

Consolidated Financial Statements – Summary

October 27, 2009

(For the six months ended September 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 Six Months Ended September 30, 2009 (April 1, 2009 through September 30, 2009)

(1) Consolidated financial results

(Amounts less than one million yen are omitted)

	Net sales	Operating income	Recurring income	Net income
	Million yen	Million yen	Million yen	Million yen
Six months ended September 30, 2009	222,302	7,512	6,836	4,684
Six months ended September 30, 2008	242,816	9,067	8,672	3,968

	E.P.S.	Diluted E.P.S.
	Yen	Yen
Six months ended September 30, 2009	15.11	-
Six months ended September 30, 2008	12.80	-

(2) Consolidated financial position

	Total assets	Total net assets	Equity ratio	Equity per share
	Million yen	Million yen	%	Yen
As of September 30, 2009	283,424	118,765	40.8	373.12
As of March 31, 2009	287,296	113,199	38.6	357.85

(Note) Shareholders' equity: As of September 30, 2009: 115,685 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	-	4.00	-	-	-
FY ending March 31, 2010 (Forecast)	-	-	-	5.00	9.00

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

3. Estimation of Business Results of Fiscal Year 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
FY ending March 31, 2010	448,500	15,100	13,600	7,800	25.16

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 September 30, 2009: 310,851,065 shares
 - As of March 31, 2009: 310,851,065 shares
 - (ii) Total treasury stock at term end:
 - As of September 30, 2009: 801,685 shares
 - As of March 31, 2009: 782,907 shares
 - (iii) Average number of outstanding shares during the period:
 - For the six months ended June 30, 2009: 310,056,485 shares
 - For the six months ended June 30, 2008: 310,075,330 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 September 30, 2009	As of March 31, 2009	Increase (Decrease) compared with March 31, 2009
<Assets>			
Current assets			
Cash and time deposits	6,050	19,564	(13,513)
Notes and account receivable – trade	63,999	60,231	3,768
Merchandise and finished products	27,676	27,397	279
Products in process	268	313	(44)
Raw materials and supplies	3,551	4,365	(813)
Deferred tax assets	1,195	1,134	61
Other current assets	3,563	3,695	(132)
Less allowance for doubtful accounts	(161)	(112)	(48)
Total	106,145	116,589	(10,443)
Fixed assets			
1. Tangible assets			
(1) Buildings and structures (net)	60,449	61,511	(1,061)
(2) Machinery and equipment (net)	15,077	14,991	85
(3) Land	32,934	32,884	50
(4) Leased assets (net)	21,964	19,236	2,728
(5) Construction in progress	4,210	993	3,217
(6) Other tangible fixed assets (net)	1,314	1,305	9
Total	135,951	130,921	5,029
2. Intangible assets			
(1) Goodwill	1,300	1,124	176
(2) Leased assets	136	155	(19)
(3) Other intangible fixed assets	3,598	3,477	120
Total	5,035	4,757	277
3. Investments and other assets			
(1) Investment securities	20,093	18,557	1,536
(2) Deferred tax assets	1,968	2,431	(462)
(3) Other assets	14,826	14,590	235
Less allowance for doubtful accounts	(595)	(551)	(44)
Total	36,292	35,027	1,264
Total fixed assets	177,278	170,707	6,571
Total assets	283,424	287,296	(3,872)

NICHIREI CORPORATION

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

	As of September 30, 2009	As of March 31, 2009	Increase (Decrease) compared with March 31, 2009
<Liabilities>			
Current liabilities			
Account payable – trade	23,971	24,177	(206)
Short-term bank loans	17,495	11,474	6,020
Commercial paper	12,000	10,000	2,000
Current portion of long-term loans	13,566	25,900	(12,334)
Current portion of bonds	-	10,000	(10,000)
Lease obligations	3,806	3,717	89
Accrued expenses	19,463	17,797	1,665
Income taxes payable	2,641	3,150	(508)
Directors' and statutory auditors' bonuses	101	177	(75)
Other current liabilities	6,321	5,179	1,142
Total	99,368	111,576	(12,207)
Long-term liabilities			
Long-term loans	30,090	30,528	(438)
Lease obligations	21,372	18,873	2,499
Deferred tax liabilities	1,359	1,216	143
Employees' retirement benefits	3,460	3,216	243
Directors' and statutory auditors' retirement benefits	307	277	30
Long-term deposits received	8,121	8,108	12
Goodwill	49	61	(12)
Other long-term liabilities	528	239	289
Total	65,290	62,520	2,769
Total liabilities	164,658	174,096	(9,438)
<Net assets>			
Owners' equity			
Common stock	30,307	30,307	-
Capital surplus	23,711	23,711	0
Retained earnings	59,179	56,045	3,134
Treasury stock	(354)	(348)	(6)
Total	112,843	109,715	3,127
Valuation and translation adjustments			
Net unrealized holding gains on securities	3,082	2,241	840
Deferred gains or losses on hedges	(46)	51	(97)
Translation adjustment	(193)	(1,050)	856
Total	2,842	1,242	1,599
Minority interests	3,079	2,241	838
Total net assets	118,765	113,199	5,565
Total liabilities and net assets	283,424	287,296	(3,872)

Consolidated Statements of Income

NICHIREI CORPORATION

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

	Six months ended September 30, 2008 (Apr. 2008–Sep. 2008)	Six months ended September 30, 2009 (Apr. 2009–Sep. 2009)	Increase (Decrease) compared with six months ended September 30, 2008
Net sales	242,816	222,302	(20,514)
Cost of sales	196,287	177,573	(18,714)
Gross profit	46,529	44,729	(1,799)
Selling, general and administrative expenses			
Selling expenses			
Transportation and storage expense	7,435	7,006	(429)
Sales promotion expense	8,745	9,061	316
Advertising expense	2,410	1,731	(678)
Sales commission expense	1,663	1,722	58
Remuneration, salary and bonuses	7,075	7,259	183
Provision for employees' retirement benefits	575	930	355
Fringe benefit	1,083	1,271	187
Traveling and communication expenses	1,088	952	(135)
Rent expense	960	978	17
Business consignment fee	1,244	1,247	2
Research and development expense	1,118	949	(168)
Other general and administrative expense	4,060	4,106	45
Total	37,461	37,216	(244)
Operating income	9,067	7,512	(1,555)
Non-operating revenues			
Interest income	67	49	(18)
Dividend income	265	270	4
Equity in earnings of affiliates	95	15	(79)
Other non-operating revenues	667	432	(235)
Total	1,096	767	(329)
Non-operating expenses			
Interest expenses	865	885	19
Other non-operating expenses	625	557	(68)
Total	1,491	1,442	(48)
Recurring income	8,672	6,836	(1,836)
Extraordinary income			
Gain on sales of property, plant and equipment	10	282	271
Gain on sales of investment securities	11	2	(9)
Reversal of allowance for doubtful receivables	7	2	(4)
Gain on transfer of business	-	870	870
Total	29	1,158	1,128
Extraordinary losses			
Loss on sales of property, plant and equipment	2	15	12
Loss on disposal of property, plant and equipment	375	272	(103)
Impairment loss	-	133	133
Impact accompanying the application of accounting standard for lease transactions	1,731	-	(1,731)
Loss on devaluation of investment securities	214	6	(208)
Loss on sales of affiliates' stock	23	-	(23)
Loss on sales of investment securities	11	-	(11)
Loss on discontinued operations	-	101	101
Loss on devaluation of membership	-	1	1
Total	2,359	529	(1,829)
Income before income taxes and minority interests	6,343	7,465	1,122
Income taxes—current	2,265	2,700	435
Income taxes—deferred	81	45	(36)
Total	2,347	2,746	398
Minority interests in net income (loss) of consolidated subsidiaries	27	34	7
Net income	3,968	4,684	715

Consolidated Statements of Cash Flows

NICHIREI CORPORATION

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

	Six months ended September 30, 2008 (Apr. 2008–Sep. 2008)	Six months ended September 30, 2009 (Apr. 2009–Sep. 2009)	Increase (Decrease) compared with six months ended September 30, 2008
Cash flows from operating activities			
Income before income taxes and minority interests	6,343	7,465	1,122
Depreciation and amortization	6,742	6,573	(168)
Impairment loss	-	133	133
Increase (decrease) in provision for doubtful accounts	73	85	12
Increase (decrease) in provision for employees' retirement benefits	(53)	234	287
Decrease (increase) in prepaid pension expenses	60	(292)	(352)
Equity in losses (earnings) of affiliates	(95)	(15)	79
Loss on disposal of property, plant and equipment	193	147	(45)
Impact accompanying the application of accounting standard for lease transactions	1,731	-	(1,731)
Loss (gain) on devaluation of investment securities	214	6	(208)
Loss on discontinued operations	-	101	101
Loss on devaluation of membership	-	1	1
Interest and dividend income	(333)	(319)	14
Interest expense	865	885	19
Loss (gain) on sale of property, plant and equipment	(7)	(267)	(259)
Loss (gain) on sale of affiliates' stock	23	-	(23)
Loss (gain) on sale of investment securities	0	(2)	(2)
Gain on transfer of business	-	(870)	(870)
Decrease (increase) in notes and accounts receivable – trade	(7,181)	(3,453)	3,727
Decrease (increase) in inventories	(5,841)	891	6,733
Increase (decrease) in notes and accounts payable – trade	3,774	(323)	(4,097)
Other	(3,870)	2,259	6,129
Subtotal	2,638	13,242	10,604
Interest and dividend income received	637	484	(152)
Interest expense paid	(904)	(943)	(38)
Income taxes paid	(1,448)	(2,799)	(1,351)
Net cash provided by operating activities	922	9,984	9,061
Cash flows from investing activities			
Purchase of property, plant and equipment	(3,577)	(6,133)	(2,556)
Proceeds from sales of property, plant and equipment	21	470	448
Purchase of investment securities	(36)	(243)	(206)
Proceeds from sales of investment securities	51	10	(40)
Purchase of subsidiary shares following change in scope of consolidation	(3,468)	(6)	3,461
Purchase of investments in subsidiaries following change in scope of consolidation	-	(215)	(215)
Proceeds from sales of affiliates' stock	726	-	(726)
Proceeds from transfer of business	-	870	870
Other	(843)	(792)	51
Net cash used in investing activities	(7,127)	(6,039)	1,087
Cash flows from financing activities			
Increase (decrease) in short-term bank loans	10,356	5,862	(4,494)
Increase (decrease) in commercial paper	4,000	2,000	(2,000)
Proceeds from long-term debt	185	-	(185)
Repayment of long-term debt	(503)	(12,788)	(12,285)
Redemption of bonds	(5,000)	(10,000)	(5,000)
Dividends paid	(1,235)	(1,545)	(310)
Dividends paid to minority interests	(344)	0	344
Repayment of lease obligations	(1,957)	(1,972)	(14)
Other	(22)	578	600
Net cash provided by (used in) financing activities	5,479	(17,866)	(23,345)
Effects of exchange rate changes on cash and cash equivalents	(205)	241	446
Net increase (decrease) in cash and cash equivalents	(930)	(13,680)	(12,749)
Cash and cash equivalents at beginning of period	4,121	19,564	15,442
Cash and cash equivalents at end of period	3,190	5,883	2,692

Industrial Segment Information

NICHIREI CORPORATION

(1) Six Months Ended September 30, 2008 (April 1, 2008 through September 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	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	1,007	772	668	4,381	2,065	73	8,970	97	9,067
Operating income margin (%)	1.1	2.0	1.4	6.1	54.3	2.3	3.5	-	3.7

(2) Six Months Ended September 30, 2009 (April 1, 2009 through September 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	85,071	33,577	37,081	62,106	2,842	1,622	222,302	-	222,302
Intra-group sales and transfers	248	146	1,285	7,348	688	1,771	11,488	(11,488)	-
Total	85,320	33,723	38,366	69,454	3,531	3,394	233,791	(11,488)	222,302
Operating expenses	84,799	33,373	38,079	65,375	1,663	3,244	226,535	(11,745)	214,789
Operating income	521	350	287	4,079	1,867	150	7,256	256	7,512
Operating income margin (%)	0.6	1.0	0.7	5.9	52.9	4.4	3.1	-	3.4

(3) Fiscal Year 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 Fiscal Year Ending March 31, 2010

NICHIREI CORPORATION

Forecast of Fiscal Year 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)	168,600	69,000	80,900	139,500	7,000	6,800	(23,300)	448,500
Operating expenses	166,900	68,300	80,200	131,700	3,400	6,700	(23,800)	433,400
Operating Income (loss)	1,700	700	700	7,800	3,600	100	500	15,100

(*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.