considered.

Factors Influencing Changes in Consolidated Balance Sheet for FY13/3 Q1



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

Item	12/6	12/3	Change (Amount)	
[Assets]				
Current assets	1,225	1,154	70	(i)
Fixed assets	1,732	1,750	-17	
Total assets	2,958	2,905	52	
[Liabilities/ Shareholders' equity]				
Current liabilities	889	841	48	(ii)
Fixed liabilities	856	876	-20	
Total liabilities	1,745	1,718	27	
Net assets	1,212	1,187	25	
(Shareholders' equity)	1,185	1,165	19	
Interest-bearing debt	1,014	978	36	(iii)
(Excluding lease obligations)	787	748	38	
Item	12/6	11/6	Change (Amount)	
Capital investment	21	19	2	
(Excluding leased assets)	14	14	0	
Depreciation and amortization	35	36	-1	
(Excluding leased assets)	25	27	-1	

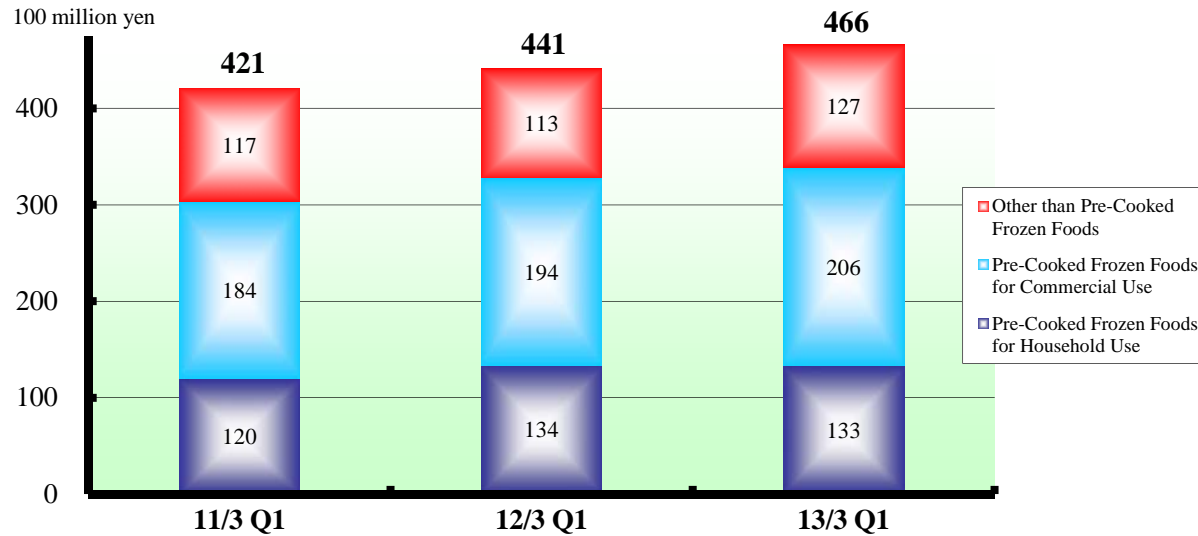
Main Factors

- (i) Notes and accounts receivable increased by ¥3.7 billion due to higher sales and seasonal factors. Cash and time deposits increased by ¥1.4 billion, reflecting increased liquidity on hand.
- (ii) Accounts payable-trade increased by ¥2.0 billion due to seasonal factors etc.
- (iii) An increase of ¥3.6 billion, mainly because of a rise in operating funds and liquidity on hand.

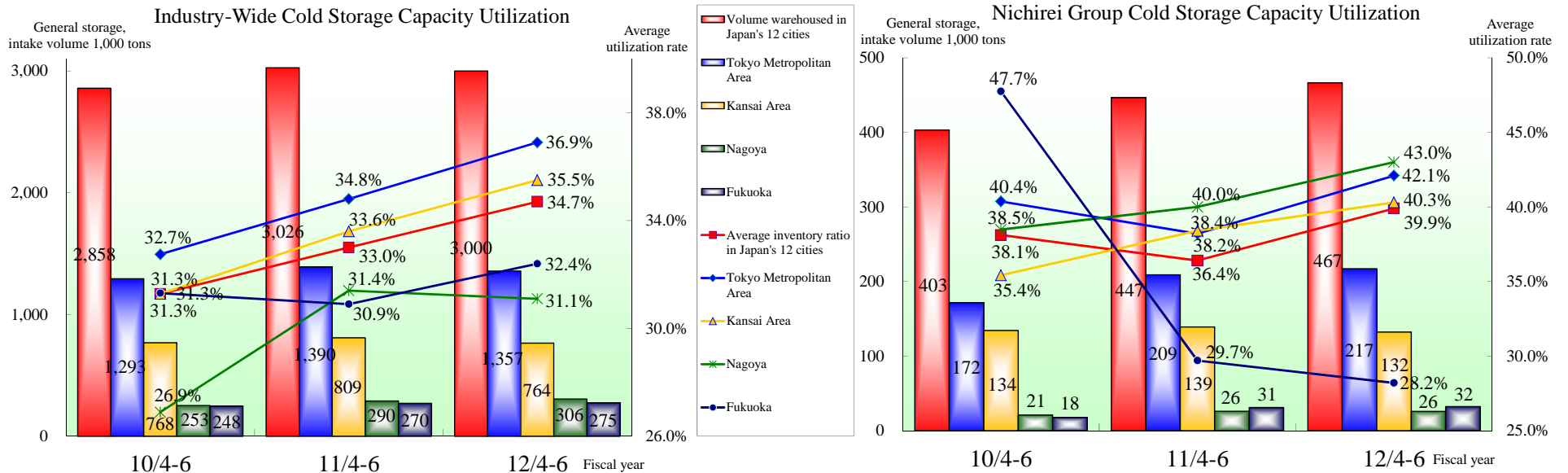
Reference Data



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.