

Consolidated Financial Statements – Summary

May 8, 2012

(For the year ended March 31, 2012)

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, 2012 (April 1, 2011 through March 31, 2012)

(1) Consolidated financial results (Cumulative)

(Amounts less than one million yen are omitted)

(The percentage figures represent the change from the same period last year)

	Net sales	Operating income	Recurring income	Net income
	Million yen	Million yen	Million yen	Million yen
FY ended March 31, 2012	454,931	16,177	15,250	7,904
FY ended March 31, 2011	437,808	16,681	16,115	4,044

(Note) Comprehensive income: FY ended March 31, 2012: 7,898 million yen (-%)
FY ended March 31, 2011: 464 million yen (-96.0%)

	E.P.S.	Diluted E.P.S.	Return on equity	Recurring income/ Total capital	Operating income/ Net sales
	Yen	Yen	%	%	%
FY ended March 31, 2012	26.35	-	6.8	5.3	3.6
FY ended March 31, 2011	13.08	-	3.4	5.7	3.8

(Note) Equity in earnings of affiliates: FY ended March 31, 2012: 49 million yen
FY ended March 31, 2011: 164 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, 2012	290,537	118,700	40.2	396.33
As of March 31, 2011	284,562	117,748	40.4	377.08

(Note) Shareholders' equity: As of March 31, 2012: 116,831 million yen
As of March 31, 2011: 115,058 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, 2012	19,915	(12,422)	(7,583)	10,608
FY ended March 31, 2011	17,274	(18,229)	6,416	10,795

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, 2011	-	4.00	-	5.00	9.00	2,765	68.8	2.4
FY ended March 31, 2012	-	4.00	-	5.00	9.00	2,672	34.2	2.3
FY ending March 31, 2013 (Forecast)	-	5.00	-	5.00	10.00		29.5	

3. Estimation of Business Results of Fiscal Year Ending March 31, 2013 (April 1, 2012 through March 31, 2013)

(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, 2012	235,300	8,000	7,700	4,900	16.62
FY ending March 31, 2013	474,000	17,300	16,500	10,000	33.92

4. Other

(1) Any changes in important subsidiaries during the term (Change in specific subsidiaries as a result of a change in the scope of consolidation): None

(2) Changes in accounting policies, changes in accounting estimates, and restatement

- | | |
|--|------|
| (i) Changes in accounting policies associated with the revision of accounting standards, etc.: | None |
| (ii) Changes in accounting policies other than (i): | None |
| (iii) Changes in accounting estimates: | None |
| (iv) Restatement: | None |

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

- | | |
|---|--------------------|
| (i) Total number of outstanding shares at term end (Includes treasury stock): | |
| As of March 31, 2012: | 310,851,065 shares |
| As of March 31, 2011: | 310,851,065 shares |
| (ii) Total treasury stock at term end: | |
| As of March 31, 2012: | 16,064,941 shares |
| As of March 31, 2011: | 5,722,475 shares |
| (iii) Average number of outstanding shares during the period: | |
| For the year ended March 31, 2012: | 300,004,405 shares |
| For the year ended March 31, 2011: | 309,147,857 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 2011 (As of March 31, 2011)	FY 2012 (As of March 31, 2012)
<Assets>		
Current assets		
Cash and time deposits	10,795	10,621
Notes and account receivable – trade	56,566	64,473
Merchandise and finished products	25,763	30,764
Products in process	395	246
Raw materials and supplies	3,621	4,277
Deferred tax assets	1,605	1,556
Other current assets	4,600	3,747
Less allowance for doubtful accounts	(168)	(196)
Total	103,180	115,492
Fixed assets		
Tangible assets		
Buildings and structures (net)	70,642	67,104
Machinery and equipment (net)	18,944	17,367
Land	29,448	29,252
Leased assets (net)	22,447	21,262
Construction in progress	702	1,862
Other tangible fixed assets (net)	1,280	1,263
Total	143,466	138,113
Intangible assets		
Goodwill	2,205	1,982
Other intangible fixed assets	3,765	3,568
Total	5,971	5,551
Investments and other assets		
Investment securities	21,709	23,371
Deferred tax assets	1,937	1,345
Other assets	8,955	7,108
Less allowance for doubtful accounts	(658)	(444)
Total	31,943	31,380
Total fixed assets	181,381	175,045
Total assets	284,562	290,537

NICHIREI CORPORATION

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

	FY 2011 (As of March 31, 2011)	FY 2012 (As of March 31, 2012)
<Liabilities>		
Current liabilities		
Account payable – trade	24,466	28,425
Short-term bank loans	29,549	12,134
Commercial paper	13,000	5,000
Current portion of long-term loans	8,050	1,586
Lease obligations	3,757	3,693
Accrued expenses	18,093	20,565
Income taxes payable	2,201	3,365
Directors' and statutory auditors' bonuses	240	210
Provision for losses on disaster	1,975	–
Other current liabilities	8,992	9,171
Total	110,328	84,152
Long-term liabilities		
Bonds	–	20,000
Long-term loans	21,879	36,112
Lease obligations	20,740	19,297
Deferred tax liabilities	1,607	2,287
Employees' retirement benefits	3,809	1,421
Directors' and statutory auditors' retirement benefits	343	340
Asset retirement obligations	2,398	2,207
Long-term deposits received	4,724	3,271
Negative goodwill	14	–
Other long-term liabilities	966	2,746
Total	56,485	87,685
Total liabilities	166,813	171,837
<Net assets>		
Owners' equity		
Common stock	30,307	30,307
Capital surplus	23,709	23,709
Retained earnings	63,254	68,434
Treasury stock	(2,224)	(5,873)
Total	115,047	116,578
Accumulated other comprehensive income		
Net unrealized holding gains on securities	2,255	3,585
Deferred gains or losses on hedges	8	(0)
Translation adjustment	(2,253)	(3,332)
Total	10	252
Minority interests	2,690	1,869
Total net assets	117,748	118,700
Total liabilities and net assets	284,562	290,537

Consolidated Statements of Income

NICHIREI CORPORATION

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

	FY 2011 (Apr. 2010–Mar. 2011)	FY 2012 (Apr. 2011–Mar. 2012)
Net sales	437,808	454,931
Cost of sales	350,442	368,012
Gross profit	87,365	86,918
Selling, general and administrative expenses		
Transportation and storage expense	13,299	13,476
Sales promotion expense	17,627	18,674
Advertising expense	3,056	3,121
Sales commission expense	3,368	3,215
Remuneration, salary and bonuses	14,480	14,557
Provision for employees' retirement benefits	1,589	781
Fringe benefit	2,413	2,479
Traveling and communication expenses	2,040	2,124
Rent expense	1,799	1,726
Business consignment fee	2,412	2,325
Research and development expense	1,806	1,697
Other selling, general and administrative expense	6,791	6,562
Total	70,684	70,741
Operating income	16,681	16,177
Non-operating revenues		
Interest income	79	91
Dividend income	408	530
Equity in earnings of affiliates	164	49
Other non-operating revenues	1,287	1,354
Total	1,939	2,025
Non-operating expenses		
Interest expenses	1,371	1,445
Other non-operating expenses	1,134	1,507
Total	2,505	2,952
Recurring income	16,115	15,250
Extraordinary income		
Gain on sales of fixed assets	1,002	743
Gain on sales of investment securities	827	127
Reversal of provision for losses on disaster	–	437
Gain on sales of memberships	1	–
Compensation income	3,008	–
Gain on reversal of foreign currency translation adjustments due to liquidation of subsidiaries	261	–
Reversal of allowance for doubtful accounts	21	–
Total	5,123	1,308
Extraordinary losses		
Loss on sales of fixed assets	16	8
Loss on disposal of fixed assets	435	504
Impairment loss	447	590
Loss on disaster	3,196	365
Loss on discontinued operations	354	242
Loss on devaluation of investment securities	38	621
Loss on sales of investment securities	34	–
Loss on sales of affiliates' stock	4	–
Loss on devaluation of investments	216	–
Loss on sale of membership, etc.	1	–
Loss on revision of retirement benefit plan	6,610	–
Special retirement expenses	225	–
Loss on adjustment for changes of accounting standard for asset retirement obligations	798	–
Total	12,378	2,333
Income before income taxes and minority interest	8,860	14,225
Income taxes – current	4,285	5,519
Income taxes – deferred	486	886
Total	4,771	6,406
Income before minority interests	4,088	7,819
Minority interests in net income (loss) of consolidated subsidiaries	44	(85)
Net income	4,044	7,904

Consolidated Statements of Comprehensive Income

NICHIREI CORPORATION

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

	FY 2011 (Apr. 2010–Mar. 2011)	FY 2012 (Apr. 2011–Mar. 2012)
Income before minority interests	4,088	7,819
Other comprehensive income		
Net unrealized holding gains on securities	(1,467)	1,325
Deferred gains or losses on hedges	(19)	(26)
Translation adjustment	(2,119)	(1,213)
Share of other comprehensive income of associates accounted for using equity method	(17)	(5)
Total	(3,624)	79
Comprehensive income	464	7,898
(Breakdown)		
Comprehensive income attributable to owners of the parent	529	8,146
Comprehensive income attributable to minority interests	(65)	(248)

Consolidated Statements of Cash Flows

NICHIREI CORPORATION

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

	FY 2011 (Apr. 2010–Mar. 2011)	FY 2012 (Apr. 2011–Mar. 2012)
Cash flows from operating activities		
Income before income taxes and minority interests	8,860	14,225
Depreciation and amortization	14,099	14,970
Impairment loss	447	590
Loss on discontinued operations	209	0
Increase (decrease) in provision for doubtful accounts	190	(62)
Increase (decrease) in provision for employees' retirement benefits	272	(2,372)
Loss (gain) on securities contribution to employees' retirement benefits trust	(3,851)	-
Decrease (increase) in prepaid pension expenses	5,542	1,480
Interest and dividends income	(488)	(622)
Interest expense	1,371	1,445
Equity in losses (earnings) of affiliates	(164)	(49)
Loss (gain) on sales of fixed assets	(986)	(735)
Loss on disposal of fixed assets	269	259
Loss (gain) on sales of investment securities	(792)	(120)
Loss (gain) on devaluation of investment securities	38	621
Loss (gain) on sales of affiliates' stock	4	-
Loss on devaluation of investments	216	-
Reversal of provision for losses on disaster	-	(437)
Compensation income	(3,008)	-
Gain on reversal of foreign currency translation adjustments due to liquidation of subsidiaries	(261)	-
Loss on disaster	3,196	365
Special retirement expenses	225	-
Loss on adjustment for changes of accounting standard for asset retirement obligations	798	-
Decrease (increase) in notes and accounts receivable – trade	(827)	(8,234)
Decrease (increase) in inventories	(2,571)	(5,761)
Increase (decrease) in notes and accounts payable – trade	604	4,000
Other	(2,426)	7,044
Subtotal	20,965	26,609
Interest and dividend income received	545	691
Interest expense paid	(1,326)	(1,426)
Proceeds from compensation	2,714	-
Payments for loss on disaster	(246)	(1,785)
Income taxes paid	(5,378)	(4,172)
Net cash provided by operating activities	17,274	19,915
Cash flows from investing activities		
Purchase of tangible assets	(17,668)	(11,354)
Proceeds from sales of tangible assets	1,402	871
Purchase of investment securities	(32)	(728)
Proceeds from sales of investment securities	1,881	189
Purchase of subsidiary shares resulting in change in scope of consolidation	(2,732)	-
Proceeds from sales of affiliates' stock	20	-
Other	(1,099)	(1,401)
Net cash used in investing activities	(18,229)	(12,422)
Cash flows from financing activities		
Increase (decrease) in short-term bank loans	12,368	(16,985)
Increase (decrease) in commercial paper	-	(8,000)
Proceeds from long-term loans	3,852	16,102
Repayment of long-term loans	(888)	(8,063)
Proceeds from issuance of bonds	-	20,000
Repayment of lease obligations	(4,051)	(3,774)
Purchase of treasury stock	(1,835)	(3,652)
Dividends paid	(2,780)	(2,606)
Dividends paid to minority interests	(257)	(652)
Proceeds from stock issuance to minority shareholders	4	45
Other	4	3
Net cash provided by (used in) financing activities	6,416	(7,583)
Effects of exchange rate changes on cash and cash equivalents	(540)	(96)
Net increase (decrease) in cash and cash equivalents	4,920	(186)
Cash and cash equivalents at beginning of period	6,239	10,795
Decrease in cash and cash equivalents resulting from exclusion of subsidiaries from consolidation	(364)	-
Cash and cash equivalents at end of period	10,795	10,608

Industrial Segment Information

NICHIREI CORPORATION

(1) 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	Adjustments	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

(2) Fiscal Year Ended 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	Total	Adjustments	Consolidated
Operating revenues	173,849	65,412	73,586	135,405	3,745	2,932	454,931	-	454,931
Intra-group sales and transfers	309	240	2,005	14,133	1,204	3,102	20,995	(20,995)	-
Total	174,158	65,653	75,591	149,539	4,949	6,035	475,927	(20,995)	454,931
Operating income	5,152	222	525	7,389	2,357	482	16,130	47	16,177

Forecast of Fiscal Year Ending March 31, 2013

NICHIREI CORPORATION

(1) Forecast of Six Months Ending September 30, 2012 (April 1, 2012 through September 30, 2012)

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

	Processed Foods	Marine Products	Meat and Poultry Products	Logistics	Real Estate	Other	Adjustments	Consolidated
Operating revenues (*1)	92,200	33,600	39,000	76,600	2,500	2,900	(11,500)	235,300
Operating Income	2,800	300	400	3,600	1,000	100	(200)	8,000

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

(2) Forecast of Fiscal Year Ending March 31, 2013 (April 1, 2012 through March 31, 2013)

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

	Processed Foods	Marine Products	Meat and Poultry Products	Logistics	Real Estate	Other	Adjustments	Consolidated
Operating revenues (*1)	185,000	69,000	78,000	153,600	5,000	6,100	(22,700)	474,000
Operating Income	6,000	700	800	7,600	2,100	300	(200)	17,300

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

Cautionary Statement with Respect to Forward-Looking Statements

This 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.