

Consolidated Financial Statements – Summary

October 28, 2008

(For FY 2009 interim ended September 30, 2008)

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 2009 Interim (April 1, 2008 through September 30, 2008)

(1) Consolidated financial results (Cumulative)

(Amounts less than one million yen are omitted)

	Net sales	Operating income	Recurring income	Net income
	Million yen	Million yen	Million yen	Million yen
FY 2009 interim	242,816	9,067	8,672	3,968
FY 2008 interim	231,055	7,975	7,707	4,755

	E.P.S.	Diluted E.P.S.
	Yen	Yen
FY 2009 interim	12.80	-
FY 2008 interim	15.34	-

(2) Consolidated financial position

	Total assets	Shareholders' equity	Equity ratio	Equity per share
	Million yen	Million yen	%	Yen
FY 2009 interim	293,633	117,938	39.5	373.86
FY 2008	257,812	116,488	44.3	368.56

Note: Shareholders' equity: FY2009 interim: 115,930 million yen, FY 2008: 114,262 million yen

2. Dividend Status

(Base date)	Dividend per share				
	End of 1st quarter	End of interim period	End of 3rd quarter	End of FY	Annual
	Yen	Yen	Yen	Yen	Yen
FY 2008	-	4.00	-	4.00	8.00
FY 2009	-	4.00	-	-	-
FY 2009 (forecast)	-	-	-	5.00	9.00

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

3. Estimation of Business Results of FY 2009 (April 1, 2008 through March 31, 2009)

(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
FY 2009	477,300	17,000	16,000	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) 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: Yes
- (3) Total number of outstanding shares (Common stock)

- (i) Total number of outstanding shares at term end (Includes treasury stock)
FY 2009 interim: 310,851,065 shares, FY 2008: 310,851,065 shares
- (ii) Total treasury stock at term end
FY 2009 interim: 761,288 shares, FY 2008: 823,978 shares
- (iii) Average number of outstanding shares during the period (Cumulative period to this quarter)
FY 2009 interim: 310,075,330 shares, FY 2008 interim: 310,060,069 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)

	FY 2009 interim (As of Sep. 30, 2008)	FY 2008 (As of Mar. 31, 2008)	Increase (Decrease) from FY 2008
<Assets>			
Current assets			
Cash and time deposits	3,190	4,121	(930)
Notes and account receivable – trade	72,251	64,325	7,925
Merchandise and finished products	31,384	26,694	4,689
Products in process	474	170	303
Raw materials and supplies	4,352	3,401	951
Deferred tax assets	1,119	1,004	115
Other current assets	3,402	3,525	(122)
Less allowance for doubtful accounts	(155)	(145)	(9)
Total	116,020	103,097	12,923
Fixed assets			
1. Tangible assets			
(1) Buildings and structures (net)	65,012	63,544	1,467
(2) Machinery and equipment (net)	16,324	15,522	802
(3) Land	31,378	30,434	943
(4) Leased assets (net)	20,502	-	20,502
(5) Construction in progress	286	915	(629)
(6) Other tangible fixed assets	1,460	1,458	1
Total	134,963	111,876	23,087
2. Intangible assets			
(1) Goodwill	1,199	305	894
(2) Leased assets	139	-	139
(3) Other intangible fixed assets	3,622	3,366	255
Total	4,961	3,671	1,289
3. Investments and other assets			
(1) Investment securities	22,087	23,966	(1,879)
(2) Deferred tax assets	1,572	1,363	209
(3) Other assets	14,509	14,283	225
Less allowance for doubtful accounts	(481)	(447)	(34)
Total	37,687	39,166	(1,478)
Total fixed assets	177,613	154,714	22,898
Total assets	293,633	257,812	35,821

NICHIREI CORPORATION

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

	FY 2009 interim (As of Sep. 30, 2008)	FY 2008 (As of Mar. 31, 2008)	Increase (Decrease) from FY 2008
<Liabilities>			
Current liabilities			
Notes and account payable – trade	30,291	26,083	4,208
Short-term bank loans	20,834	10,419	10,414
Commercial paper	6,000	2,000	4,000
Current portion of long-term loans	19,581	7,004	12,576
Current portion of bonds	10,000	5,000	5,000
Lease obligations	3,766	-	3,766
Accrued expenses	21,247	19,652	1,594
Income taxes payable	1,619	1,721	(101)
Directors' and statutory auditors' bonuses	96	182	(85)
Other current liabilities	9,421	9,183	238
Total	122,859	81,247	41,612
Long-term liabilities			
Bonds	-	10,000	(10,000)
Long-term loans	18,865	31,714	(12,848)
Lease obligations	20,164	-	20,164
Deferred tax liabilities	2,091	1,834	257
Employees' retirement benefits	3,002	2,976	25
Directors' and statutory auditors' retirement benefits	237	214	23
Long-term deposits received	8,202	11,438	(3,235)
Goodwill	73	86	(12)
Long-term leased assets impairment account	-	1,685	(1,685)
Other long-term liabilities	197	126	71
Total	52,835	60,076	(7,240)
Total liabilities	175,695	141,323	34,371
<Net assets>			
Owners' equity			
Common stock	30,307	30,307	-
Capital surplus	23,712	23,711	1
Retained earnings	55,234	53,678	1,555
Treasury stock	(341)	(359)	18
Total	108,913	107,338	1,574
Valuation and translation adjustments			
Net unrealized holding gains on securities	4,283	4,141	141
Deferred gains or losses on hedges	(124)	(101)	(23)
Translation adjustment	2,858	2,882	(24)
Total	7,016	6,923	93
Minority interests	2,007	2,226	(218)
Total net assets	117,938	116,488	1,449
Total liabilities and net assets	293,633	257,812	35,821

Consolidated Statements of Income

NICHIREI CORPORATION

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

	FY 2008 interim (Apr. 2007–Sep. 2007)	FY 2009 interim (Apr. 2008–Sep. 2008)	Increase (Decrease) from FY 2008 interim
Net sales	231,055	242,816	11,761
Cost of sales	185,908	196,287	10,379
Gross profit	45,146	46,529	1,382
Selling, general and administrative expenses			
Selling expenses			
Transportation and storage expense	7,252	7,435	183
Sales promotion expense	8,838	8,745	(93)
Advertising expense	2,948	2,410	(538)
Sales commission expense	1,528	1,663	134
Remuneration, salary and bonuses	7,012	7,075	63
Provision for employees' retirement benefits	150	575	425
Fringe benefit	1,101	1,083	(17)
Traveling and communication expenses	1,132	1,088	(44)
Rent expense	1,062	960	(102)
Business consignment fee	1,135	1,244	109
Research and development expense	1,011	1,118	106
Other general and administrative expense	3,997	4,060	62
Total	37,171	37,461	289
Operating income	7,975	9,067	1,092
Non-operating revenues			
Interest income	58	67	9
Dividend income	265	265	0
Equity in earnings of affiliates	179	95	(84)
Other non-operating revenues	597	667	70
Total	1,100	1,096	(3)
Non-operating expenses			
Interest expenses	583	865	282
Loss on disposal of obsolete inventories	190	-	(190)
Other non-operating expenses	594	625	31
Total	1,367	1,491	123
Recurring income	7,707	8,672	965
Extraordinary income			
Gain on sales of property, plant and equipment	610	10	(599)
Gain on sales of investment securities	63	11	(52)
Reversal of allowance for doubtful receivables	5	7	2
Total	679	29	(649)
Extraordinary losses			
Loss on sales of property, plant and equipment	52	2	(49)
Loss on disposal of property, plant and equipment	441	375	(66)
Loss on discontinued operations	135	-	(135)
Loss on devaluation of investment securities	109	214	105
Loss on sales of affiliates' stock	-	23	23
Loss on sales of investment securities	-	11	11
Impact accompanying the application of accounting standard for lease transactions	-	1,731	1,731
Total	738	2,359	1,620
Income before income taxes and minority interests	7,648	6,343	(1,305)
Income taxes—current	2,171	2,265	93
Income taxes—deferred	665	81	(583)
Total	2,837	2,347	(490)
Minority interests in net income of consolidated subsidiaries	55	27	(28)
Net income	4,755	3,968	(786)

Consolidated Statements of Cash Flows

NICHIREI CORPORATION

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

	FY 2008 interim (Apr. 2007–Sep. 2007)	FY 2009 interim (Apr. 2008–Sep. 2008)	Increase (Decrease) from FY 2008 interim
Cash flows from operating activities			
Income before income taxes and minority interests	7,648	6,343	(1,305)
Depreciation and amortization	4,658	6,742	2,084
Increase (decrease) in provision for doubtful accounts	39	73	33
Increase (decrease) in provision for employees' retirement benefits	(98)	(53)	45
Decrease (increase) in prepaid pension expenses	(620)	60	681
Equity in loss (earnings) of affiliates	(179)	(95)	84
Loss on disposal of property, plant and equipment	140	193	52
Loss on discontinued operations	63	-	(63)
Impact accompanying the application of accounting standard for lease transactions	-	1,731	1,731
Loss (gain) on devaluation of investment securities	109	214	105
Interest and dividend income	(323)	(333)	(9)
Interest expense	583	865	282
Loss (gain) on sale of property, plant and equipment	(557)	(7)	549
Loss (gain) on sale of affiliates' stock	-	23	23
Loss (gain) on sale of investment securities	(63)	0	63
Decrease (increase) in notes and accounts receivable – trade	(7,415)	(7,181)	233
Decrease (increase) in inventories	909	(5,841)	(6,750)
Increase (decrease) in notes and accounts payable – trade	2,078	3,774	1,695
Other	1,739	(3,870)	(5,609)
Subtotal	8,711	2,638	(6,072)
Interest and dividend income received	610	637	26
Interest expense paid	(607)	(904)	(297)
Income taxes paid	(4,291)	(1,448)	2,843
Net cash provided by operating activities	4,422	922	(3,500)
Cash flows from investing activities			
Purchase of property, plant and equipment	(4,798)	(3,577)	1,221
Proceeds from sale of property, plant and equipment	1,521	21	(1,500)
Purchase of investment securities	(466)	(36)	429
Proceeds from sale of investment securities	63	51	(12)
Purchase of subsidiary shares following change in scope of consolidation	-	(3,468)	(3,468)
Decrease in short-term loans receivable	25	-	(25)
Proceeds from sale of affiliates' stock	-	726	726
Other	239	(843)	(1,083)
Net cash used in investing activities	(3,414)	(7,127)	(3,712)
Cash flows from financing activities			
Increase (decrease) in short-term bank loans	4,836	10,356	5,520
Increase in commercial paper	8,000	4,000	(4,000)
Proceeds from long-term debt	249	185	(63)
Repayment of long-term debt	(2,074)	(503)	1,570
Redemption of bonds	(10,000)	(5,000)	5,000
Dividends paid	(1,547)	(1,235)	311
Dividends paid to minority interests	(243)	(344)	(101)
Repayment of lease obligations	-	(1,957)	(1,957)
Other	189	(22)	(212)
Net cash provided by (used in) financing activities	(589)	5,479	6,068
Effects of exchange rate changes on cash and cash equivalents	279	(205)	(484)
Net increase (decrease) in cash and cash equivalents	698	(930)	(1,629)
Cash and cash equivalents at beginning of period	3,514	4,121	607
Cash and cash equivalents at end of period	4,213	3,190	(1,022)

Industrial Segment Information

NICHIREI CORPORATION

(1) FY 2008 interim (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	Total	Intercompany eliminations and corporate	Consolidated
Operating revenues	88,195	37,931	38,887	61,618	3,176	1,245	231,055	-	231,055
Intra-group sales and transfers	266	309	1,420	7,214	686	1,654	11,554	(11,554)	-
Total	88,462	38,241	40,307	68,833	3,863	2,900	242,609	(11,554)	231,055
Operating expenses	86,968	38,584	40,020	64,497	1,636	2,893	234,601	(11,521)	223,079
Operating income (loss)	1,493	(342)	287	4,335	2,226	7	8,007	(32)	7,975

(2) FY 2009 interim (Apr. 2008–Sep. 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	89,797	39,042	44,829	64,687	3,094	1,365	242,816	-	242,816
Intra-group sales and transfers	261	423	2,172	7,567	706	1,816	12,947	(12,947)	-
Total	90,058	39,465	47,001	72,254	3,801	3,181	255,763	(12,947)	242,816
Operating expenses	89,051	38,692	46,333	67,872	1,736	3,108	246,793	(13,044)	233,748
Operating income (loss)	1,007	772	668	4,381	2,065	73	8,970	97	9,067

(3) FY 2008 (Apr. 2007–Mar. 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	174,505	73,941	81,019	124,981	6,146	2,996	463,591	-	463,591
Intra-group sales and transfers	502	727	2,919	13,763	1,381	3,339	22,634	(22,634)	-
Total	175,008	74,668	83,939	138,745	7,528	6,335	486,226	(22,634)	463,591
Operating expenses	170,895	75,124	83,330	130,238	3,268	6,099	468,957	(22,721)	446,236
Operating income (loss)	4,112	(455)	609	8,506	4,259	236	17,268	86	17,355

Forecast of FY 2009 (Apr. 2008–Mar. 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)	180,100	74,500	90,000	144,100	7,400	6,600	(25,400)	477,300
Operating expenses	177,400	73,600	88,900	135,700	3,500	6,500	(25,300)	460,300
Operating income	2,700	900	1,100	8,400	3,900	100	(100)	17,000

(*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.