

# Consolidated Financial Statements – Summary

July 30, 2007

(For FY 2008 1st Quarter ended June 30, 2007)

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 of FY 2008 1st Quarter (April 1, 2007 through June 30, 2007)

(1) Consolidated financial results (Amounts less than one million yen are omitted)

	Net sales	Operating income	Recurring income
	Million yen	Million yen	Million yen
<b>FY 2008 1st quarter</b>	<b>113,413</b>	<b>3,629</b>	<b>3,591</b>
FY 2007 1st quarter	113,275	3,510	3,430
Ref. FY 2007	457,655	18,148	17,388

	Net income	E.P.S.	Diluted E.P.S.
	Million yen	Yen	Yen
<b>FY 2008 1st quarter</b>	<b>2,081</b>	<b>6.71</b>	-
FY 2007 1st quarter	1,394	4.49	-
Ref. FY 2007	10,845	34.97	-

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Equity per share
	Million yen	Million yen	%	Yen
<b>FY 2008 1st quarter</b>	<b>275,614</b>	<b>113,936</b>	<b>40.6</b>	<b>361.29</b>
FY 2007 1st quarter	266,067	101,677	38.0	325.91
Ref. FY 2007	269,166	113,071	41.3	358.08

(3) Consolidated cash flows

	From operating activities	From investing activities	From financing activities	Cash and cash equivalents at end of period
	Million yen	Million yen	Million yen	Million yen
<b>FY 2008 1st quarter</b>	<b>(4,348)</b>	<b>(1,158)</b>	<b>4,569</b>	<b>2,683</b>
FY 2007 1st quarter	(1,702)	(620)	2,789	3,819
Ref. FY 2007	22,431	(5,861)	(16,567)	3,514

## 2. Dividend Status

The Company does not pay a dividend based on a record date for the end of the first quarter. The Company's dividend forecast for the fiscal year ending March 31, 2008, for both the interim and year-end dividend, remains unchanged from that announced on May 15, 2007.

(Base date)	Dividend per share		
	End of interim period	End of FY	Annual
	Yen	Yen	Yen
FY 2007	3.00	5.00	8.00
FY 2008 (forecast)	4.00	4.00	8.00

### 3. Estimation of Business Results for the Year Ending March 31, 2008 (Reference)

The Company's forecasts for interim and full-year net sales for the fiscal year ending March 31, 2008, have been changed as follows.

		Net sales	Operating income	Recurring income	Net income	E.P.S.
Consolidated		Million yen	Million yen	Million yen	Million yen	Yen
	FY 2008	233,600	8,300	7,900	4,500	14.51
	FY 2008 Interim	470,300	18,300	17,300	10,200	32.90

### 4. Other

- (1) Changes in major subsidiaries during the FY (Change in specific subsidiaries as a result of a change in the scope of consolidation):  
None
- (2) Adoption of simplified accounting methods: Yes
- (3) Changes in accounting treatment from the most recent consolidated fiscal years: None

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 9.

## Consolidated Balance Sheets

NICHIREI CORPORATION

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

	FY 2007 1st quarter (As of Jun. 30, 2006)	FY 2008 1st quarter (As of Jun. 30, 2007)	Increase (Decrease) from FY 2007 1st quarter	FY 2007 (As of Mar. 31, 2007)	Increase (Decrease) from FY 2007
<b>&lt;Assets&gt;</b>					
<b>Current assets</b>					
Cash and time deposits	3,819	2,683	(1,136)	3,514	(830)
Notes and account receivable – trade	67,014	71,179	4,165	66,615	4,564
Inventories	31,181	34,698	3,517	32,601	2,097
Deferred tax assets	2,378	1,323	(1,055)	1,632	(309)
Other current assets	4,545	5,289	743	3,410	1,878
Less allowance for doubtful accounts	(308)	(121)	187	(113)	(7)
<b>Total</b>	<b>108,630</b>	<b>115,052</b>	<b>6,422</b>	<b>107,660</b>	<b>7,392</b>
<b>Fixed assets</b>					
<b>1. Tangible assets</b>					
(1) Buildings and structures	64,168	64,081	(86)	65,193	(1,111)
(2) Machinery and equipment	14,351	15,359	1,007	15,834	(475)
(3) Land	26,095	26,407	312	26,509	(102)
(4) Construction in progress	1,002	1,582	579	478	1,103
(5) Other tangible fixed assets	1,360	1,515	154	1,517	(2)
<b>Total</b>	<b>106,978</b>	<b>108,946</b>	<b>1,967</b>	<b>109,534</b>	<b>(588)</b>
<b>2. Intangible assets</b>					
(1) Goodwill	696	386	(310)	417	(31)
(2) Other intangible fixed assets	2,944	3,155	210	3,202	(47)
<b>Total</b>	<b>3,641</b>	<b>3,541</b>	<b>(99)</b>	<b>3,620</b>	<b>(78)</b>
<b>3. Investments and other assets</b>					
(1) Investment securities	32,515	32,612	97	33,054	(441)
(2) Deferred tax assets	1,597	1,594	(2)	1,615	(20)
(3) Other assets	13,846	15,025	1,179	14,819	206
Less allowance for doubtful accounts	(1,143)	(1,159)	(15)	(1,138)	(20)
<b>Total</b>	<b>46,816</b>	<b>48,074</b>	<b>1,258</b>	<b>48,350</b>	<b>(276)</b>
<b>Total fixed assets</b>	<b>157,436</b>	<b>160,562</b>	<b>3,125</b>	<b>161,505</b>	<b>(943)</b>
<b>Total assets</b>	<b>266,067</b>	<b>275,614</b>	<b>9,547</b>	<b>269,166</b>	<b>6,448</b>

## NICHIREI CORPORATION

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

	FY 2007 1st quarter (As of Jun. 30, 2006)	FY 2008 1st quarter (As of Jun. 30, 2007)	Increase (Decrease) from FY 2007 1st quarter	FY 2007 (As of Mar. 31, 2007)	Increase (Decrease) from FY 2007
<b>&lt;Liabilities&gt;</b>					
<b>Current liabilities</b>					
Notes and account payable – trade	25,006	30,697	5,691	29,046	1,650
Short-term bank loans	24,213	13,981	(10,231)	10,123	3,858
Commercial paper	4,000	5,000	1,000	1,000	4,000
Current portion of long-term loans	2,827	857	(1,970)	2,556	(1,699)
Current portion of bonds	-	15,000	15,000	10,000	5,000
Accrued expenses	18,057	18,807	749	19,947	(1,140)
Income taxes payable	973	1,270	297	4,114	(2,843)
Directors' and statutory auditors' bonuses	-	41	41	191	(149)
Other current liabilities	9,683	10,997	1,314	9,309	1,688
<b>Total</b>	<b>84,761</b>	<b>96,654</b>	<b>11,892</b>	<b>86,289</b>	<b>10,365</b>
<b>Long-term liabilities</b>					
Bonds	25,000	10,000	(15,000)	15,000	(5,000)
Long-term loans	34,736	34,306	(430)	34,291	14
Deferred tax liabilities	2,505	4,085	1,579	3,560	524
Employees' retirement benefits	3,278	3,028	(250)	3,037	(8)
Directors' and statutory auditors' retirement benefits	197	188	(8)	221	(32)
Deposits received	11,418	11,304	(114)	11,362	(58)
Goodwill	32	107	74	115	(8)
Lease assets impairment account	2,132	1,877	(255)	1,941	(63)
Other long-term liabilities	325	126	(199)	274	(148)
<b>Total</b>	<b>79,628</b>	<b>65,023</b>	<b>(14,604)</b>	<b>69,805</b>	<b>(4,781)</b>
<b>Total liabilities</b>	<b>164,390</b>	<b>161,678</b>	<b>(2,711)</b>	<b>156,094</b>	<b>5,584</b>
<b>&lt;Net assets&gt;</b>					
<b>Owners' equity</b>					
Common stock	30,307	30,307	-	30,307	-
Capital surplus	23,706	23,710	3	23,709	0
Retained earnings	39,035	47,377	8,342	46,847	530
Treasury stock	(268)	(333)	(65)	(321)	(12)
<b>Total</b>	<b>92,782</b>	<b>101,062</b>	<b>8,279</b>	<b>100,543</b>	<b>518</b>
<b>Valuation and translation adjustments</b>					
Net unrealized holding gains on securities	7,255	8,331	1,075	8,203	127
Deferred gains or losses on hedges	(90)	436	526	312	123
Translation adjustment	1,140	2,195	1,054	1,975	219
<b>Total</b>	<b>8,305</b>	<b>10,962</b>	<b>2,656</b>	<b>10,491</b>	<b>470</b>
<b>Minority interests</b>	<b>589</b>	<b>1,912</b>	<b>1,323</b>	<b>2,036</b>	<b>(124)</b>
<b>Total net assets</b>	<b>101,677</b>	<b>113,936</b>	<b>12,259</b>	<b>113,071</b>	<b>864</b>
<b>Total liabilities and net assets</b>	<b>266,067</b>	<b>275,614</b>	<b>9,547</b>	<b>269,166</b>	<b>6,448</b>

# Consolidated Statements of Income

NICHIREI CORPORATION

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

	FY 2007 1st quarter (Apr. 2006– Jun. 2006)	FY 2008 1st quarter (Apr. 2007– Jun. 2007)	Increase (Decrease) from FY 2007 1st quarter	FY 2007 (Apr. 2006– Mar. 2007)
Net sales	113,275	113,413	138	457,655
Cost of sales	91,300	91,068	(231)	368,855
<b>Gross profit</b>	<b>21,974</b>	<b>22,344</b>	<b>369</b>	<b>88,799</b>
Selling, general and administrative expenses				
Selling expenses				
Transportation and storage expense	3,713	3,535	(177)	14,283
Sales promotion expense	4,499	4,323	(175)	17,055
Advertising expense	1,608	1,668	59	4,386
Sales commission expense	894	840	(53)	3,403
Bad debts expenses	-	-	-	0
Provision for doubtful accounts	14	31	17	33
Other selling expenses	487	578	91	2,059
Subtotal	11,218	10,978	(239)	41,222
General and administrative expenses				
Remuneration, salary and bonuses	3,324	3,538	213	13,669
Provision for employees' retirement benefits	3	86	83	(60)
Provision for accrued bonuses for directors	-	41	41	191
Provision for accrued retirement benefit for directors	65	26	(39)	148
Fringe benefit	477	544	67	2,024
Depreciation and amortization	145	151	5	597
Amortization of goodwill	51	33	(18)	201
Traveling expenses	409	456	47	1,609
Communication expenses	119	121	2	488
Rent expense	561	545	(15)	2,101
Business consignment fee	539	568	28	2,116
Research and development expense	509	499	(9)	2,034
Other general and administrative expense	1,038	1,121	83	4,305
Subtotal	7,245	7,736	490	29,428
Total	18,464	18,715	250	70,651
<b>Operating income</b>	<b>3,510</b>	<b>3,629</b>	<b>118</b>	<b>18,148</b>
Non-operating revenues				
Interest income	25	34	8	136
Dividend income	191	236	45	340
Equity in earnings of affiliates	120	52	(67)	535
Other non-operating revenues	251	293	41	1,698
Total	588	616	27	2,710
Non-operating expenses				
Interest expenses	307	288	(19)	1,213
Loss on disposal of obsolete inventories	47	39	(7)	298
Other non-operating expenses	313	325	12	1,958
Total	668	654	(14)	3,470
<b>Recurring income</b>	<b>3,430</b>	<b>3,591</b>	<b>160</b>	<b>17,388</b>
Extraordinary income				
Gain on sales of property, plant and equipment	62	553	491	643
Reversal of allowance for doubtful receivables	4	2	(2)	155
Gain on sales of affiliates' stock	-	-	-	2,987
Reimbursement of previous year's fixed assets tax	-	-	-	1,280
Gain on sales of investment securities	-	-	-	20
Total	66	556	489	5,088
Extraordinary losses				
Loss on sales of property, plant and equipment	0	43	43	51
Loss on disposal of property, plant and equipment	132	124	(8)	747
Impairment loss	183	-	(183)	1,196
Loss on discontinued operations	285	125	(159)	405
Loss on devaluation of investment securities	68	-	(68)	163
Loss on restructuring of horticulture businesses	-	-	-	711
Total	670	294	(376)	3,276
<b>Income before income taxes and minority interests</b>	<b>2,826</b>	<b>3,853</b>	<b>1,026</b>	<b>19,200</b>
Income taxes	1,434	1,755	320	8,256
Minority interests in net income of consolidated subsidiaries	-	16	16	98
Minority interests in net loss of consolidated subsidiaries	2	-	(2)	-
<b>Net income</b>	<b>1,394</b>	<b>2,081</b>	<b>687</b>	<b>10,845</b>

# Consolidated Statements of Changes in Shareholders' Equity

NICHIREI CORPORATION

FY 2007 1st quarter (Apr. 2006–Jun. 2006)

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

	Owners' equity					Valuation and translation adjustments				Minority interests	Total net assets
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total	Net unrealized holding gains on securities	Deferred gain/loss on hedges	Translation adjustments	Total		
Balance as of March 31, 2006	30,307	23,706	39,627	(261)	93,380	8,353	-	890	9,243	630	103,255
Changes during the quarter											
Distribution of retained earnings			(1,861)		(1,861)						(1,861)
Bonuses to directors			(124)		(124)						(124)
Net income			1,394		1,394						1,394
Acquisition of treasury stock				(7)	(7)						(7)
Sale of treasury stock		0		0	0						0
Non-shareholders' equity changes during the quarter-net					-	(1,098)	(90)	250	(938)	(41)	(979)
Total changes during the quarter	-	0	(591)	(6)	(598)	(1,098)	(90)	250	(938)	(41)	(1,577)
Balance as of June 30, 2006	30,307	23,706	39,035	(268)	92,782	7,255	(90)	1,140	8,305	589	101,677

FY 2008 1st quarter (Apr. 2007–Jun. 2007)

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

	Owners' equity					Valuation and translation adjustments				Minority interests	Total net assets
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total	Net unrealized holding gains on securities	Deferred gain/loss on hedges	Translation adjustments	Total		
Balance as of March 31, 2007	30,307	23,709	46,847	(321)	100,543	8,203	312	1,975	10,491	2,036	113,071
Changes during the quarter											
Dividends from capital surplus			(1,551)		(1,551)						(1,551)
Net income			2,081		2,081						2,081
Acquisition of treasury stock				(14)	(14)						(14)
Sale of treasury stock		0		1	2						2
Non-shareholders' equity changes during the quarter-net					-	127	123	219	470	(124)	346
Total changes during the quarter	-	0	530	(12)	518	127	123	219	470	(124)	864
Balance as of June 30, 2007	30,307	23,710	47,377	(333)	101,062	8,331	436	2,195	10,962	1,912	113,936

FY 2007 (Apr. 2006–Mar. 2007)

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

	Owners' equity					Valuation and translation adjustments				Minority interests	Total net assets
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total	Net unrealized holding gains on securities	Deferred gain/loss on hedges	Translation adjustments	Total		
Balance as of March 31, 2006	30,307	23,706	39,627	(261)	93,380	8,353	-	890	9,243	630	103,255
Changes during the fiscal year											
Distribution of retained earnings			(1,861)		(1,861)						(1,861)
Dividends from capital surplus			(930)		(930)						(930)
Bonuses to directors			(124)		(124)						(124)
Net income			10,845		10,845						10,845
Decrease in affiliates accounted for by the equity method			(708)		(708)						(708)
Acquisition of treasury stock				(64)	(64)						(64)
Sale of treasury stock		2		4	7						7
Non-shareholders' equity changes during the fiscal year						(149)	312	1,085	1,248	1,406	2,654
Total changes during the fiscal year	-	2	7,219	(59)	7,162	(149)	312	1,085	1,248	1,406	9,816
Balance as of March 31, 2007	30,307	23,709	46,847	(321)	100,543	8,203	312	1,975	10,491	2,036	113,071

# Consolidated Statements of Cash Flows

NICHIREI CORPORATION

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

	FY 2007 1st quarter (Apr. 2006– Jun. 2006)	FY 2008 1st quarter (Apr. 2007– Jun. 2007)	Increase (Decrease) from FY 2007 1st quarter	FY 2007 (Apr. 2006– Mar. 2007)
<b>Cash flows from operating activities</b>				
Income before income taxes and minority interests	2,826	3,853	1,026	19,200
Depreciation and amortization	2,195	2,309	114	9,327
Impairment loss	183	-	(183)	1,196
Increase (decrease) in provision for doubtful accounts	10	29	19	(211)
Increase (decrease) in provision for employees' retirement benefits	7	(9)	(16)	(250)
Increase in prepaid pension expenses	(428)	(366)	61	(1,805)
Equity in earnings of affiliates	(120)	(52)	67	(535)
Loss on disposal of property, plant and equipment	82	51	(31)	426
Loss on discontinued operations	246	56	(190)	266
Loss on devaluation of investment securities	68	-	(68)	163
Loss on restructuring of horticulture businesses	-	-	-	705
Interest and dividend income	(217)	(270)	(53)	(476)
Interest expense	307	288	(19)	1,213
Reimbursement of previous year's fixed assets tax	-	-	-	(1,280)
Gain (loss) on sale of property, plant and equipment	(61)	(510)	(448)	(591)
Gain on sale of affiliates' stock	-	-	-	(2,987)
Gain on sale of investment securities	-	-	-	(20)
Increase in notes and accounts receivable – trade	(2,622)	(4,567)	(1,945)	(1,836)
Increase in inventories	(183)	(2,079)	(1,895)	(1,627)
Increase (decrease) in notes and accounts payable – trade	(990)	1,633	2,623	2,777
Other	504	(473)	(977)	3,689
Subtotal	1,810	(105)	(1,916)	27,341
Interest and dividend income received	596	562	(34)	890
Interest expense paid	(266)	(216)	50	(1,253)
Income taxes paid	(3,842)	(4,589)	(747)	(5,827)
Reimbursement of previous year's fixed assets tax received	-	-	-	1,280
<b>Net cash provided by (used in) operating activities</b>	<b>(1,702)</b>	<b>(4,348)</b>	<b>(2,646)</b>	<b>22,431</b>
<b>Cash flows from investing activities</b>				
Purchase of property, plant and equipment	(1,798)	(2,830)	(1,032)	(9,103)
Proceeds from sale of property, plant and equipment	71	1,440	1,368	767
Purchase of investment securities	(6)	(443)	(437)	(2,401)
Proceeds from sale of investment securities	219	8	(210)	4,883
Proceeds from acquisition of subsidiary shares following change in scope of consolidation	-	-	-	587
Decrease (increase) in short-term loans receivable	20	1	(18)	54
Proceeds from collection of long-term loans receivable	0	-	(0)	2
Other	872	664	(207)	(652)
<b>Net cash used in investing activities</b>	<b>(620)</b>	<b>(1,158)</b>	<b>(538)</b>	<b>(5,861)</b>
<b>Cash flows from financing activities</b>				
Increase (decrease) in short-term bank loans	11,145	3,838	(7,306)	(3,239)
Increase in commercial paper	4,000	4,000	-	1,000
Proceeds from long-term debt	-	161	161	300
Repayment of long-term debt	(657)	(1,847)	(1,189)	(1,740)
Redemption of bonds	(10,000)	-	10,000	(10,000)
Dividends paid	(1,698)	(1,441)	256	(2,788)
Other	0	(141)	(141)	(98)
<b>Net cash provided by (used in) financing activities</b>	<b>2,789</b>	<b>4,569</b>	<b>1,780</b>	<b>(16,567)</b>
<b>Effects of exchange rate changes on cash and cash equivalents</b>	<b>62</b>	<b>107</b>	<b>44</b>	<b>221</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>529</b>	<b>(830)</b>	<b>(1,359)</b>	<b>223</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>3,290</b>	<b>3,514</b>	<b>223</b>	<b>3,290</b>
<b>Cash and cash equivalents at end of period</b>	<b>3,819</b>	<b>2,683</b>	<b>(1,136)</b>	<b>3,514</b>

## Industrial Segment Information

NICHIREI CORPORATION

### (1) FY 2007 1st quarter (Apr. 2006–June 2006)

(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	45,382	17,478	19,260	28,759	1,393	1,000	113,275	-	113,275
Intra-group sales and transfers	189	457	820	3,942	339	832	6,581	(6,581)	-
Total	45,572	17,935	20,081	32,701	1,733	1,832	119,856	(6,581)	113,275
Operating expenses	44,287	18,222	19,917	31,151	806	1,863	116,250	(6,485)	109,764
Operating income (loss)	1,284	(287)	163	1,549	927	(30)	3,606	(95)	3,510

### (2) FY 2008 1st quarter (Apr. 2007–June 2007)

(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	43,166	18,883	19,144	29,893	1,624	700	113,413	-	113,413
Intra-group sales and transfers	45	169	737	3,590	339	844	5,727	(5,727)	-
Total	43,212	19,052	19,881	33,484	1,964	1,545	119,140	(5,727)	113,413
Operating expenses	42,642	19,230	19,718	31,483	830	1,507	115,414	(5,630)	109,783
Operating income (loss)	569	(178)	162	2,000	1,133	37	3,725	(96)	3,629

### (3) FY 2007 (Apr. 2006–Mar. 2007)

(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	176,799	73,480	77,984	119,243	6,487	3,659	457,655	-	457,655
Intra-group sales and transfers	506	1,177	2,925	14,829	1,394	3,313	24,147	(24,147)	-
Total	177,305	74,657	80,910	134,073	7,882	6,972	481,802	(24,147)	457,655
Operating expenses	171,287	75,011	80,260	126,846	3,416	6,832	463,654	(24,148)	439,506
Operating income (loss)	6,018	(353)	649	7,227	4,465	140	18,148	0	18,148



## Forecast of FY2008

NICHIREI CORPORATION

### (1) Forecast of Interim FY2008 (Apr. 2007–Sep. 2007)

(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)	90,000	40,300	40,400	69,500	3,800	3,200	(13,600)	233,600
Operating expenses	87,800	40,200	40,000	65,700	1,800	3,100	(13,300)	225,300
Operating income	2,200	100	400	3,800	2,000	100	(300)	8,300

### (2) Forecast of FY2008 (Apr. 2007–Mar. 2008)

	Processed Foods	Marine Products	Meat and Poultry Products	Logistics	Real Estate	Other	Intercompany eliminations and corporate	Consolidated
Operating revenues (*1)	182,300	80,000	82,000	139,500	7,000	6,500	(27,000)	470,300
Operating expenses	175,800	79,700	81,200	132,200	3,600	6,300	(26,800)	452,000
Operating income	6,500	300	800	7,300	3,400	200	(200)	18,300

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

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

This publication contains, in addition to historical facts, forward-looking statements that are based on Nichirei's and its Group companies' current expectations, estimates and projections regarding plans, outlook, strategies and results for the future. 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 annual report. Words such as "anticipates," "expects," "intends," "plans," "believes," "seeks," "estimates," "may," "will," and variations of these words or similar expressions are intended to identify forward-looking statements, from which actual results may differ significantly. 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) Changes in the economic conditions and business environment, especially personal consumption trends, 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.