

Consolidated Financial Statements – Summary

July 30, 2013

(For the three months ended June 30, 2013)

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 Three Months Ended June 30, 2013 (April 1, 2013 through June 30, 2013)

(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
Three months ended June 30, 2013	120,815	2,464	2,489	1,271
Three months ended June 30, 2012	114,999	4,127	4,163	3,471

(Note) Comprehensive income: Three months ended June 30, 2013: 3,161 million yen (-10.4%)
Three months ended June 30, 2012: 3,529 million yen (5.0%)

	E.P.S.	Diluted E.P.S.
	Yen	Yen
Three months ended June 30, 2013	4.45	–
Three months ended June 30, 2012	11.78	–

(2) Consolidated financial position

	Total assets	Total net assets	Equity ratio	Equity per share
	Million yen	Million yen	%	Yen
As of June 30, 2013	305,197	127,203	40.7	434.72
As of March 31, 2013	297,903	125,320	41.3	430.47

(Note) Shareholders' equity: As of June 30, 2013: 124,286 million yen
As of March 31, 2013: 123,077 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, 2013	–	5.00	–	5.00	10.00
FY ending March 31, 2014	–				
FY ending March 31, 2014 (Forecast)		5.00	–	5.00	10.00

Note: Revisions to dividend forecasts published most recently (Y/N): No

3. Estimation of Business Results of Fiscal Year Ending March 31, 2014 (April 1, 2013 through March 31, 2014)

(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, 2013	244,200	6,500	6,200	4,200	14.69
FY ending March 31, 2014	492,000	17,000	16,200	10,000	34.98

Note: Revisions to financial estimation published most recently (Y/N): Yes

*** Notes**

(1) Any changes in important subsidiaries during the three-month period ended June 30, 2013 (Change in specific subsidiaries as a result of a change in the scope of consolidation): Yes

New inclusion: — companies (company name)

Elimination: One company (company name) Nichirei Proserve Inc.

As Nichirei Proserve Inc., a specific subsidiary of the Company, ceased to exist as of April 1, 2013 as a result of an absorption-type merger with the Company as the surviving company, it was eliminated from the scope of consolidation in the three-month period ended June 30, 2013.

(2) Adoption of accounting treatment unique to the preparation of quarterly consolidated financial statements: Yes

(Calculation of tax cost)

With respect to tax cost, an effective tax rate was reasonably estimated after applying tax effect accounting to net income before taxes for the fiscal year including the three-month period ended June 30, 2013, and tax cost was calculated by multiplying quarterly net income before taxes by the effective tax rate.

(3) 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

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

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

As of June 30, 2013: 295,851,065 shares

As of March 31, 2013: 295,851,065 shares

(ii) Total treasury stock at term end:

As of June 30, 2013: 9,948,673 shares

As of March 31, 2013: 9,937,434 shares

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

For the three months ended June 30, 2013: 285,907,050 shares

For the three months ended June 30, 2012: 294,783,412 shares

*** Status of a quarterly review**

This quarterly financial summary falls outside the scope of quarterly review procedures based on the stipulations of the Financial Instruments and Exchange Act. The review procedures for quarterly consolidated financial statements based on the stipulations of the Financial Instruments and Exchange Act had not been completed at the time this financial summary was 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 8.

Consolidated Balance Sheets

NICHIREI CORPORATION

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

	FY 2013 (As of March 31, 2013)	As of June 30, 2013
<Assets>		
Current assets		
Cash and time deposits	14,938	12,324
Notes and account receivable – trade	68,226	71,365
Merchandise and finished products	30,035	32,674
Products in process	236	1,126
Raw materials and supplies	4,426	4,569
Deferred tax assets	1,558	1,565
Other current assets	4,567	7,222
Less allowance for doubtful accounts	(180)	(150)
Total	123,809	130,697
Fixed assets		
Tangible assets		
Buildings and structures (net)	62,235	61,849
Machinery and equipment (net)	15,269	15,536
Land	31,282	31,339
Leased assets (net)	19,952	19,523
Construction in progress	3,109	3,579
Other tangible fixed assets (net)	1,348	1,413
Total	133,197	133,242
Intangible assets		
Goodwill	2,660	2,729
Other intangible fixed assets	3,900	3,783
Total	6,560	6,513
Investments and other assets		
Investment securities	26,709	27,206
Deferred tax assets	1,126	1,088
Other assets	6,783	6,730
Less allowance for doubtful accounts	(283)	(280)
Total	34,335	34,744
Total fixed assets	174,093	174,500
Total assets	297,903	305,197

NICHIREI CORPORATION

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

	FY 2013 (As of March 31, 2013)	As of June 30, 2013
<Liabilities>		
Current liabilities		
Account payable – trade	29,400	31,652
Short-term bank loans	12,720	15,799
Commercial paper	6,000	8,000
Current portion of long-term loans	15,507	15,551
Lease obligations	3,586	3,605
Accrued expenses	21,722	21,336
Income taxes payable	2,752	1,027
Directors' and statutory auditors' bonuses	206	52
Other current liabilities	8,788	10,703
Total	100,685	107,729
Long-term liabilities		
Bonds	20,000	20,000
Long-term loans	21,175	20,528
Lease obligations	17,892	17,431
Deferred tax liabilities	3,465	3,499
Employees' retirement benefits	1,416	1,432
Directors' and statutory auditors' retirement benefits	276	162
Asset retirement obligations	2,401	2,438
Long-term deposits received	3,184	3,156
Other long-term liabilities	2,084	1,615
Total	71,897	70,264
Total liabilities	172,582	177,994
<Net assets>		
Owners' equity		
Common stock	30,307	30,307
Capital surplus	18,224	18,224
Retained earnings	75,424	75,266
Treasury stock	(5,100)	(5,106)
Total	118,856	118,692
Accumulated other comprehensive income		
Net unrealized holding gains on securities	5,916	6,092
Deferred gains or losses on hedges	73	148
Translation adjustment	(1,768)	(646)
Total	4,220	5,593
Minority interests	2,243	2,917
Total net assets	125,320	127,203
Total liabilities and net assets	297,903	305,197

Consolidated Statements of Income

NICHIREI CORPORATION

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

	Three months ended June 30, 2012 (Apr. 2012–June 2012)	Three months ended June 30, 2013 (Apr. 2013–June 2013)
Net sales	114,999	120,815
Cost of sales	92,344	98,765
Gross profit	22,654	22,049
Selling, general and administrative expenses		
Transportation and storage expense	3,425	3,661
Sales promotion expense	5,120	5,556
Advertising expense	957	969
Sales commission expense	827	919
Remuneration, salary and bonuses	3,633	3,567
Provision for employees' retirement benefits	199	206
Fringe benefit	664	812
Traveling and communication expenses	560	582
Rent expense	497	511
Business consignment fee	576	607
Research and development expense	443	401
Other selling, general and administrative expense	1,621	1,788
Total	18,527	19,584
Operating income	4,127	2,464
Non-operating revenues		
Interest income	20	22
Dividend income	295	260
Equity in earnings of affiliates	22	107
Other non-operating revenues	243	144
Total	581	534
Non-operating expenses		
Interest expenses	368	323
Other non-operating expenses	177	185
Total	545	509
Recurring income	4,163	2,489
Extraordinary income		
Gain on sales of fixed assets	7	34
Gain on sales of investment securities	820	184
Total	827	218
Extraordinary losses		
Loss on sales of fixed assets	0	3
Loss on disposal of fixed assets	84	309
Impairment loss	–	56
Loss on discontinued operations	–	58
Total	84	427
Income before income taxes and minority interest	4,906	2,280
Income taxes – current	1,364	845
Income taxes – deferred	20	33
Total	1,385	878
Income before minority interests	3,520	1,401
Minority interests in net income of consolidated subsidiaries	49	129
Net income	3,471	1,271

Consolidated Statements of Comprehensive Income

NICHIREI CORPORATION

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

	Three months ended June 30, 2012 (Apr. 2012–June 2012)	Three months ended June 30, 2013 (Apr. 2013–June 2013)
Income before minority interests	3,520	1,401
Other comprehensive income		
Net unrealized holding gains on securities	(1,236)	175
Deferred gains or losses on hedges	(1)	136
Translation adjustment	1,214	1,363
Share of other comprehensive income of associates accounted for using equity method	32	83
Total	8	1,759
Comprehensive income	3,529	3,161
(Breakdown)		
Comprehensive income attributable to owners of the parent	3,307	2,645
Comprehensive income attributable to minority interests	221	516

Industrial Segment Information

NICHIREI CORPORATION

(1) Three Months Ended June 30, 2012 (April 1, 2012 through June 30, 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	45,141	15,428	18,256	34,592	866	715	114,999	–	114,999
Intra-group sales and transfers	77	52	283	3,573	282	718	4,987	(4,987)	–
Total	45,218	15,480	18,539	38,166	1,148	1,433	119,987	(4,987)	114,999
Operating income	1,537	(73)	98	2,086	561	106	4,315	(188)	4,127

(2) Three Months Ended June 30, 2013 (April 1, 2013 through June 30, 2013)

(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	48,902	15,689	18,223	36,500	931	567	120,815	–	120,815
Intra-group sales and transfers	73	53	393	3,707	271	121	4,619	(4,619)	–
Total	48,975	15,743	18,616	40,207	1,203	688	125,434	(4,619)	120,815
Operating income	(68)	118	(89)	2,141	565	(27)	2,639	(174)	2,464

Forecast of Fiscal Year Ending March 31, 2014

NICHIREI CORPORATION

(1) Forecast of Six Months Ending September 30, 2013 (April 1, 2013 through September 30, 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)	99,000	33,000	37,100	80,700	2,300	1,400	(9,300)	244,200
Operating income	1,500	200	(100)	4,000	1,100	100	(300)	6,500

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

(2) Forecast of Fiscal Year Ending March 31, 2014 (April 1, 2013 through March 31, 2014)

(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)	200,000	66,600	74,000	161,600	4,800	3,600	(18,600)	492,000
Operating income	5,800	400	300	8,300	2,300	400	(500)	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.