

# Consolidated Financial Statements – Summary

July 28, 2009

(For the three months ended June 30, 2009)

English translation from the original Japanese-language document

(All financial information has been prepared in accordance with accounting principles generally accepted in Japan.)

Company name: **NICHIREI CORPORATION** (Code number 2871)

## 1. Results for the Three Months Ended June 30, 2009 (April 1, 2009 through June 30, 2009)

(1) Consolidated financial results (Cumulative)

(Amounts less than one million yen are omitted)

(The percentage figures represent the change from the same period last year)

	Net sales		Operating income		Recurring income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
<b>Three months ended June 30, 2009</b>	<b>110,447</b>	<b>(7.6)</b>	<b>3,609</b>	<b>(25.4)</b>	<b>3,323</b>	<b>(29.0)</b>	<b>2,198</b>	<b>28.8</b>
Three months ended June 30, 2008	119,488	-	4,837	-	4,681	-	1,707	-

	E.P.S.	Diluted E.P.S.
	Yen	Yen
<b>Three months ended June 30, 2009</b>	<b>7.09</b>	-
Three months ended June 30, 2008	5.51	-

(2) Consolidated financial position

	Total assets	Total net assets	Equity ratio	Equity per share
	Million yen	Million yen	%	Yen
<b>As of June 30, 2009</b>	<b>286,828</b>	<b>115,692</b>	<b>39.3</b>	<b>363.37</b>
As of March 31, 2009	287,296	113,199	38.6	357.85

Note: Shareholders' equity: As of June 30, 2009: 112,664 million yen

As of March 31, 2009: 110,958 million yen

## 2. Dividend Status

(Base date)	Dividend per share				
	End of 1st quarter	End of 2nd quarter	End of 3rd quarter	End of FY	Annual
	Yen	Yen	Yen	Yen	Yen
FY ended March 31, 2009	-	4.00	-	5.00	9.00
FY ending March 31, 2010	-	-	-	-	-
FY ending March 31, 2010 (Forecast)	-	4.00	-	5.00	9.00

Note: Revision of dividend forecast in this quarter (Y/N): None

## 3. Estimation of Business Results of FY Ending March 31, 2010 (April 1, 2009 through March 31, 2010)

(Amounts less than one million yen are omitted)

	Net sales	Operating income	Recurring income	Net income	E.P.S.
	Million yen	Million yen	Million yen	Million yen	Yen
Six months ending September 30, 2009	224,400	7,600	6,700	3,800	12.26
FY ending March 31, 2010	458,100	16,600	14,500	7,700	24.83

Note: Revision of consolidated business results forecasts in the quarter (Y/N): Yes

#### 4. Other

- (1) Changes in major subsidiaries during the term (Change in specific subsidiaries as a result of a change in the scope of consolidation): None
- (2) Use of simplified accounting procedures or accounting procedures specific to the preparation of quarterly financial statements: Yes
- (3) Changes in accounting principles, procedures or reporting methods used in preparation of these quarterly financial statements (Changes in important items concerning preparation of these quarterly financial statements)
  - (i) Changes accompanying revision of accounting standards, etc.: Yes
  - (ii) Changes other than (i) above: None
- (4) Total number of outstanding shares (Common stock)
  - (i) Total number of outstanding shares at term end (Includes treasury stock):

As of June 30, 2009:	310,851,065 shares
As of March 31, 2009:	310,851,065 shares
  - (ii) Total treasury stock at term end:

As of June 30, 2009:	792,181 shares
As of March 31, 2009:	782,907 shares
  - (iii) Average number of outstanding shares during the period (Cumulative period to this quarter):

For the three months ended June 30, 2009:	310,061,543 shares
For the three months ended June 30, 2008:	310,053,215 shares

This statement was prepared based on information available at the time of disclosure. Actual results may vary significantly as a result of a variety of factors. Please refer to the "Cautionary Statements" on page 8.

## Consolidated Balance Sheets

NICHIREI CORPORATION

(Million yen; amounts less than one million yen are omitted)

	As of June 30, 2009	As of March 31, 2009	Increase (Decrease) compared with March 31, 2009
<b>&lt;Assets&gt;</b>			
<b>Current assets</b>			
Cash and time deposits	11,600	19,564	(7,963)
Notes and account receivable – trade	62,883	60,231	2,652
Merchandise and finished products	29,407	27,397	2,009
Products in process	442	313	129
Raw materials and supplies	3,369	4,365	(996)
Deferred tax assets	1,209	1,134	75
Other current assets	4,725	3,695	1,029
Less allowance for doubtful accounts	(156)	(112)	(44)
<b>Total</b>	<b>113,480</b>	<b>116,589</b>	<b>(3,108)</b>
<b>Fixed assets</b>			
<b>1. Tangible assets</b>			
(1) Buildings and structures (net)	60,978	61,511	(533)
(2) Machinery and equipment (net)	15,021	14,991	29
(3) Land	32,866	32,884	(18)
(4) Leased assets (net)	19,905	19,236	669
(5) Construction in progress	2,586	993	1,593
(6) Other tangible fixed assets (net)	1,322	1,305	17
<b>Total</b>	<b>132,680</b>	<b>130,921</b>	<b>1,758</b>
<b>2. Intangible assets</b>			
(1) Goodwill	1,083	1,124	(41)
(2) Leased assets	141	155	(14)
(3) Other intangible fixed assets	3,383	3,477	(93)
<b>Total</b>	<b>4,608</b>	<b>4,757</b>	<b>(149)</b>
<b>3. Investments and other assets</b>			
(1) Investment securities	20,214	18,557	1,657
(2) Deferred tax assets	1,935	2,431	(496)
(3) Other assets	14,573	14,590	(17)
Less allowance for doubtful accounts	(663)	(551)	(112)
<b>Total</b>	<b>36,059</b>	<b>35,027</b>	<b>1,031</b>
<b>Total fixed assets</b>	<b>173,348</b>	<b>170,707</b>	<b>2,640</b>
<b>Total assets</b>	<b>286,828</b>	<b>287,296</b>	<b>(467)</b>

## NICHIREI CORPORATION

(Million yen; amounts less than one million yen are omitted)

	As of June 30, 2009	As of March 31, 2009	Increase (Decrease) compared with March 31, 2009
<b>&lt;Liabilities&gt;</b>			
<b>Current liabilities</b>			
Account payable – trade	24,101	24,177	(76)
Short-term bank loans	16,384	11,474	4,909
Commercial paper	12,000	10,000	2,000
Current portion of long-term loans	13,950	25,900	(11,949)
Current portion of bonds	10,000	10,000	-
Lease obligations	3,750	3,717	32
Accrued expenses	17,916	17,797	118
Income taxes payable	936	3,150	(2,213)
Directors' and statutory auditors' bonuses	50	177	(126)
Other current liabilities	8,884	5,179	3,705
<b>Total</b>	<b>107,975</b>	<b>111,576</b>	<b>(3,600)</b>
<b>Long-term liabilities</b>			
Long-term loans	30,219	30,528	(309)
Lease obligations	19,435	18,873	562
Deferred tax liabilities	1,274	1,216	58
Employees' retirement benefits	3,422	3,216	205
Directors' and statutory auditors' retirement benefits	284	277	7
Long-term deposits received	8,123	8,108	15
Goodwill	55	61	(6)
Other long-term liabilities	344	239	105
<b>Total</b>	<b>63,160</b>	<b>62,520</b>	<b>639</b>
<b>Total liabilities</b>	<b>171,136</b>	<b>174,096</b>	<b>(2,960)</b>
<b>&lt;Net assets&gt;</b>			
<b>Owners' equity</b>			
Common stock	30,307	30,307	-
Capital surplus	23,711	23,711	0
Retained earnings	56,693	56,045	648
Treasury stock	(351)	(348)	(3)
<b>Total</b>	<b>110,360</b>	<b>109,715</b>	<b>645</b>
<b>Valuation and translation adjustments</b>			
Net unrealized holding gains on securities	3,206	2,241	964
Deferred gains or losses on hedges	(6)	51	(57)
Translation adjustment	(896)	(1,050)	154
<b>Total</b>	<b>2,303</b>	<b>1,242</b>	<b>1,060</b>
<b>Minority interests</b>	<b>3,028</b>	<b>2,241</b>	<b>787</b>
<b>Total net assets</b>	<b>115,692</b>	<b>113,199</b>	<b>2,492</b>
<b>Total liabilities and net assets</b>	<b>286,828</b>	<b>287,296</b>	<b>(467)</b>

# Consolidated Statements of Income

NICHIREI CORPORATION

(Million yen; amounts less than one million yen are omitted)

	Three months ended June 30, 2008 (Apr. 2008–June 2008)	Three months ended June 30, 2009 (Apr. 2009–June 2009)	Increase (Decrease) compared with three months ended June 30, 2008
<b>Net sales</b>	<b>119,488</b>	<b>110,447</b>	<b>(9,041)</b>
Cost of sales	95,690	88,325	(7,364)
<b>Gross profit</b>	<b>23,798</b>	<b>22,122</b>	<b>(1,676)</b>
Selling, general and administrative expenses			
Selling expenses			
Transportation and storage expense	3,625	3,431	(194)
Sales promotion expense	4,357	4,406	49
Advertising expense	1,479	926	(553)
Sales commission expense	809	796	(13)
Remuneration, salary and bonuses	3,583	3,648	65
Provision for employees' retirement benefits	304	478	174
Fringe benefit	551	620	68
Traveling and communication expenses	539	473	(65)
Rent expense	487	493	6
Business consignment fee	621	633	11
Research and development expense	554	473	(80)
Other general and administrative expense	2,045	2,129	84
Total	18,961	18,512	(448)
<b>Operating income</b>	<b>4,837</b>	<b>3,609</b>	<b>(1,227)</b>
Non-operating revenues			
Interest income	29	21	(8)
Dividend income	208	208	(0)
Equity in earnings of affiliates	22	6	(16)
Other non-operating revenues	314	206	(108)
Total	575	442	(133)
Non-operating expenses			
Interest expenses	429	458	28
Other non-operating expenses	301	270	(31)
Total	731	728	(2)
<b>Recurring income</b>	<b>4,681</b>	<b>3,323</b>	<b>(1,358)</b>
Extraordinary income			
Gain on sales of property, plant and equipment	6	8	2
Gain on sales of investment securities	11	2	(9)
Reversal of allowance for doubtful receivables	6	2	(3)
Total	23	12	(11)
Extraordinary losses			
Loss on sales of property, plant and equipment	2	4	2
Loss on disposal of property, plant and equipment	105	82	(23)
Impairment loss	-	15	15
Loss on sales of affiliates' stock	23	-	(23)
Loss on devaluation of investment securities	19	6	(13)
Loss on sales of investment securities	11	-	(11)
Impact accompanying the application of accounting standard for lease transactions	1,731	-	(1,731)
Loss on devaluation of membership	-	1	1
Total	1,894	110	(1,784)
<b>Income before income taxes and minority interests</b>	<b>2,810</b>	<b>3,225</b>	<b>415</b>
Income taxes—current	1,208	1,071	(136)
Income taxes—deferred	(104)	(60)	43
Total	1,104	1,010	(93)
Minority interests in net income of consolidated subsidiaries	-	16	16
Minority interests in net loss of consolidated subsidiaries	1	-	1
<b>Net income</b>	<b>1,707</b>	<b>2,198</b>	<b>491</b>

# Consolidated Statements of Cash Flows

NICHIREI CORPORATION

(Million yen; amounts less than one million yen are omitted)

	Three months ended June 30, 2008 (Apr. 2008–June 2008)	Three months ended June 30, 2009 (Apr. 2009–June 2009)	Increase (Decrease) compared with three months ended June 30, 2008
<b>Cash flows from operating activities</b>			
Income before income taxes and minority interests	2,810	3,225	415
Depreciation and amortization	3,307	3,262	(44)
Impairment loss	-	15	15
Increase (decrease) in provision for doubtful accounts	6	154	147
Increase (decrease) in provision for employees' retirement benefits	(128)	204	332
Decrease (increase) in prepaid pension expenses	259	102	(156)
Equity in earnings of affiliates	(22)	(6)	16
Loss on disposal of property, plant and equipment	51	49	(2)
Impact accompanying the application of accounting standard for lease transactions	1,731	-	(1,731)
Loss (gain) on devaluation of investment securities	19	6	(13)
Interest and dividend income	(238)	(229)	8
Interest expense	429	458	28
Loss (gain) on sale of property, plant and equipment	(3)	(3)	0
Loss (gain) on sale of affiliates' stock	23	-	(23)
Decrease (increase) in notes and accounts receivable – trade	(4,360)	(2,642)	1,717
Decrease (increase) in inventories	(2,599)	(1,014)	1,585
Increase (decrease) in notes and accounts payable – trade	1,685	(100)	(1,785)
Other	(2,212)	2,642	4,854
Subtotal	759	6,124	5,364
Interest and dividend income received	550	308	(241)
Interest expense paid	(396)	(440)	(44)
Income taxes paid	(2,342)	(3,434)	(1,091)
<b>Net cash provided by (used in) operating activities</b>	<b>(1,429)</b>	<b>2,558</b>	<b>3,987</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	(1,413)	(3,157)	(1,743)
Proceeds from sale of property, plant and equipment	11	130	118
Purchase of investment securities	(8)	(188)	(179)
Proceeds from sale of investment securities	1	10	9
Purchase of subsidiary shares following change in scope of consolidation	(2,746)	-	2,746
Proceeds from sale of affiliates' stock	726	-	(726)
Other	(395)	(482)	(87)
<b>Net cash used in investing activities</b>	<b>(3,825)</b>	<b>(3,687)</b>	<b>137</b>
<b>Cash flows from financing activities</b>			
Increase (decrease) in short-term bank loans	5,506	4,873	(633)
Increase (decrease) in commercial paper	7,000	2,000	(5,000)
Proceeds from long-term debt	181	-	(181)
Repayment of long-term debt	(249)	(12,238)	(11,989)
Redemption of bonds	(5,000)	-	5,000
Dividends paid	(1,146)	(1,441)	(294)
Dividends paid to minority interests	(323)	0	323
Repayment of lease obligations	(966)	(988)	(21)
Other	(8)	578	587
<b>Net cash provided by (used in) financing activities</b>	<b>4,994</b>	<b>(7,215)</b>	<b>(12,210)</b>
<b>Effects of exchange rate changes on cash and cash equivalents</b>	<b>(362)</b>	<b>133</b>	<b>495</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(622)</b>	<b>(8,211)</b>	<b>(7,588)</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>4,121</b>	<b>19,564</b>	<b>15,442</b>
<b>Cash and cash equivalents at end of period</b>	<b>3,498</b>	<b>11,352</b>	<b>7,853</b>

## Industrial Segment Information

NICHIREI CORPORATION

### (1) Three Months Ended June 30, 2008 (April 1, 2008 through June 30, 2008)

(Million yen; amounts less than one million yen are omitted)

	Processed Foods	Marine Products	Meat and Poultry Products	Logistics	Real Estate	Other	Total	Intercompany eliminations and corporate	Consolidated
Operating revenues	44,979	18,949	21,703	31,452	1,634	770	119,488	-	119,488
Intra-group sales and transfers	133	275	828	3,752	355	924	6,270	(6,270)	-
Total	45,113	19,224	22,531	35,204	1,990	1,695	125,759	(6,270)	119,488
Operating expenses	44,307	18,746	22,157	33,098	917	1,637	120,864	(6,212)	114,651
Operating income	806	478	374	2,105	1,072	57	4,895	(58)	4,837
Operating income margin	1.8	2.5	1.7	6.0	53.9	3.4	3.9	-	4.0

### (2) Three Months Ended June 30, 2009 (April 1, 2009 through June 30, 2009)

(Million yen; amounts less than one million yen are omitted)

	Processed Foods	Marine Products	Meat and Poultry Products	Logistics	Real Estate	Other	Total	Intercompany eliminations and corporate	Consolidated
Operating revenues	42,817	16,180	18,837	30,473	1,408	729	110,447	-	110,447
Intra-group sales and transfers	103	63	673	3,859	343	910	5,953	(5,953)	-
Total	42,920	16,243	19,510	34,333	1,752	1,640	116,401	(5,953)	110,447
Operating expenses	42,523	16,163	19,340	32,387	837	1,581	112,834	(5,995)	106,838
Operating income	397	79	170	1,945	914	59	3,566	42	3,609
Operating income margin	0.9	0.5	0.9	5.7	52.2	3.6	3.1	-	3.3

### (3) FY Ended March 31, 2009 (April 1, 2008 through March 31, 2009)

(Million yen; amounts less than one million yen are omitted)

	Processed Foods	Marine Products	Meat and Poultry Products	Logistics	Real Estate	Other	Total	Intercompany eliminations and corporate	Consolidated
Operating revenues	173,625	75,413	88,203	128,305	5,948	3,020	474,515	-	474,515
Intra-group sales and transfers	402	664	4,314	14,040	1,409	3,601	24,433	(24,433)	-
Total	174,027	76,078	92,517	142,345	7,357	6,622	498,949	(24,433)	474,515
Operating expenses	172,004	75,803	92,548	134,114	3,313	6,397	484,181	(24,808)	459,372
Operating income (loss)	2,023	275	(30)	8,231	4,043	224	14,767	374	15,142
Operating income margin	1.2	0.4	(0.0)	5.8	55.0	3.4	3.0	-	3.2

## Forecast of FY Ending March 31, 2010

NICHIREI CORPORATION

### Forecast of Six Months ending June 30, 2009 (April 1, 2009 through June 30, 2009)

(Million yen; amounts less than one million yen are omitted)

	Processed Foods	Marine Products	Meat and Poultry Products	Logistics	Real Estate	Other	Intercompany eliminations and corporate	Consolidated
Operating revenues (*1)	87,700	33,400	39,500	69,900	3,600	3,300	(13,000)	224,400
Operating expenses	86,100	33,300	39,200	66,100	1,800	3,300	(13,000)	216,800
Operating Income (loss)	1,600	100	300	3,800	1,800	0	0	7,600

(\*1) Operating revenues include Intra-group sales and transfers.

### Forecast of FY Ending March 31, 2010 (April 1, 2009 through March 31, 2010)

(Million yen; amounts less than one million yen are omitted)

	Processed Foods	Marine Products	Meat and Poultry Products	Logistics	Real Estate	Other	Intercompany eliminations and corporate	Consolidated
Operating revenues (*1)	172,400	69,000	86,500	142,000	7,000	6,900	(25,700)	458,100
Operating expenses	168,300	68,600	85,800	134,200	3,400	6,900	(25,700)	441,500
Operating Income (loss)	4,100	400	700	7,800	3,600	0	0	16,600

(\*1) Operating revenues include Intra-group sales and transfers.

### Cautionary Statement with Respect to Forward-Looking Statements

This interim financial statement contains, in addition to historical facts, forward-looking statements regarding plans, outlook, strategies and future results. These explanations concerning future business results may or may not include words such as "believes," "expects," "plans," "strategy," "prospects," "estimates," and "forecasts," or variations of these words or similar expressions. All such statements are based on management's assumptions and beliefs derived from the information available to it at the time of publication of this report. A variety of important factors may cause actual results to differ significantly from these forecasts. 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) Economic conditions and industry environment surrounding the business activities of Nichirei and its Group companies;
- 2) Foreign exchange rate fluctuations, particularly involving U.S. dollars and euros;
- 3) The feasibility of establishing a unified quality control structure covering product development, purchasing of ingredients, production and sales;
- 4) The feasibility of new product and service development;
- 5) Nichirei's and its Group companies' ability to implement growth strategies and build a low-cost structure;
- 6) The feasibility of achieving effective alliances between the Nichirei Group and outside companies;
- 7) Contingency and related risk, etc.

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.