

Consolidated Financial Statements – Summary

May 11, 2010

(For the year ended March 31, 2010)

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 Fiscal Year Ended March 31, 2010 (April 1, 2009 through March 31, 2010)

(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 |
| FY ended March 31, 2010 | 438,111 | 16,814 | 15,450 | 9,064 |
| FY ended March 31, 2009 | 474,515 | 15,142 | 14,171 | 6,020 |

| | E.P.S. | Diluted E.P.S. | Return on equity | Recurring income/Total capital | Operating income/Net sales |
|--------------------------------|--------------|----------------|------------------|--------------------------------|----------------------------|
| | Yen | Yen | % | % | % |
| FY ended March 31, 2010 | 29.24 | - | 7.9 | 5.5 | 3.8 |
| FY ended March 31, 2009 | 19.42 | - | 5.3 | 5.2 | 3.2 |

(Note) Equity in earnings of affiliates: FY ended March 31, 2010: (0) million yen, FY ended March 31, 2009: 216 million yen

(2) Consolidated financial position

| | Total assets | Net assets | Equity ratio | Equity per share |
|-----------------------------|----------------|----------------|--------------|------------------|
| | Million yen | Million yen | % | Yen |
| As of March 31, 2010 | 277,496 | 122,694 | 43.1 | 385.47 |
| As of March 31, 2009 | 287,296 | 113,199 | 38.6 | 357.85 |

(Note) Shareholders' equity: As of March 31, 2010: 119,468 million yen, As of March 31, 2009: 110,958 million yen

(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 |
| FY ended March 31, 2010 | 33,345 | (13,555) | (33,323) | 6,239 |
| FY ended March 31, 2009 | 15,282 | (14,740) | 16,085 | 19,564 |

2. Dividend Status

| (Base date) | Dividend per share | | | | | Total cash dividends (annual) | Dividends payout ratio (consolidated) | Dividend on equity ratio (consolidated) |
|-------------------------------------|--------------------|--------------------|--------------------|-----------|--------|-------------------------------|---------------------------------------|---|
| | End of 1st quarter | End of 2nd quarter | End of 3rd quarter | End of FY | Annual | | | |
| | Yen | Yen | Yen | Yen | Yen | Million yen | % | % |
| FY ended March 31, 2009 | - | 4.00 | - | 5.00 | 9.00 | 2,790 | 46.3 | 2.5 |
| FY ended March 31, 2010 | - | 4.00 | - | 5.00 | 9.00 | 2,789 | 30.8 | 2.4 |
| FY ending March 31, 2011 (Forecast) | - | 4.00 | - | 5.00 | 9.00 | | 35.3 | |

3. Estimation of Business Results of Fiscal Year Ending March 31, 2011 (April 1, 2010 through March 31, 2011)

(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, 2010 | 226,100 | 7,300 | 6,500 | 3,600 | 11.62 |
| FY ending March 31, 2011 | 449,700 | 16,500 | 14,700 | 7,900 | 25.49 |

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 financial statements (Changes in important items concerning preparation of these 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):

| | |
|-----------------------|--------------------|
| As of March 31, 2010: | 310,851,065 shares |
| As of March 31, 2009: | 310,851,065 shares |
 - (ii) Total treasury stock at term end:

| | |
|-----------------------|----------------|
| As of March 31, 2010: | 924,651 shares |
| As of March 31, 2009: | 782,907 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 (As of March 31, 2009) | FY 2010 (As of March 31, 2010) | Increase (Decrease) compared with March 31, 2009 |
|--|-----------------------------------|-----------------------------------|---|
| <Assets> | | | |
| Current assets | | | |
| Cash and time deposits | 19,564 | 6,272 | (13,291) |
| Notes and account receivable – trade | 60,231 | 55,896 | (4,334) |
| Merchandise and finished products | 27,397 | 23,868 | (3,529) |
| Products in process | 313 | 316 | 3 |
| Raw materials and supplies | 4,365 | 3,316 | (1,049) |
| Deferred tax assets | 1,134 | 1,367 | 232 |
| Other current assets | 3,695 | 3,902 | 207 |
| Less allowance for doubtful accounts | (112) | (107) | 5 |
| Total | 116,589 | 94,833 | (21,756) |
| Fixed assets | | | |
| 1. Tangible assets | | | |
| (1) Buildings and structures | 192,394 | 199,056 | 6,661 |
| Accumulated depreciation | (130,883) | (134,124) | (3,240) |
| Net | 61,511 | 64,931 | 3,420 |
| (2) Machinery and equipment | 62,655 | 65,083 | 2,427 |
| Accumulated depreciation | (47,664) | (49,516) | (1,852) |
| Net | 14,991 | 15,566 | 575 |
| (3) Land | 32,884 | 32,951 | 67 |
| (4) Leased assets | 43,314 | 47,101 | 3,787 |
| Accumulated depreciation | (24,077) | (25,322) | (1,245) |
| Net | 19,236 | 21,778 | 2,542 |
| (5) Construction in progress | 993 | 4,283 | 3,290 |
| (6) Other tangible fixed assets | 7,755 | 7,992 | 236 |
| Accumulated depreciation | (6,450) | (6,697) | (247) |
| Net | 1,305 | 1,294 | (10) |
| Total | 130,921 | 140,806 | 9,884 |
| 2. Intangible assets | | | |
| (1) Goodwill | 1,124 | 966 | (157) |
| (2) Leased assets | 155 | - | (155) |
| (3) Other intangible fixed assets | 3,477 | 3,447 | (30) |
| Total | 4,757 | 4,413 | (343) |
| 3. Investments and other assets | | | |
| (1) Investment securities | 18,557 | 21,248 | 2,691 |
| (2) Deferred tax assets | 2,431 | 1,814 | (617) |
| (3) Other assets | 14,590 | 14,926 | 335 |
| Less allowance for doubtful accounts | (551) | (546) | 4 |
| Total | 35,027 | 37,442 | 2,414 |
| Total fixed assets | 170,707 | 182,662 | 11,955 |
| Total assets | 287,296 | 277,496 | (9,800) |

NICHIREI CORPORATION

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

| | FY 2009 (As of March 31, 2009) | FY 2010 (As of March 31, 2010) | Increase (Decrease) compared with March 31, 2009 |
|--|-----------------------------------|-----------------------------------|---|
| <Liabilities> | | | |
| Current liabilities | | | |
| Notes and account payable – trade | 24,177 | 23,861 | (316) |
| Short-term bank loans | 11,474 | 17,373 | 5,898 |
| Commercial paper | 10,000 | 13,000 | 3,000 |
| Current portion of long-term loans | 25,900 | 877 | (25,023) |
| Current portion of bonds | 10,000 | - | (10,000) |
| Lease obligations | 3,717 | 3,818 | 101 |
| Accrued expenses | 17,797 | 18,078 | 280 |
| Income taxes payable | 3,150 | 2,852 | (298) |
| Directors' and statutory auditors' bonuses | 177 | 210 | 32 |
| Other current liabilities | 5,179 | 9,478 | 4,299 |
| Total | 111,576 | 89,550 | (22,025) |
| Long-term liabilities | | | |
| Long-term loans | 30,528 | 29,669 | (859) |
| Lease obligations | 18,873 | 21,053 | 2,180 |
| Deferred tax liabilities | 1,216 | 1,713 | 497 |
| Employees' retirement benefits | 3,216 | 3,514 | 297 |
| Directors' and statutory auditors' retirement benefits | 277 | 318 | 40 |
| Long-term deposits received | 8,108 | 8,157 | 49 |
| Negative Goodwill | 61 | 36 | (24) |
| Other long-term liabilities | 239 | 787 | 548 |
| Total | 62,520 | 65,251 | 2,730 |
| Total liabilities | 174,096 | 154,802 | (19,294) |
| <Net assets> | | | |
| Owners' equity | | | |
| Common stock | 30,307 | 30,307 | - |
| Capital surplus | 23,711 | 23,709 | (1) |
| Retained earnings | 56,045 | 62,318 | 6,273 |
| Treasury stock | (348) | (393) | (45) |
| Total | 109,715 | 115,943 | 6,227 |
| Valuation and translation adjustments | | | |
| Net unrealized holding gains on securities | 2,241 | 3,723 | 1,481 |
| Deferred gains or losses on hedges | 51 | 18 | (32) |
| Translation adjustment | (1,050) | (217) | 833 |
| Total | 1,242 | 3,524 | 2,282 |
| Minority interests | 2,241 | 3,225 | 984 |
| Total net assets | 113,199 | 122,694 | 9,494 |
| Total liabilities and net assets | 287,296 | 277,496 | (9,800) |

Consolidated Statements of Income

NICHIREI CORPORATION

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

| | FY 2009 (Apr. 2008–Mar. 2009) | FY 2010 (Apr. 2009–Mar. 2010) | Increase (Decrease) compared with FY 2009 |
|---|----------------------------------|----------------------------------|--|
| Net sales | 474,515 | 438,111 | (36,403) |
| Cost of sales | 387,186 | 350,153 | (37,033) |
| Gross profit | 87,328 | 87,957 | 629 |
| Selling, general and administrative expenses | | | |
| Selling expenses | | | |
| Transportation and storage expense | 14,296 | 13,495 | (800) |
| Sales promotion expense | 16,647 | 17,145 | 497 |
| Advertising expense | 4,010 | 3,115 | (895) |
| Sales commission expense | 2,999 | 3,237 | 237 |
| Remuneration, salary and bonuses | 14,024 | 14,229 | 204 |
| Provision for employees' retirement benefits | 1,362 | 1,764 | 401 |
| Fringe benefit | 2,127 | 2,339 | 212 |
| Traveling and communication expenses | 2,079 | 1,917 | (162) |
| Rent expense | 1,880 | 1,907 | 27 |
| Business consignment fee | 2,490 | 2,458 | (32) |
| Research and development expense | 2,191 | 1,986 | (205) |
| Other general and administrative expense | 8,073 | 7,545 | (528) |
| Total | 72,185 | 71,143 | (1,042) |
| Operating income | 15,142 | 16,814 | 1,671 |
| Non-operating revenues | | | |
| Interest income | 153 | 107 | (46) |
| Dividend income | 387 | 421 | 34 |
| Equity in earnings of affiliates | 216 | - | (216) |
| Other non-operating revenues | 1,332 | 1,099 | (232) |
| Total | 2,090 | 1,628 | (461) |
| Non-operating expenses | | | |
| Interest expenses | 1,767 | 1,703 | (64) |
| Equity in losses of affiliates | - | 0 | 0 |
| Other non-operating expenses | 1,293 | 1,288 | (5) |
| Total | 3,061 | 2,992 | (68) |
| Recurring income | 14,171 | 15,450 | 1,278 |
| Extraordinary income | | | |
| Gain on sales of property, plant and equipment | 614 | 289 | (324) |
| Gain on sales of investment securities | 45 | - | (45) |
| Reversal of allowance for doubtful receivables | 30 | 9 | (21) |
| Gain on transfer of business | - | 870 | 870 |
| Total | 690 | 1,169 | 478 |
| Extraordinary losses | | | |
| Loss on sales of property, plant and equipment | 33 | 35 | 1 |
| Loss on disposal of property, plant and equipment | 750 | 871 | 121 |
| Impairment loss | 15 | 765 | 749 |
| Impact accompanying the application of accounting standard for lease transactions | 1,731 | - | (1,731) |
| Loss on devaluation of investment securities | 435 | 53 | (382) |
| Loss on discontinued operations | 313 | 512 | 199 |
| Loss on devaluation of membership | 137 | - | (137) |
| Loss on sales of investment securities | 45 | - | (45) |
| Loss on sales of affiliates' stock | 35 | - | (35) |
| Total | 3,499 | 2,238 | (1,261) |
| Income before income taxes and minority interests | 11,362 | 14,380 | 3,018 |
| Income taxes—current | 5,443 | 5,154 | (289) |
| Income taxes—deferred | (336) | (13) | 323 |
| Total | 5,107 | 5,141 | 34 |
| Minority interests in net income of consolidated subsidiaries | 235 | 174 | (60) |
| Net income | 6,020 | 9,064 | 3,044 |

Consolidated Statements of Cash Flows

NICHIREI CORPORATION

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

| | FY 2009 (Apr. 2008–Mar. 2009) | FY 2010 (Apr. 2009–Mar. 2010) | Increase (Decrease) compared with FY 2009 |
|---|----------------------------------|----------------------------------|--|
| Cash flows from operating activities | | | |
| Income before income taxes and minority interests | 11,362 | 14,380 | 3,018 |
| Depreciation and amortization | 13,738 | 13,506 | (232) |
| Impairment loss | 15 | 765 | 749 |
| Increase (decrease) in provision for doubtful accounts | 61 | 5 | (56) |
| Increase (decrease) in provision for employees' retirement benefits | 206 | 298 | 91 |
| Decrease (increase) in prepaid pension expenses | (256) | (449) | (193) |
| Equity in earnings of affiliates | (216) | 0 | 217 |
| Loss on disposal of property, plant and equipment | 433 | 381 | (51) |
| Impact accompanying the application of accounting standard for lease transactions | 1,731 | - | (1,731) |
| Loss (gain) on devaluation of investment securities | 435 | 53 | (382) |
| Loss on discontinued operations | 313 | 471 | 157 |
| Loss on devaluation of membership | 137 | - | (137) |
| Interest and dividend income | (540) | (528) | 11 |
| Interest expense | 1,767 | 1,703 | (64) |
| Loss (gain) on sale of property, plant and equipment | (580) | (253) | 326 |
| Loss (gain) on sale of affiliates' stock | 35 | - | (35) |
| Loss (gain) on sale of investment securities | 0 | - | (0) |
| Loss (gain) on transfer of business | - | (870) | (870) |
| Decrease (increase) in notes and accounts receivable – trade | 3,266 | 4,469 | 1,203 |
| Decrease (increase) in inventories | (2,197) | 4,741 | 6,939 |
| Increase (decrease) in notes and accounts payable – trade | (2,250) | (357) | 1,893 |
| Other | (7,765) | 1,641 | 9,406 |
| Subtotal | 19,698 | 39,959 | 20,260 |
| Interest and dividend income received | 870 | 696 | (174) |
| | 705 | 587 | (118) |
| | 165 | 108 | (56) |
| Interest expense paid | (1,743) | (1,779) | (35) |
| Income taxes paid | (3,543) | (5,530) | (1,987) |
| Net cash provided by operating activities | 15,282 | 33,345 | 18,062 |
| Cash flows from investing activities | | | |
| Purchase of property, plant and equipment | (11,761) | (12,887) | (1,126) |
| Proceeds from sale of property, plant and equipment | 1,240 | 503 | (737) |
| Purchase of investment securities | (218) | (401) | (182) |
| Proceeds from sale of investment securities | 309 | 31 | (278) |
| Purchase of subsidiary shares following change in scope of consolidation | (3,468) | (6) | 3,461 |
| Purchase of subsidiary capital following change in scope of consolidation | - | (215) | (215) |
| Proceeds from sale of affiliates' stock | 726 | - | (726) |
| Proceeds from transfer of business | - | 870 | 870 |
| Other | (1,567) | (1,449) | 118 |
| Net cash used in investing activities | (14,740) | (13,555) | 1,184 |
| Cash flows from financing activities | | | |
| Increase (decrease) in short-term bank loans | 1,519 | 5,766 | 4,246 |
| Increase (decrease) in commercial paper | 8,000 | 3,000 | (5,000) |
| Proceeds from long-term debt | 24,973 | - | (24,973) |
| Repayment of long-term debt | (7,092) | (25,916) | (18,824) |
| Redemption of bonds | (5,000) | (10,000) | (5,000) |
| Dividends paid | (2,476) | (2,783) | (306) |
| Proceeds from stock issuance to minority shareholders | - | 1,093 | 1,093 |
| Dividends paid to minority interests | (594) | (446) | 147 |
| Repayment of lease obligations | (3,901) | (3,989) | (88) |
| Other | 657 | (46) | (703) |
| Net cash provided by (used in) financing activities | 16,085 | (33,323) | (49,408) |
| Effects of exchange rate changes on cash and cash equivalents | (1,184) | 209 | 1,393 |
| Net increase (decrease) in cash and cash equivalents | 15,442 | (13,324) | (28,767) |
| Cash and cash equivalents at beginning of period | 4,121 | 19,564 | 15,442 |
| Cash and cash equivalents at end of period | 19,564 | 6,239 | (13,324) |

Industrial Segment Information

NICHIREI CORPORATION

(1) 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 | 173,624 | 75,413 | 88,203 | 128,305 | 5,948 | 3,020 | 474,515 | - | 474,515 |
| Intra-group sales and transfers | 403 | 664 | 4,314 | 14,040 | 1,409 | 3,601 | 24,434 | (24,434) | - |
| Total | 174,027 | 76,078 | 92,517 | 142,345 | 7,357 | 6,622 | 498,949 | (24,434) | 474,515 |
| Operating expenses | 172,004 | 75,803 | 92,548 | 134,114 | 3,313 | 6,397 | 484,181 | (24,809) | 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 |

(2) Fiscal Year Ended 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 | Total | Intercompany eliminations and corporate | Consolidated |
|---------------------------------|-----------------|-----------------|---------------------------|-----------|-------------|-------|---------|---|--------------|
| Operating revenues | 161,651 | 66,909 | 75,269 | 125,275 | 5,602 | 3,402 | 438,111 | - | 438,111 |
| Intra-group sales and transfers | 421 | 282 | 2,374 | 13,740 | 1,393 | 3,513 | 21,726 | (21,726) | - |
| Total | 162,073 | 67,192 | 77,643 | 139,016 | 6,995 | 6,916 | 459,838 | (21,726) | 438,111 |
| Operating expenses | 159,511 | 66,298 | 76,967 | 131,133 | 3,274 | 6,488 | 443,674 | (22,377) | 421,297 |
| Operating income (loss) | 2,561 | 893 | 676 | 7,883 | 3,721 | 427 | 16,163 | 650 | 16,814 |
| Operating income margin | 1.6 | 1.3 | 0.9 | 5.7 | 53.2 | 6.2 | 3.5 | - | 3.8 |

Forecast of Fiscal Year Ending March 31, 2011

NICHIREI CORPORATION

(1) Forecast of Six Months Ending September 30, 2010 (April 1, 2010 through September 30, 2010)

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

| | Processed Foods | Marine Products | Meat and Poultry Products | Logistics | Real Estate | Other | Corporate | Intercompany eliminations | Consolidated |
|-------------------------|-----------------|-----------------|---------------------------|-----------|-------------|-------|-----------|---------------------------|--------------|
| Operating revenues (*1) | 82,200 | 34,600 | 42,500 | 72,100 | 3,600 | 3,000 | 3,000 | (14,900) | 226,100 |
| Operating expenses | 81,000 | 34,300 | 42,000 | 68,500 | 1,700 | 3,000 | 2,400 | (14,100) | 218,800 |
| Operating income | 1,200 | 300 | 500 | 3,600 | 1,900 | 0 | 600 | (800) | 7,300 |

(1) Forecast of Fiscal Year Ending March 31, 2011 (April 1, 2010 through March 31, 2011)

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

| | Processed Foods | Marine Products | Meat and Poultry Products | Logistics | Real Estate | Other | Corporate | Intercompany eliminations | Consolidated |
|-------------------------|-----------------|-----------------|---------------------------|-----------|-------------|-------|-----------|---------------------------|--------------|
| Operating revenues (*1) | 163,600 | 69,500 | 82,300 | 144,200 | 7,100 | 6,400 | 6,100 | (29,500) | 449,700 |
| Operating expenses | 159,600 | 68,800 | 81,500 | 136,900 | 3,300 | 6,200 | 4,800 | (27,900) | 433,200 |
| Operating income | 4,000 | 700 | 800 | 7,300 | 3,800 | 200 | 1,300 | (1,600) | 16,500 |

(*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.