

Consolidated Financial Statements – Summary

May 10, 2011

(For the year ended March 31, 2011)

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, 2011 (April 1, 2010 through March 31, 2011)

(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, 2011	437,808	16,681	16,115	4,044
FY ended March 31, 2010	438,111	16,814	15,450	9,064

(Note) Comprehensive income: FY ended March 31, 2011: 464 million yen (-96.0%)

FY ended March 31, 2010: 11,621 million yen (-%)

	E.P.S.	Diluted E.P.S.	Return on equity	Recurring income/ Total capital	Operating income/ Net sales
	Yen	Yen	%	%	%
FY ended March 31, 2011	13.08	-	3.4	5.7	3.8
FY ended March 31, 2010	29.24	-	7.9	5.5	3.8

(Note) Equity in earnings of affiliates: FY ended March 31, 2011: 164 million yen

FY ended March 31, 2010: (0) million yen

(2) Consolidated financial position

	Total assets	Total net assets	Equity ratio	Equity per share
	Million yen	Million yen	%	Yen
As of March 31, 2011	284,562	117,748	40.4	377.08
As of March 31, 2010	277,496	122,694	43.1	385.47

(Note) Shareholders' equity: As of March 31, 2011: 115,058 million yen

As of March 31, 2010: 119,468 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, 2011	17,274	(18,229)	6,416	10,795
FY ended March 31, 2010	33,345	(13,555)	(33,323)	6,239

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, 2010	-	4.00	-	5.00	9.00	2,789	30.8	2.4
FY ended March 31, 2011	-	4.00	-	5.00	9.00	2,765	68.8	2.4
FY ending March 31, 2012 (Forecast)	-	4.00	-	5.00	9.00		39.2	

3. Estimation of Business Results of Fiscal Year Ending March 31, 2012 (April 1, 2011 through March 31, 2012)

(Percentages show year-on-year changes.)

	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, 2011	217,800	5,400	4,700	2,700	8.85
FY ending March 31, 2012	442,200	14,000	12,600	7,000	22.94

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

(i) Changes accompanying revision of accounting standards, etc.: Yes

(ii) Changes other than (i) above: No

(3) Total number of outstanding shares (Common stock)

(i) Total number of outstanding shares at term end (Includes treasury stock):

As of March 31, 2011: 310,851,065 shares

As of March 31, 2010: 310,851,065 shares

(ii) Total treasury stock at term end:

As of March 31, 2011: 5,722,475 shares

As of March 31, 2010: 924,651 shares

(iii) Average number of outstanding shares during the period:

For the year ended March 31, 2011: 309,147,857 shares

For the year ended March 31, 2010: 310,018,257 shares

* Status of auditing procedure

The summary consolidated financial statements are not subject to auditing procedures under the Financial Instruments and Exchange Act. The auditing procedures for the financial statements under the Financial Instruments and Exchange Act had not been completed when the summary consolidated financial statements were disclosed.

* Note to proper use of forecast of operating results and other special remarks

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 2010 (As of March 31, 2010)	FY 2011 (As of March 31, 2011)	Increase (Decrease) compared with March 31, 2010
<Assets>			
Current assets			
Cash and time deposits	6,272	10,795	4,522
Notes and account receivable – trade	55,896	56,566	670
Merchandise and finished products	23,868	25,763	1,895
Products in process	316	395	78
Raw materials and supplies	3,316	3,621	305
Deferred tax assets	1,367	1,605	238
Other current assets	3,902	4,600	697
Less allowance for doubtful accounts	(107)	(168)	(61)
Total	94,833	103,180	8,347
Fixed assets			
1. Tangible assets			
(1) Buildings and structures	199,056	206,389	7,333
Accumulated depreciation	(134,124)	(135,747)	(1,622)
Net	64,931	70,642	5,710
(2) Machinery and equipment	65,083	70,135	5,052
Accumulated depreciation	(49,516)	(51,190)	(1,674)
Net	15,566	18,944	3,378
(3) Land	32,951	29,448	(3,503)
(4) Leased assets	47,101	44,845	(2,255)
Accumulated depreciation	(25,322)	(22,398)	2,924
Net	21,778	22,447	669
(5) Construction in progress	4,283	702	(3,580)
(6) Other tangible fixed assets	7,992	7,982	(9)
Accumulated depreciation	(6,697)	(6,701)	(3)
Net	1,294	1,280	(13)
Total	140,806	143,466	2,660
2. Intangible assets			
(1) Goodwill	966	2,205	1,238
(2) Other intangible fixed assets	3,447	3,765	318
Total	4,413	5,971	1,557
3. Investments and other assets			
(1) Investment securities	21,248	21,709	461
(2) Deferred tax assets	1,814	1,937	122
(3) Other assets	14,926	8,955	(5,970)
Less allowance for doubtful accounts	(546)	(658)	(112)
Total	37,442	31,943	(5,499)
Total fixed assets	182,662	181,381	(1,281)
Total assets	277,496	284,562	7,066

NICHIREI CORPORATION

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

	FY 2010 (As of March 31, 2010)	FY 2011 (As of March 31, 2011)	Increase (Decrease) compared with March 31, 2010
<Liabilities>			
Current liabilities			
Account payable – trade	23,861	24,466	605
Short-term bank loans	17,373	29,549	12,176
Commercial paper	13,000	13,000	—
Current portion of long-term loans	877	8,050	7,173
Lease obligations	3,818	3,757	(61)
Accrued expenses	18,078	18,093	15
Income taxes payable	2,852	2,201	(650)
Directors' and statutory auditors' bonuses	210	240	29
Provision for losses on disaster	—	1,975	1,975
Other current liabilities	9,478	8,992	(486)
Total	89,550	110,328	20,777
Long-term liabilities			
Long-term loans	29,669	21,879	(7,790)
Lease obligations	21,053	20,740	(312)
Deferred tax liabilities	1,713	1,607	(106)
Employees' retirement benefits	3,514	3,809	294
Directors' and statutory auditors' retirement benefits	318	343	25
Asset retirement obligations	—	2,398	2,398
Long-term deposits received	8,157	4,724	(3,433)
Negative goodwill	36	14	(22)
Other long-term liabilities	787	966	179
Total	65,251	56,485	(8,765)
Total liabilities	154,802	166,813	12,011
<Net assets>			
Owners' equity			
Common stock	30,307	30,307	—
Capital surplus	23,709	23,709	(0)
Retained earnings	62,318	63,254	935
Treasury stock	(393)	(2,224)	(1,830)
Total	115,943	115,047	(895)
Accumulated other comprehensive income			
Net unrealized holding gains on securities	3,723	2,255	(1,467)
Deferred gains or losses on hedges	18	8	(10)
Translation adjustment	(217)	(2,253)	(2,036)
Total	3,524	10	(3,514)
Minority interests	3,225	2,690	(535)
Total net assets	122,694	117,748	(4,945)
Total liabilities and net assets	277,496	284,562	7,066

Consolidated Statements of Income

NICHIREI CORPORATION

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

	FY 2010 (Apr. 2009–Mar. 2010)	FY 2011 (Apr. 2010–Mar. 2011)	Increase (Decrease) compared with FY 2010
Net sales	438,111	437,808	(302)
Cost of sales	350,153	350,442	289
Gross profit	87,957	87,365	(592)
Selling, general and administrative expenses			
Transportation and storage expense	13,495	13,299	(196)
Sales promotion expense	17,145	17,627	481
Advertising expense	3,115	3,056	(59)
Sales commission expense	3,237	3,368	130
Remuneration, salary and bonuses	14,229	14,480	250
Provision for employees' retirement benefits	1,764	1,589	(175)
Fringe benefit	2,339	2,413	74
Traveling and communication expenses	1,917	2,040	122
Rent expense	1,907	1,799	(108)
Business consignment fee	2,458	2,412	(46)
Research and development expense	1,986	1,806	(180)
Other selling, general and administrative expense	7,545	6,791	(753)
Total	71,143	70,684	(459)
Operating income	16,814	16,681	(132)
Non-operating revenues			
Interest income	107	79	(28)
Dividend income	421	408	(12)
Equity in earnings of affiliates	–	164	164
Other non-operating revenues	1,099	1,287	187
Total	1,628	1,939	310
Non-operating expenses			
Interest expenses	1,703	1,371	(332)
Equity in losses of affiliates	0	–	(0)
Other non-operating expenses	1,288	1,134	(154)
Total	2,992	2,505	(487)
Recurring income	15,450	16,115	665
Extraordinary income			
Gain on sales of fixed assets	289	1,002	712
Gain on transfer of business	870	–	(870)
Reversal of allowance for doubtful accounts	9	21	12
Compensation income	–	3,008	3,008
Gain on sales of investment securities	–	827	827
Gain on reversal of foreign currency translation adjustments due to liquidation of subsidiaries	–	261	261
Gain on sales of memberships	–	1	1
Total	1,169	5,123	3,954
Extraordinary losses			
Loss on sales of fixed assets	35	16	(19)
Loss on disposal of fixed assets	871	435	(435)
Impairment loss	765	447	(317)
Loss on discontinued operations	512	354	(158)
Loss on devaluation of investment securities	53	38	(15)
Loss on revision of retirement benefit plan	–	6,610	6,610
Loss on disaster	–	3,196	3,196
Loss on adjustment for changes of accounting standard for asset retirement obligations	–	798	798
Special retirement expenses	–	225	225
Loss on devaluation of investments	–	216	216
Loss on sales of investment securities	–	34	34
Loss on sales of affiliates' shares	–	4	4
Loss on sales of membership	–	1	1
Total	2,238	12,378	10,140
Income before income taxes and minority interest	14,380	8,860	(5,520)
Income taxes – current	5,154	4,285	(868)
Income taxes – deferred	(13)	486	499
Total	5,141	4,771	(369)
Income before minority interests	–	4,088	4,088
Minority interests in net income of consolidated subsidiaries	174	44	(130)
Net income	9,064	4,044	(5,020)

Consolidated Statements of Comprehensive Income

NICHIREI CORPORATION

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

	FY 2010 (Apr. 2009–Mar. 2010)	FY 2011 (Apr. 2010–Mar. 2011)	Increase (Decrease) compared with FY 2010
Income before minority interests	9,239	4,088	(5,150)
Other comprehensive income			
Net unrealized holding gains on securities	1,483	(1,467)	(2,950)
Deferred gains or losses on hedges	(27)	(19)	7
Translation adjustment	914	(2,119)	(3,033)
Share of other comprehensive income of associates accounted for using equity method	12	(17)	(29)
Total	2,381	(3,624)	(6,006)
Comprehensive income	11,621	464	(11,157)
(Breakdown)			
Comprehensive income attributable to owners of the parent	11,346	529	(10,817)
Comprehensive income attributable to minority interests	274	(65)	(339)

Consolidated Statements of Cash Flows

NICHIREI CORPORATION

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

	FY 2010 (Apr. 2009–Mar. 2010)	FY 2011 (Apr. 2010–Mar. 2011)	Increase (Decrease) compared with FY 2010
Cash flows from operating activities			
Income before income taxes and minority interests	14,380	8,860	(5,520)
Depreciation and amortization	13,506	14,099	592
Impairment loss	765	447	(317)
Increase (decrease) in provision for doubtful accounts	5	190	185
Increase (decrease) in provision for employees' retirement benefits	298	272	(25)
Loss (gain) on securities contribution to employees' retirement benefits trust	–	(3,851)	(3,851)
Decrease (increase) in prepaid pension expenses	(449)	5,542	5,991
Equity in losses (earnings) of affiliates	0	(164)	(164)
Loss on disposal of fixed assets	381	269	(112)
Loss on discontinued operations	471	209	(262)
Loss (gain) on devaluation of investment securities	53	38	(15)
Loss on disaster	–	3,196	3,196
Compensation income	–	(3,008)	(3,008)
Loss on adjustment for changes of accounting standard for asset retirement obligations	–	798	798
Gain on reversal of foreign currency translation adjustments due to liquidation of subsidiaries	–	(261)	(261)
Special retirement expenses	–	225	225
Loss on devaluation of investments	–	216	216
Interest and dividend income	(528)	(488)	40
Interest expense	1,703	1,371	(332)
Loss (gain) on sales of fixed assets	(253)	(986)	(732)
Loss (gain) on transfer of business	(870)	–	870
Loss (gain) on sales of investment securities	–	(792)	(792)
Loss (gain) on sales of affiliates' shares	–	4	4
Decrease (increase) in notes and accounts receivable – trade	4,469	(827)	(5,297)
Decrease (increase) in inventories	4,741	(2,571)	(7,313)
Increase (decrease) in notes and accounts payable – trade	(357)	604	961
Other	1,641	(2,426)	(4,067)
Subtotal	39,959	20,965	(18,993)
Interest and dividend income received	696	545	(150)
Interest expense paid	(1,779)	(1,326)	452
Proceeds from compensation	–	2,714	2,714
Payments for loss on disaster	–	(246)	(246)
Income taxes paid	(5,530)	(5,378)	152
Net cash provided by operating activities	33,345	17,274	(16,071)
Cash flows from investing activities			
Purchase of tangible assets	(12,887)	(17,668)	(4,780)
Proceeds from sales of tangible assets	503	1,402	899
Purchase of investment securities	(401)	(32)	368
Proceeds from sales of investment securities	31	1,881	1,850
Purchase of subsidiary shares resulting in change in scope of consolidation	(6)	(2,732)	(2,726)
Purchase of investments in subsidiaries resulting in change in scope of consolidation	(215)	–	215
Proceeds from sales of affiliates' shares	–	20	20
Proceeds from transfer of business	870	–	(870)
Other	(1,449)	(1,099)	349
Net cash used in investing activities	(13,555)	(18,229)	(4,673)
Cash flows from financing activities			
Increase (decrease) in short-term bank loans	5,766	12,368	6,602
Increase (decrease) in commercial paper	3,000	–	(3,000)
Proceeds from long-term loans	–	3,852	3,852
Repayment of long-term loans	(25,916)	(888)	25,028
Redemption of bonds	(10,000)	–	10,000
Dividends paid	(2,783)	(2,780)	2
Proceeds from stock issuance to minority shareholders	1,093	4	(1,088)
Dividends paid to minority interests	(446)	(257)	189
Repayment of lease obligations	(3,989)	(4,051)	(62)
Purchase of treasury stock	–	(1,835)	(1,835)
Other	(46)	4	50
Net cash provided by (used in) financing activities	(33,323)	6,416	39,740
Effects of exchange rate changes on cash and cash equivalents	209	(540)	(750)
Net increase (decrease) in cash and cash equivalents	(13,324)	4,920	18,245
Cash and cash equivalents at beginning of period	19,564	6,239	(13,324)
Net decrease in cash and cash equivalents due to exclusion from consolidation	–	(364)	(364)
Cash and cash equivalents at end of period	6,239	10,795	4,556

Industrial Segment Information

NICHIREI CORPORATION

(1) 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 income	2,561	893	676	7,883	3,721	427	16,163	650	16,814

(2) Fiscal Year Ended 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	Total	Intercompany eliminations and corporate	Consolidated
Operating revenues	161,560	66,539	76,451	124,988	5,314	2,955	437,808	-	437,808
Intra-group sales and transfers	328	285	1,838	14,426	1,304	3,280	21,463	(21,463)	-
Total	161,888	66,824	78,289	139,414	6,619	6,236	459,272	(21,463)	437,808
Operating income	4,609	592	388	7,296	3,558	417	16,863	(182)	16,681

Forecast of Fiscal Year Ending March 31, 2012

NICHIREI CORPORATION

(1) Forecast of Six Months Ending September 30, 2011 (April 1, 2011 through September 30, 2011)

(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)	82,000	30,700	38,100	73,000	2,500	3,000	(11,500)	217,800
Operating Income	700	200	300	3,200	1,100	0	(100)	5,400

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

(2) Forecast of Fiscal Year Ending March 31, 2012 (April 1, 2011 through March 31, 2012)

(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)	164,000	65,100	75,900	148,600	5,100	6,300	(22,800)	442,200
Operating Income	3,600	600	700	7,000	2,100	200	(200)	14,000

(*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.