

# Concluding the Final Year of the Medium-Term Business Plan with Steady Growth in Core Businesses

*Summary of Consolidated Results for the First Half of the Fiscal Year Ending March 31, 2013 and Full-Year Forecasts*

(Stock code: 2871)

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## Notes

- 1) Figures shown in the graphs and charts in this presentation, unless otherwise specified, have been rounded to the unit indicated. Certain figures have also been rounded up or down.
- 2) “Previous forecasts” are forecasts announced on August 7, 2012. “E” or “forecast” indicate forecasts for this term announced on November 6, 2012.

## Summary of Consolidated Results

# Results of the First Half and FY13/3 Forecasts



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

	Actual	Q2 (Cumulative)				Forecast	Total (Q3 and Q4)				Forecast	Full year			
		Change from FY12/3 Q1-Q2		Change from previous forecast			Change from FY12/3 Q3-Q4		Change from previous forecast			Change from FY12/3		Change from previous forecast	
		Change	Ratio	Previous forecast	Change		Change	Ratio	Previous forecast	Change		Change	Ratio	Previous forecast	Change
Processed Foods	905	36	4%	922	-17	945	72	8%	928	17	1,850	108	6%	1,850	0
Marine Products	313	-14	-4%	326	-13	332	2	1%	334	-2	645	-12	-2%	660	-15
Meat and Poultry Products	366	-9	-3%	380	-14	379	-1	-0%	400	-21	745	-11	-1%	780	-35
Logistics	782	34	5%	774	8	758	11	1%	766	-8	1,540	45	3%	1,540	0
Real Estate	23	-3	-11%	25	-2	25	1	5%	25	-0	48	-1	-3%	50	-2
Other	27	-1	-5%	29	-2	34	2	6%	32	2	61	1	1%	61	0
Adjustment	-101	7	-	-116	15	-108	-6	-	-115	7	-209	1	-	-231	22
<b>Total Net Sales</b>	<b>2,316</b>	50	2%	2,340	-24	<b>2,364</b>	80	4%	2,370	-6	<b>4,680</b>	131	3%	4,710	-30
Processed Foods	30	5	19%	28	2	30	4	14%	32	-2	60	8	16%	60	0
Marine Products	-1	-6	-	0	-1	1	3	-	4	-3	0	-2	-	4	-4
Meat and Poultry Products	2	-1	-28%	3	-1	5	3	134%	4	1	7	2	33%	7	0
Logistics	42	5	14%	41	1	37	-0	-0%	37	0	79	5	7%	78	1
Real Estate	11	-1	-7%	10	1	11	-1	-6%	11	-0	22	-2	-7%	21	1
Other	2	-0	-19%	1	1	2	-0	-16%	3	-1	4	-1	-17%	4	0
Adjustment	-1	-1	-	-2	1	-1	-1	-	1	-2	-2	-2	-	-1	-1
<b>Total Operating Income</b>	<b>85</b>	1	2%	81	4	<b>85</b>	7	9%	92	-7	<b>170</b>	8	5%	173	-3
<b>Recurring Income</b>	<b>82</b>	4	5%	78	4	<b>81</b>	6	8%	87	-6	<b>163</b>	10	7%	165	-2
<b>Net Income</b>	<b>63</b>	21	50%	52	11	<b>50</b>	13	35%	48	2	<b>113</b>	34	43%	100	13
	<b>ROE</b>	<b>9%</b>	3%		8%	1%									
	<b>EPS</b>	<b>38 yen</b>	12 yen	45%	34 yen	4 yen									

### ◆ First-Half Results

1. Net Sales  
Total net sales for the first half were up 2% year on year, as Nichirei's mainstay Processed Foods and Logistics posted 4% and 5% growth, respectively.
2. Operating Income  
Total operating income rose by ¥0.1 billion as increases in Processed Foods and Logistics offset decline in Marine Products.
3. Recurring Income, Net Income  
Net income was up by ¥2.1 billion due to a gain on sales of investment securities and others.

### ◆ Full-Year Forecasts

1. Net Sales  
Total net sales for the second half are expected to climb 4% year on year, driven by Processed Foods. Net sales are expected to rise 3% in the full year.
2. Operating Income  
Operating income for the second half is expected to increase ¥0.7 billion, reflecting the contribution of Processed Foods and increases in Marine Products and Meat and Poultry Products compared to the previous year when the business environment was difficult. Full-year operating income is expected to rise ¥0.8 billion.
3. Recurring Income, Net Income  
Net income is expected to be up ¥1.3 billion in the second half and ¥3.4 billion in the full year.

# Processed Foods

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# Results of the First Half and FY13/3 Forecasts



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

Factor for year-on-year increase/decrease of operating income

	Q2 (Cumulative)			Total (Q3 and Q4)			Full year			100 million yen				
	Actual	Change from FY12/3 Q1-Q2	Change from previous forecast	Forecast	Change from FY12/3 Q3-Q4	Change from previous forecast	Forecast	Change from FY12/3	Change from previous forecast	Q2 (Cumulative)	Total (Q3 and Q4)	Full year		
		Change	Change		Change	Change		Change	Change	Change	Actual	Forecast	Forecast	
Processed Foods	Total Net Sales	905	36	-17	945	72	17	1,850	108	0	FY12/3 Operating income	26	26	52
	Pre-Cooked Frozen Foods for Household Use	263	5	-2	277	14	8	540	19	6	Increase in sales of pre-cooked frozen foods	3	4	7
	Pre-Cooked Frozen Foods for Commercial Use	410	12	0	431	18	2	841	30	2	Productivity improvement in domestic plants	2	1	3
	Health Value	25	-4	-6	22	1	-8	47	-3	-14	Fluctuation in raw material and purchase costs	2	-1	1
	Other	207	23	-9	215	39	15	422	62	6	Effect of the results of GFPT Nichirei	-2	2	0
	Operating Income	30	5	2	30	4	-2	60	8	0	Others	-1	-2	-3
												FY13/3 Operating income	30	30

## ◆ First Half Results

### 1. Net Sales

First-half net sales increased 4% year on year. With the growing tendency for home-meal replacement, the Pre-Cooked Frozen Foods for Household Use segment achieved a 2% increase in sales, as processed chicken products and rice products remained strong. The Pre-Cooked Frozen Foods for Commercial Use segment also posted a 3% rise in sales, thanks to increased sales of spring rolls, etc. reflecting recovery of the production plant from the impact of the earthquake disaster the previous year, in addition to strong sales of processed chicken products.

### 2. Operating Income

- (1) Operating income climbed ¥0.5 billion, with the effect of increased sales offsetting the adverse impact of Thailand's falling raw chicken selling prices on GFPT Nichirei.
- (2) Raw material costs were initially expected to rise but were lower than a year ago. Rising prices for packaging materials, shrimp and suchlike were offset by falling domestic chicken prices and modification of rice procurement methods.

## ◆ Full-Year Forecasts

### 1. Net Sales

Second-half sales in the Pre-Cooked Frozen Foods for Household Use and Pre-Cooked Frozen Foods for Commercial Use segments are expected to maintain the strong performance seen in the first half, driven by mainstay products such as processed chicken products. Full-year sales are expected to increase 6% year on year.

InnovAsian Cuisine Enterprises, included in the scope of consolidation from the second half, will also contribute to earnings.

### 2. Operating Income

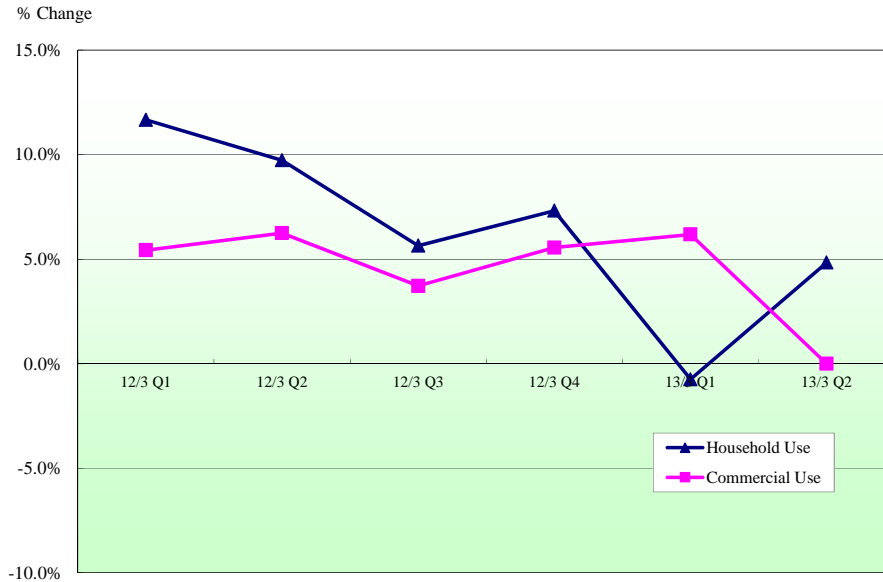
- (1) In the second-half, the effect of increased sales and improvement in the operations of GFPT Nichirei will contribute to earnings, and we expect operating income for the full year to be up ¥0.8 billion.
- (2) Raw materials costs in the second half are expected to be ¥0.1 billion higher than a year ago, reflecting the higher cost of purchasing processed chicken products from overseas OEM manufacturers and rising prices for commodities such as rice and food oil.

## Processed Foods

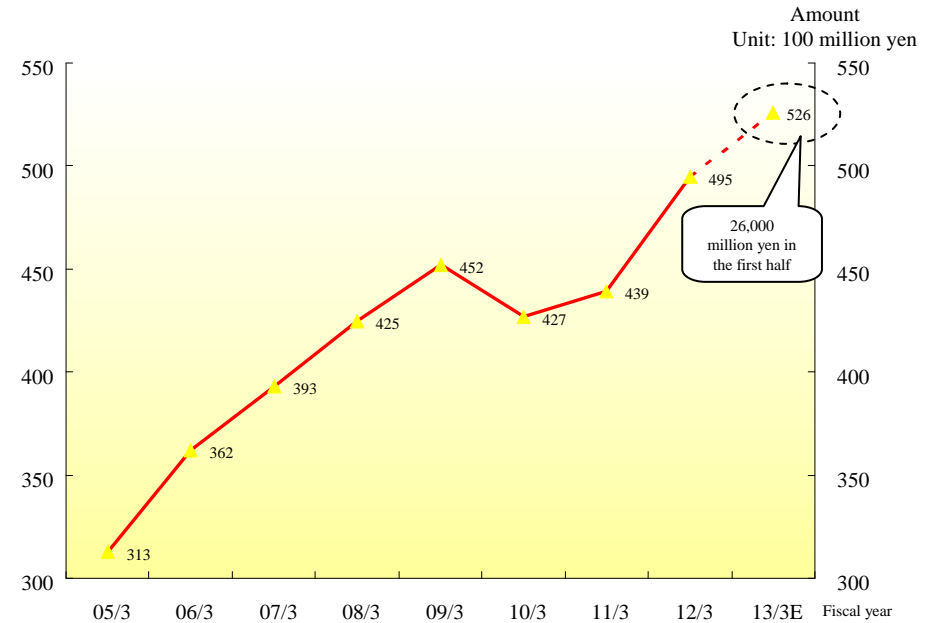
# Pre-Cooked Frozen Foods Selling Well and Second-Half Results Expected to Remain on Par with Forecast



Year-on-Year % Change in Net Sales of Pre-Cooked Frozen Foods for Household Use and Pre-Cooked Frozen Foods for Commercial Use at Nichirei



Changes in the Amount of Sales of Processed Chicken Products at Nichirei (only sales in Japan)



### 1. First Half Results

- (1) Pre-Cooked Frozen Foods for Household Use: The first quarter saw a fall from the previous year when there was special demand due to the earthquake. However, the second quarter saw substantial growth in rice products in addition to strong sales of processed chicken products. First-half sales growth was slightly less than market growth. Nonetheless, sales rose 2% year on year.
- (2) Pre-Cooked Frozen Foods for Commercial Use: Second-quarter sales were unchanged from the previous year, reflecting the impact of cutting certain unprofitable processed chicken products. However, first-half sales climbed 3%.

### 2. Action in the second half

- (1) Pre-Cooked Frozen Foods for Household Use: We will improve turnover of commodities in the increased sales space available after the changes to the sales space in autumn by running consumer campaigns and executing plans to increase volume.
- (2) Pre-Cooked Frozen Foods for Commercial Use: We will step up efforts to expand sales of mainstay products (croquettes, processed meat products, etc.) to priority customers.
- (3) We will continue to expand sales of processed chicken products, focusing on the home-meal replacement market, and expect to post full-year net sales of ¥52.6 billion on par with the forecast for the current year.

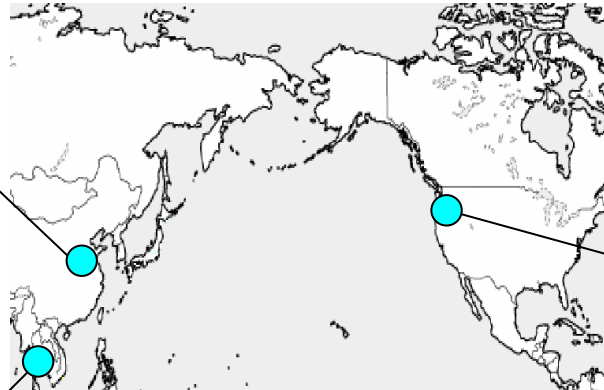
# Major Developments at Overseas Affiliates



## Taian Jiayu Foods Tuff Company Limited (China)

### Production of frozen vegetables

Commenced production of kidney beans, okura and edamame beans in June. Currently prioritizing production for Japan, but also plans to commence sales in China from FY2013.



## GFPT Nichirei (Thailand)

### Production and sale of processed chicken products

1. In the first half, GFPT Nichirei failed to narrow its loss, as improvement in the profitability of processing lines resulting from increased production of processed products was offset by Thailand's falling chicken selling prices.
2. In the second-half, conditions will remain difficult, with purchasing costs for live birds increasing due to higher grain prices, However, GFPT Nichirei is focusing on improving profitability by taking the following action:
  - (1) pursuing development of processed chicken-breast-meat products and processed chicken-wing-meat products for the Japanese market (plans to launch products next spring);
  - (2) focusing on sales of processed chicken-breast-meat products with higher added value in European markets; and
  - (3) improving the profitability of slaughter lines:
    - reduction of labor costs by improving efficiency of workers; and
    - labor saving by promoting the mechanization of deboning work, etc.
3. To minimize the risk of fluctuation in the selling prices of raw meat, the company plans to build a new processing lines which will go into operation in June next year. As a result of this expansion in capacity from two lines in full production to three, the company will be able to turn the raw meat sold on the domestic market into high value added processed products.

## InovAsian Cuisine Enterprises (U.S.)

### Development and sale of frozen foods

Develops and sells frozen foods, primarily Asian food, mainly to leading mass retailers (such as Walmart). Handles products for commercial use (including delicatessens) and for household use. FY2012 sales forecast is around ¥4.1 billion (calculated at 80 yen to one dollar).



# **Marine Products & Meat and Poultry**

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# Results of the First Half and FY13/3 Forecasts



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

		Q2 (Cumulative)					Total (Q3 and Q4)					Full year				
		Actual	Change from FY12/3 Q1-Q2		Change from previous forecast		Forecast	Change from FY12/3 Q3-Q4		Change from previous forecast		Forecast	Change from FY12/3		Change from previous forecast	
			Change	Ratio	Previous forecast	Change		Change	Ratio	Previous forecast	Change		Change	Ratio	Previous forecast	Change
Marine Products	Net Sales	313	-14	-4%	326	-13	332	2	1%	334	-2	645	-12	-2%	660	-15
	Operating Income	-1	-6	-	0	-1	1	3	-	4	-3	0	-2	-	4	-4
Meat and Poultry	Net Sales	366	-9	-3%	380	-14	379	-1	-0%	400	-21	745	-11	-1%	780	-35
	Operating Income	2	-1	-28%	3	-1	5	3	134%	4	1	7	2	33%	7	0

## Marine Products

1. In the first half, net sales decreased 4% year on year and operating income fell ¥0.6 billion, reflecting decline in both unit prices and profit margins as a result of plummeting prices for salmon and trout, frozen fish from the North Sea area, and octopuses. High-priced inventory generated as a result of price fluctuation was almost completely turned over during the first half.
2. In the second half, Nichirei will focus on selling all products meant for sale before the New Year holiday season, by the end of the period. We expect sales to rise 1% and operating income to increase ¥0.3 billion, partly due to the comparatively difficult environment of the previous year. Nichirei will also reduce fixed costs with a view to returning marine products business to profitability on a full-year basis.
3. We will continue to create a structure which less susceptible to price fluctuations by market prices by tapping into the user route and increasing our handling of processed products.

## Meat and Poultry

1. In the first half, net sales dropped 3% and operating income fell ¥ 0.1 billion, with the continuing oversupply of imported chicken and falling unit prices for chicken and pork offsetting growth in sales volume generally.
2. In the second half, market inventories of chicken are expected to remain at a high level, but we plan to enhance profitability by reviewing procurement methods for imported chicken and focusing on processed products, and we expect net sales to be unchanged from a year ago and operating income to climb ¥ 0.3 billion. On a full-year basis, we expect net sales to fall 1% and operating income to rise ¥ 0.2 billion.
3. We will seek to expand products handled for the user route by individually proposing optimally processed products.

# Logistics

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## Results of the First Half and FY13/3 Forecasts



Factor for year-on-year increase/decrease of operating income

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

100 million yen

	Q2 (Cumulative)			Total (Q3 and Q4)			Full year			
	Actual	Change from FY12/3 Q1-Q2	Change from previous forecast	Forecast	Change from FY12/3 Q3-Q4	Change from previous forecast	Forecast	Change from FY12/3	Change from previous forecast	
		Change	Change		Change	Change				
Logistics	Total Net Sales	782	34	8	758	11	-8	1,540	45	0
	Logistics Network	445	32	6	431	12	-1	876	43	5
	Regional Storage	240	7	2	227	1	-2	467	8	0
	Overseas	93	-2	0	85	-8	-7	178	-10	-7
	Other/Intersegment	4	-2	0	15	7	2	19	4	2
	Total Operating Income	42	5	1	37	-0	0	79	5	1
	Logistics Network	20	7	2	15	-1	-1	35	6	1
	Regional Storage	23	2	-1	21	1	-0	44	3	-1
	Overseas	4	-2	-0	2	-1	-1	6	-3	-1
	Other/Intersegment	-5	-1	0	-1	1	2	-6	-0	2
		Q2 (Cumulative) Actual	Total (Q3 and Q4) Forecast				Full year Forecast			
	FY12/3 Operating income	37	37	74						
	Factors for increase	11	5	16						
	Logistics Network: Effect of establishment of TC	1	1	2						
	Logistics Network: Improvement in operations	4	0	4						
	Logistics Network: Absence of impact of earthquake in previous year	2	0	2						
	Regional Storage: Improvement in operations	3	3	6						
	Regional Storage: Effect of increased sales	1	0	1						
	Other common factors	0	1	1						
	Factors for decrease	-5	-5	-10						
	Impact of domestic electric power charges	-2	-2	-4						
	Logistics Network: Reduction of TC business volume	0	-2	-2						
	Overseas: Decrease in frozen juice turnover	-2	-1	-2						
	Overseas: Foreign exchange effect	-1	-1	-1						
	Other common factors	-1	0	-1						
	FY13/3 Operating income	42	37	79						

## ◆ First Half Results

## Overall

Total net sales increased 5% year on year, driven by domestic business. Operating income increased by ¥0.5 billion thanks to the contribution of Logistics Network business.

## 1. Logistics Network

Sales climbed 8%; operating income was up by ¥0.7 billion. Improvement in operations and the effect of the establishment of the transfer center (TC) have contributed to sales and earnings.

## 2. Regional Storage

Sales increased 3%; operating income rose by ¥0.2 billion. High utilization rates and improvement in the efficiency of operations contributed to the results.

## 3. Overseas

Sales fell 2%; operating income fell by ¥0.2 billion. Results reflect decreased turnover of frozen juice, compared to strong sales the previous year, due to the economic recession in Europe and the general impact of a weak Euro and high fuel prices.

## ◆ Full-year Forecasts

## Overall

In the second half, we expect net sales to climb 1% year on year, and operating income to remain unchanged from a year ago. The full-year forecast is 3% growth in sales and a ¥0.5 billion increase in operating income.

## 1. Logistics Network

In the second half, we anticipate a fall in the TC transfer volume and predict a rise of 3% in sales and a fall of ¥0.1 billion in operating income. On a full-year basis, we forecast sales growth of 5% and an improvement of ¥0.6 billion in operating income.

## 2. Regional Storage

We expect second-half sales to be unchanged from a year ago, and operating income to increase ¥0.1 billion. Profitability will improve due to improvement in the efficiency of operations, offsetting the scaling-back of certain products such as dairy products. On a full-year basis, we forecast sales growth of 2% and a rise of ¥0.3 billion in operating income.

## 3. Overseas

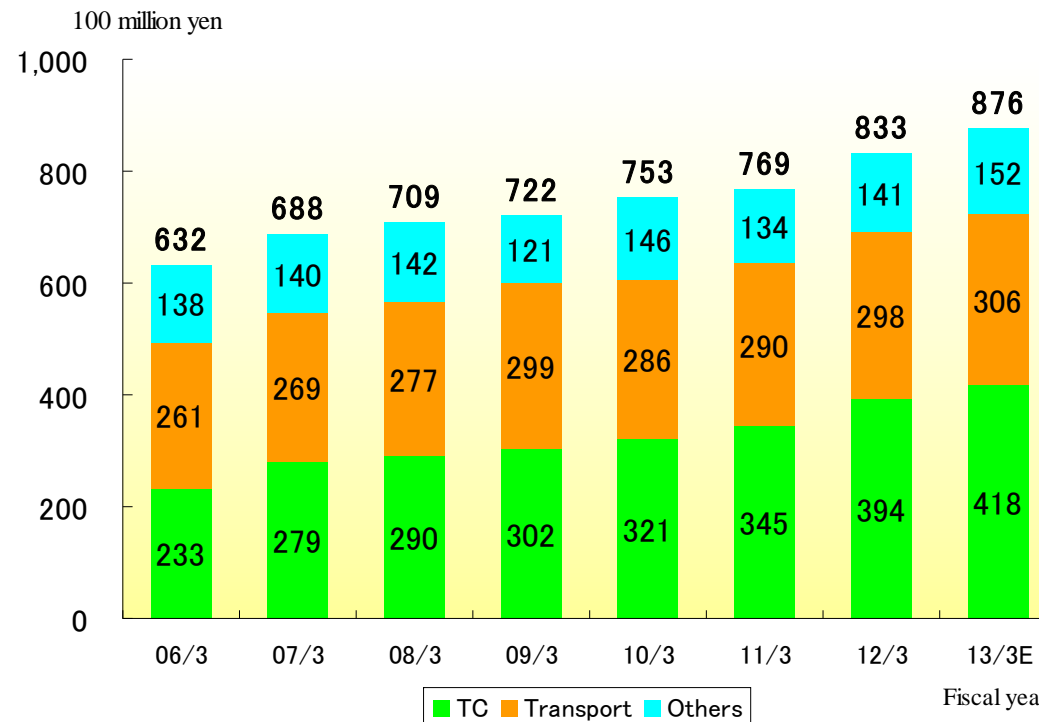
Second-half sales will fall 9% (rising on a local currency basis), and operating income will sink by ¥0.1 billion. Results will be affected by rising costs, including fuel and labor costs. Full-year sales are predicted to fall 6%, while operating income will decrease by ¥0.3 billion.

Expansion of TC Centers on a Par with the Initial Plan.  
 Minimizing Expenditures Through Optimization of Operations.



1. In the first half, sales increased mainly in the TC (transfer center) business, reflecting a reaction to the earthquake effect and sales contribution by a new TC that started operations in the previous year.
2. Second-half are results are expected to be affected by a decrease in TC transfer volume associated with sales decline at certain mass retailers. However, we will minimize the impact by optimizing positioning of personnel, vehicles etc., according to sales.
3. Operations at the TC established this fiscal year and contracts for the next fiscal year are on a par with the forecast. Negotiations for contracts from the fiscal year after next are also currently underway.

Sales in Logistics Network by Division



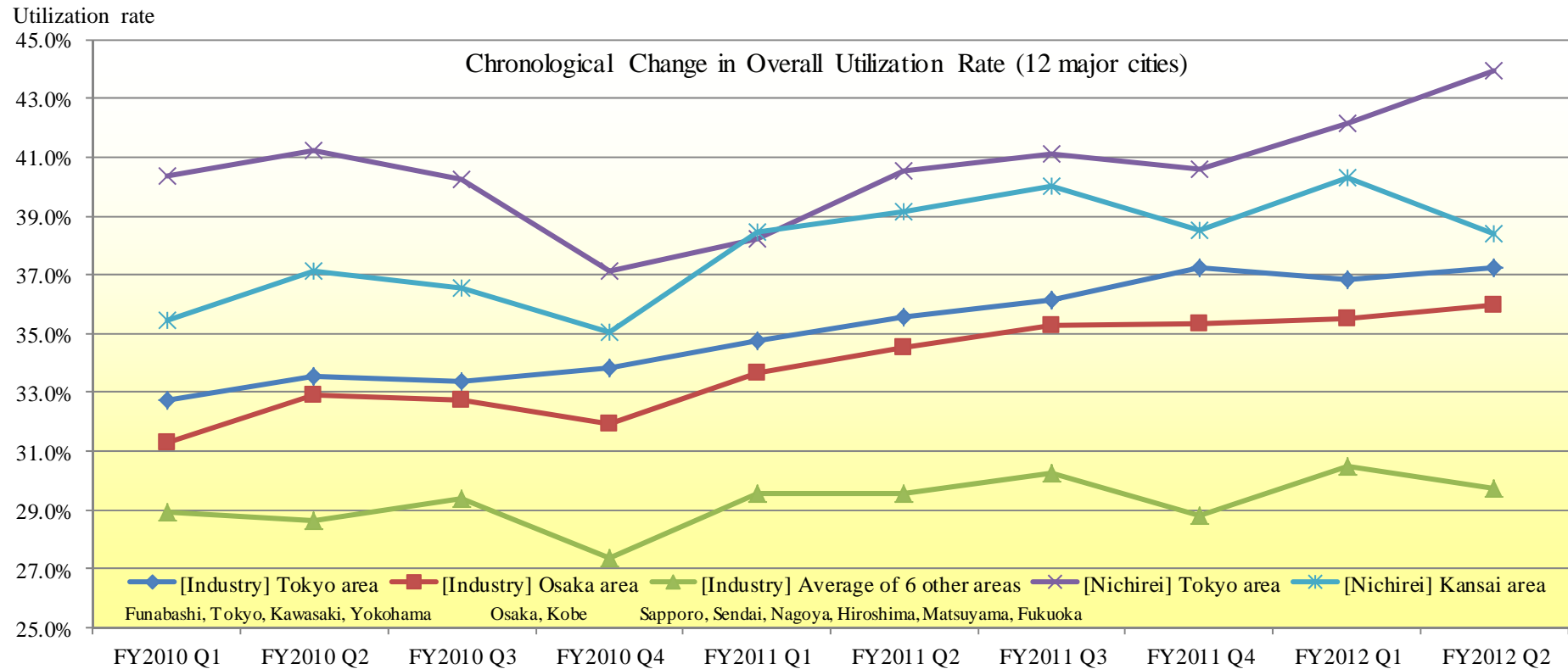
## Working to Further Expand Cargo Booking in Tokyo and Osaka Areas Where Cargo is Concentrated



1. In the two major urban areas of Tokyo and Osaka, utilization rates remains high. With the growing tendency for heavy concentrations of cargo in areas of high consumption, we will seek to actively capture cargo by establishing new centers, leasing facilities, and utilizing restorage\*.

\* Restorage refers to outsourcing storage operations for cargo that cannot be stored in-house.

2. In the Tokyo area, we are preparing for future expansion in cargo booking by leasing an external warehouse in the Kawasaki region, in addition to the Higashi-Ogishima No. 2 Building (40,000 tons) scheduled for completion in July next year.
3. In the Osaka area, we will continue to examine the establishment of new centers and secure external warehouses.



## Expanding and Improving Infrastructure for Growth of Transportation and Delivery Services in Europe



1. In Europe, the impact of the recession is apparent in some areas, such as the decrease in turnover of frozen juice. However, net sales on a local currency basis are expected to rise year on year thanks to concentrated effort on cargo booking activities.
2. We plan to increase profitability and improve services by refining the transportation and delivery infrastructure, including establishing a switch center in France and introducing new facilities to TC operations in Poland.

Name of Company	Type of Business	Location	Capacity (m <sup>3</sup> )	FY13/3 Sales Forecast (million euro)	YoY	Status
Eurofrigo	Cold storage	Netherlands (Rotterdam: 2 centers, Venlo: 2 centers, Roermond)	581,250	24.5	101%	Cargo, especially meat, remains stable.
Hiwa Rotterdam Port Cold Stores	Cold storage	Netherlands (Rotterdam)	393,125	23.6	94%	In the first half, consumption of frozen juice declined and inventory turnover deteriorated. In the second half, cargo gains are expected to recover by winning new cargo.
Thermotraffic Holland	Transportation (Chartering) Forwarding	Netherlands (Rotterdam, Venlo) Belgium (Antwerp)	-	31.4	96%	Cargo handled for certain customers declined. Working to achieve recovery by developing new customers and strengthening cooperation with HIWA.
Thermotraffic Germany	Transportation (Chartering) Forwarding	Germany (Hamburg, etc.) France (Arras) UK (Luton)	-	68.9	110%	Achieving growth by expanding bonded cargo and cargo handled for new customers.
Frigo Logistics	Cold storage Transportation (Chartering)	Poland (Zunin, Radomsko)	173,750	14.1	121%	Achieving growth by expanding cargo handled for TC customers. Increasing efficiency by using voice-driven logistics solution and flow racks.
Godfroy	Cold Storage Own transportation	France (Carpiguet, Colembert, Le Havre)	98,800	22.4	101%	Offsetting decline in sales caused by recession with new customer gains. Establishing new switch center in Lyon to increase transportation and delivery efficiency (to start operation in October 2013).

# Reference Materials

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## Factors Influencing Changes in Consolidated Balance Sheet for FY13/3 Interim

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

Item	12/9	12/3	Change (Amount)	
<b>[Assets]</b>				
Current assets	1,236	1,154	81	(i)
Fixed assets	1,695	1,750	-54	(ii)
Total assets	2,932	2,905	26	
<b>[Liabilities/ Shareholders' equity]</b>				
Current liabilities	862	841	21	
Fixed liabilities	846	876	-30	
Total liabilities	1,709	1,718	-9	(iii)
Net assets	1,223	1,187	36	(iv)
(Shareholders' equity)	1,214	1,165	48	
Interest-bearing debt	991	978	13	(v)
(Excluding lease obligations)	769	748	21	
Item	12/9	11/9	Change (Amount)	
Capital investment	43	46	-3	
(Excluding leased assets)	31	35	-3	
Depreciation and amortization	70	74	-3	
(Excluding leased assets)	51	55	-3	

### Main Factors

- (i) Notes and accounts receivable increased ¥5.6 billion due to increase in sales and seasonal factors. Cash and time deposits rose ¥3.5 billion, reflecting increased liquidity in hand.
- (ii) Investments and other assets declined ¥2.9 billion, mainly due to the sale of investment securities and decline in market value.
- (iii) Income taxes payable decreased by ¥1.0 billion reflecting the fixed payment of income taxes.
- (iv) Retained earnings increased ¥4.8 billion, primarily due to the posting of net income of ¥6.3 billion and dividends paid of ¥1.4 billion. Net unrealized holding gains on securities decreased ¥1.5 billion due to the sale of investment securities and decline in market value.
- (v) An increase of ¥1.3 billion, mainly because of a rise in operating funds and liquidity on hand.



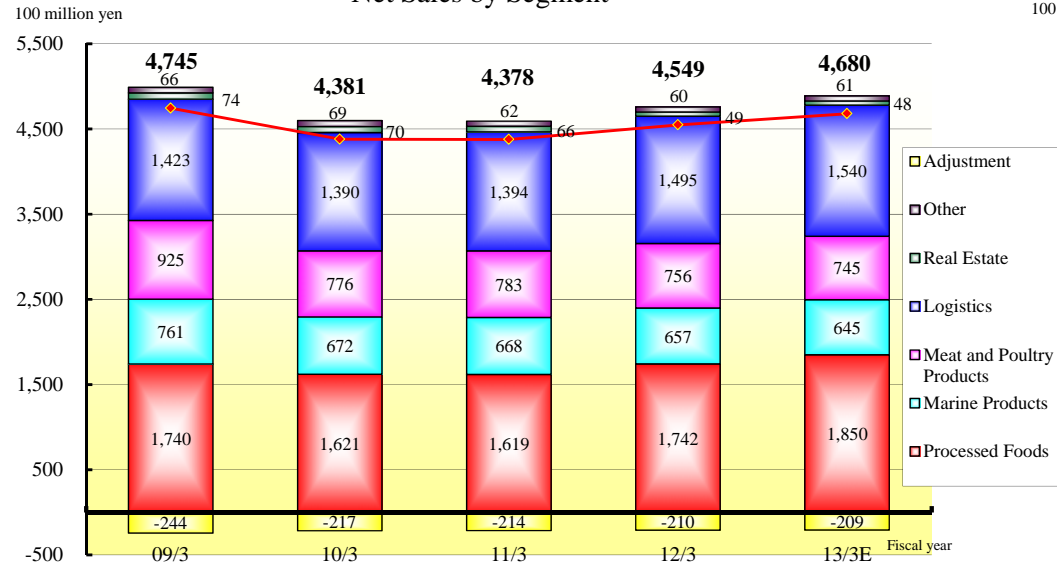
## Factors Influencing Changes in Non-Operating Revenues/Expenses and Extraordinary Income/Losses for FY13/3 Interim

(100 million yen; amounts less than 100 million yen are omitted) Positive numbers indicate profits		Q2 (Cumulative)			Full Year				
		12/9	11/9	Change (Amount)	Forecast	12/3	Change (Amount)		
[Non-Operating Revenues/Expenses] (Main Item)		-2	-5	+2	[Non-Operating Revenues/Expenses] (Main Item)		-7	-9	+2
Dividend income and interest expenses, net		-3	-3	-0	Dividend income and interest expenses, net		-10	-8	-2
[Extraordinary Income/Loss] (Main Item)		11	-7	+19	[Extraordinary Income/Loss] (Main Item)		12	-10	+22
Gain on sales of investment securities		10	1	+9	Gain on sales of investment securities		10	1	+9
Gain on sales of fixed assets		4	4	-0	Gain on sales of fixed assets		4	7	-3
Reversal of provision for losses on disaster	(i)	-	1	-1	Reversal of provision for losses on disaster	(i)	-	4	-4
Loss on disaster	(i)	-	-3	+3	Loss on disaster	(i)	-	-3	+3
Loss on devaluation of investment securities	(ii)	-1	-6	+5	Loss on devaluation of investment securities	(ii)	-1	-6	+5
Loss on disposal of fixed assets		-1	-1	-0	Loss on disposal of fixed assets		-3	-5	+2
Impairment loss		-	-1	+1	Impairment loss		-0	-5	+5

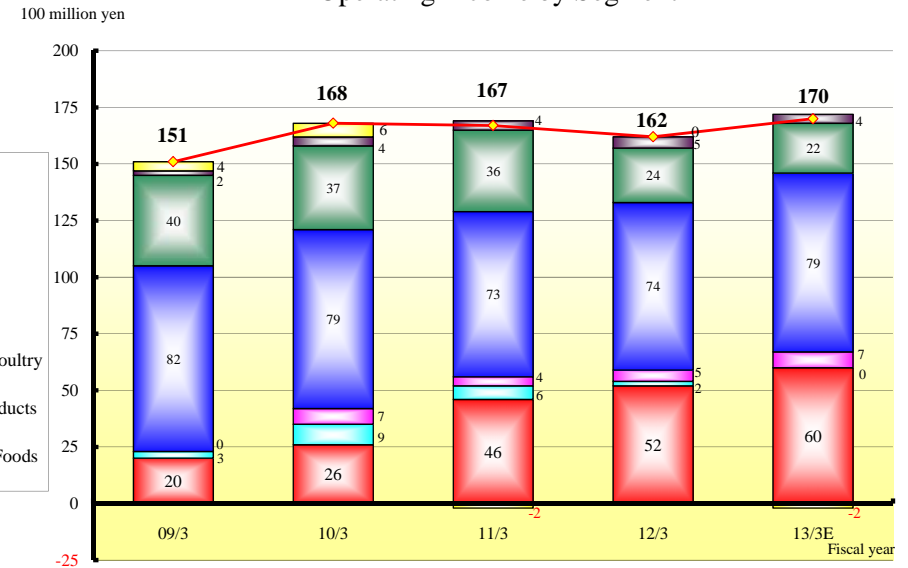
(i) Extraordinary income/loss as a result of the impacts of the Great East Japan Earthquake

(ii) Extraordinary loss associated with declines in stock prices

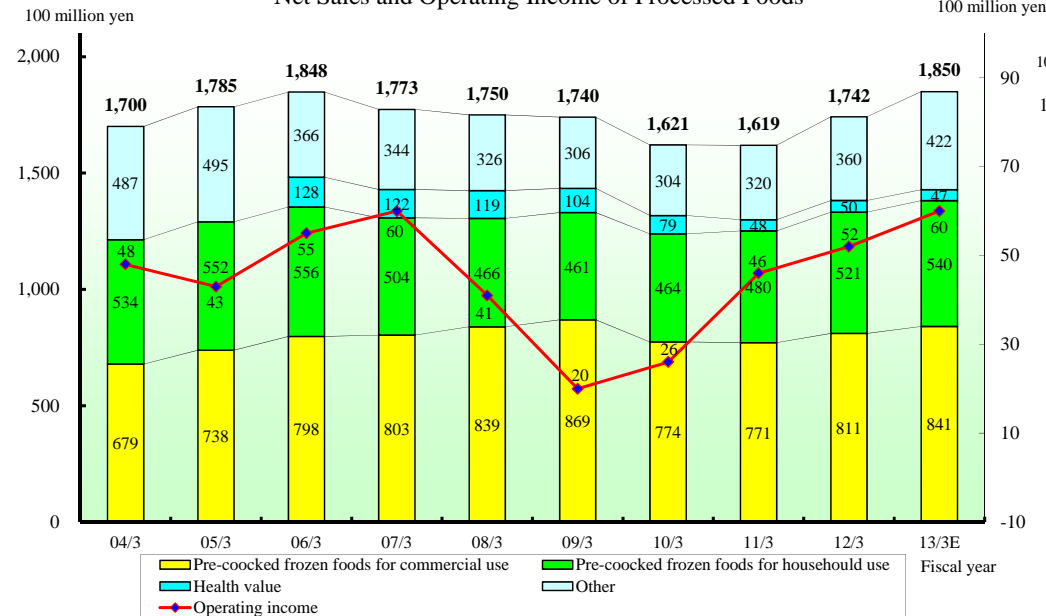
### Net Sales by Segment



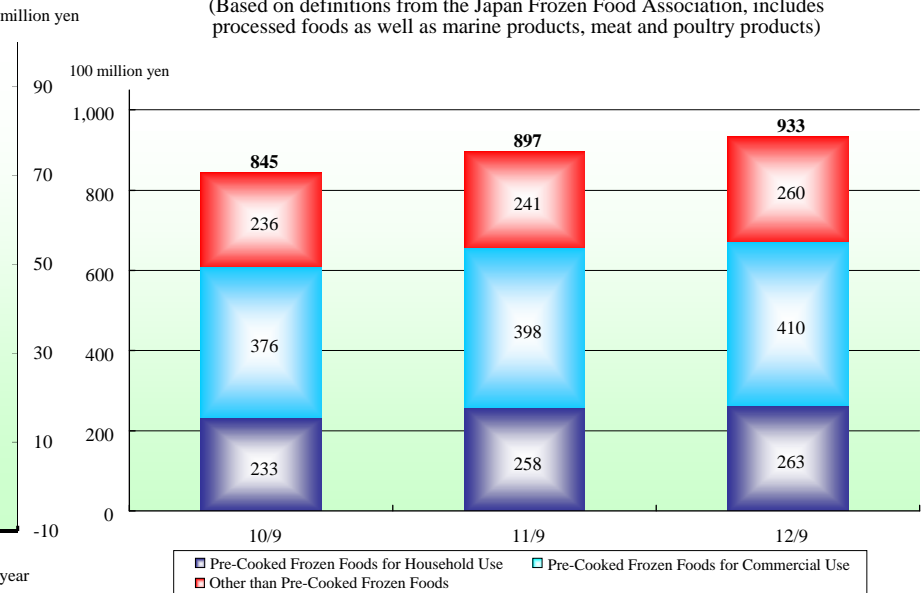
### Operating Income by Segment



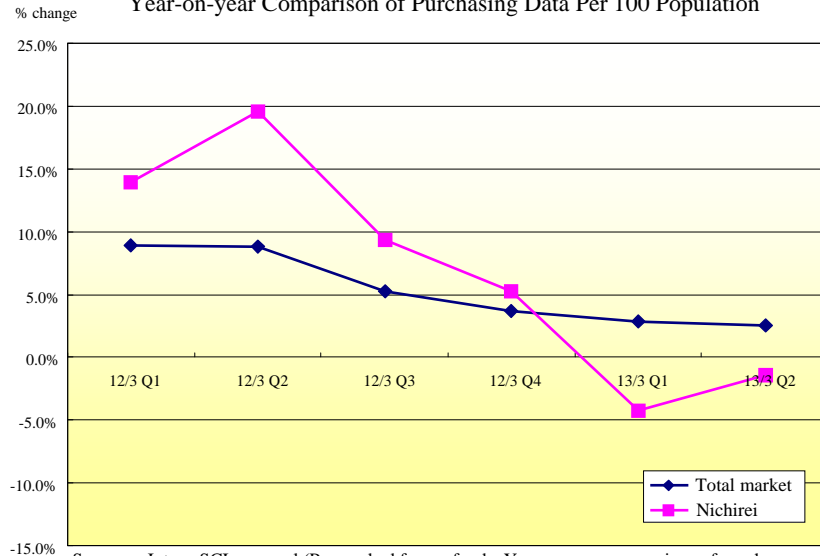
### Net Sales and Operating Income of Processed Foods



### 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)

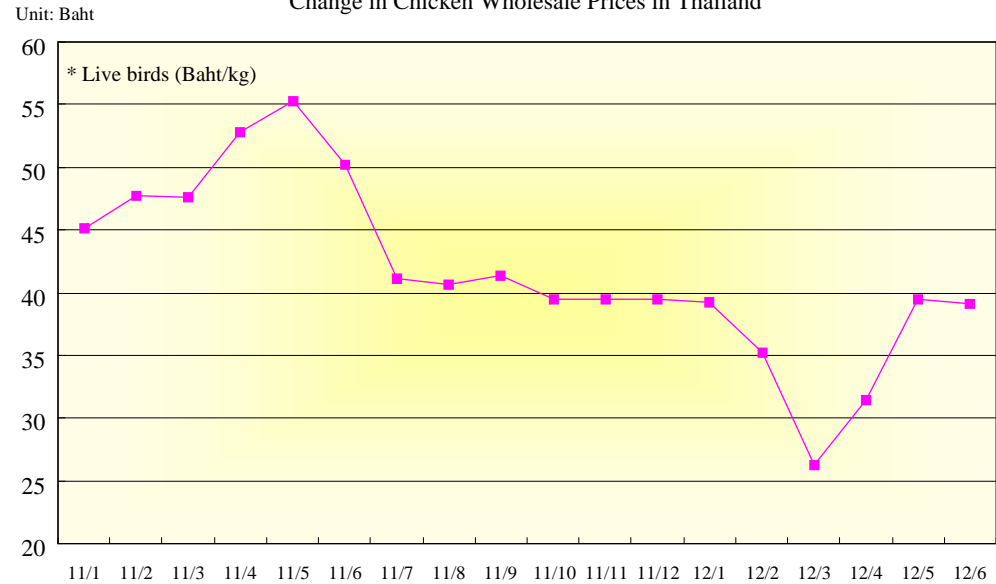


SCI-personal Pre-Cooked Frozen Foods for Household Use  
Year-on-year Comparison of Purchasing Data Per 100 Population

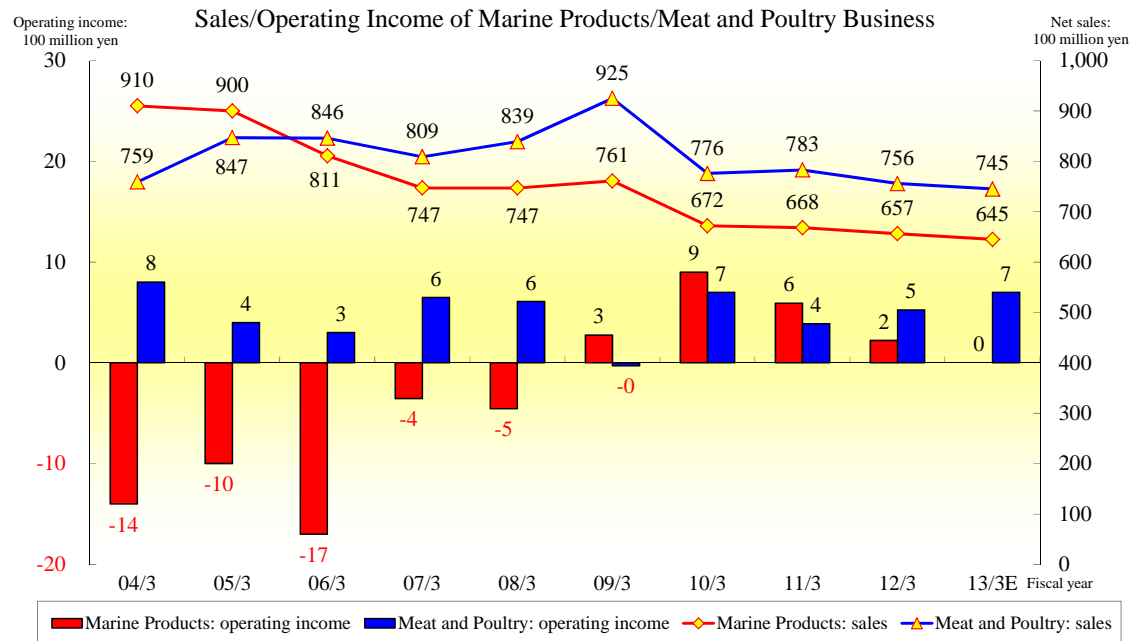


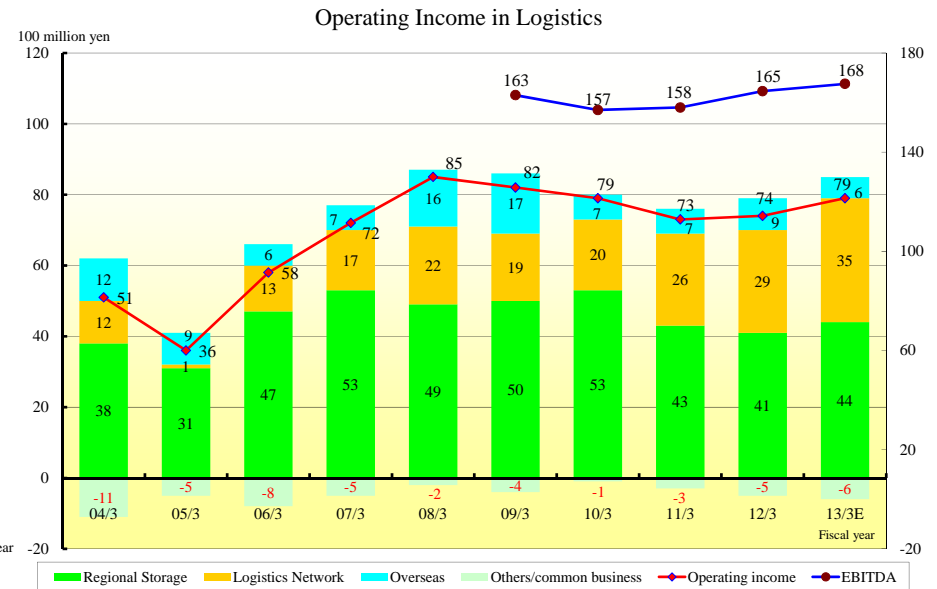
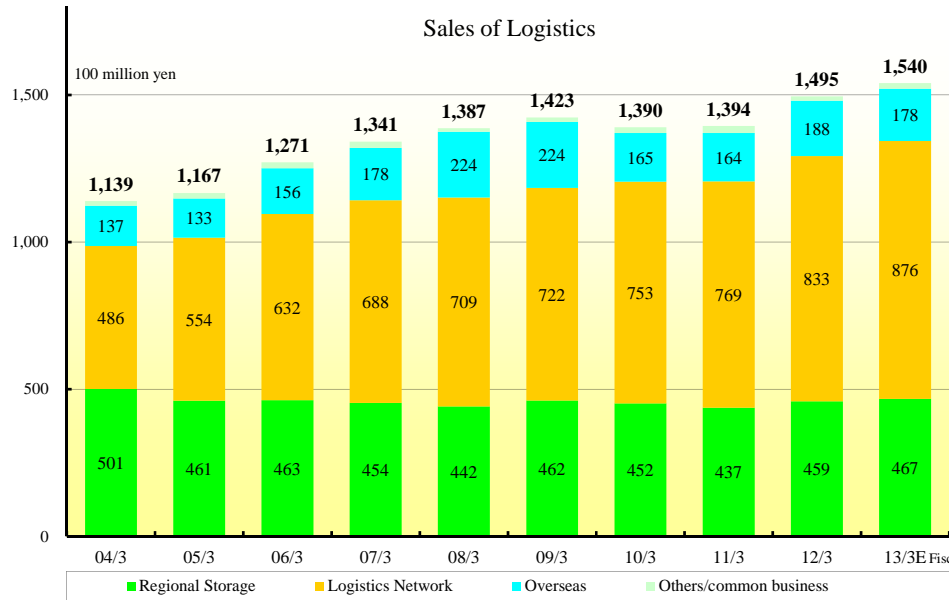
Source: Intage SCI-personal (Pre-cooked frozen foods: Year-on-year comparison of purchase amount per 100 population) Purchasing routes = Excluding coop stores)

Change in Chicken Wholesale Prices in Thailand

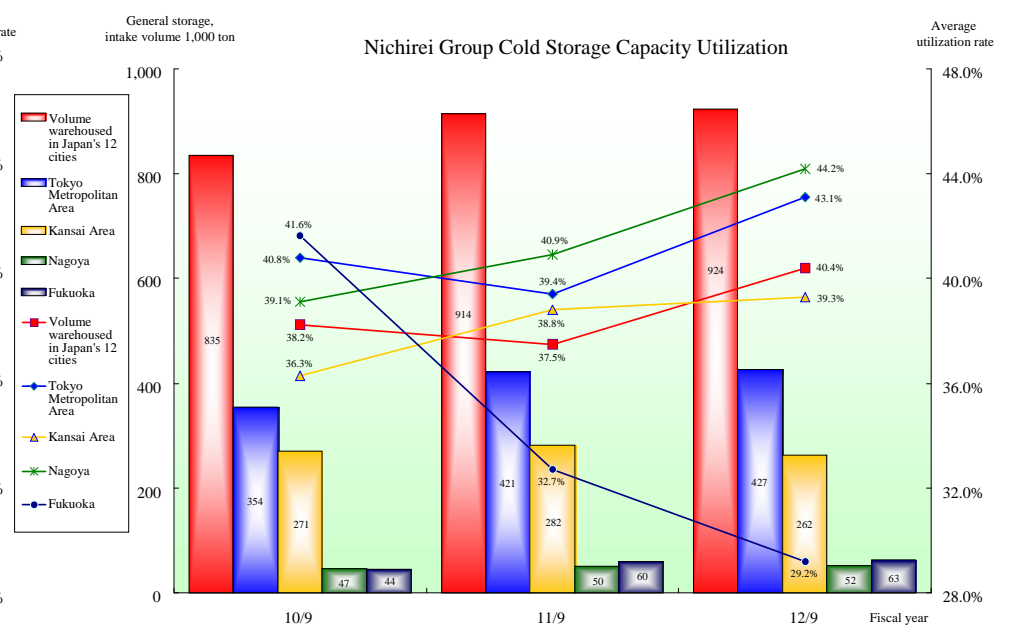
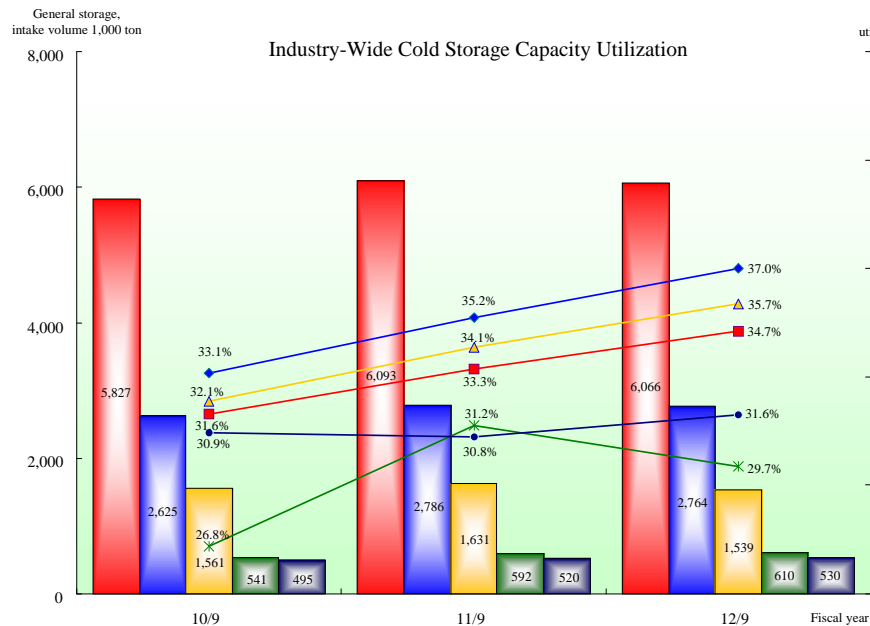


Source: Created by Nichirei based on Agriculture & Livestock Industries Corporation (alic) data





### 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:

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- (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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