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Itoham Foods Inc.

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Securities Code: 2284 (Tokyo Stock Exchange and Osaka Securities Exchange)

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Itoham and ARIAKE JAPAN Sign Comprehensive Business Alliance

Itoham Foods Inc. today announced that it has concluded an agreement with ARIAKE JAPAN Co., Ltd. to form a comprehensive business alliance related to the production and sale of natural seasonings.

Based on their shared understanding of the need to disperse operations on an international level in view of the economic development of the Asian market, Itoham and ARIAKE JAPAN will develop a business alliance that will lead to a number of cooperative ventures both in Japan and overseas. Specifically, the companies will set up projects relevant to their respective businesses, and work together wherever possible to ensure they succeed.

For Itoham, one of Japan's leading processed meat product companies, the development of new cooked and processed products such as prepared food, and efforts to enhance taste, are two key issues. Through its alliance with ARIAKE JAPAN, one of the world's top manufacturers of natural seasonings, Itoham aims to strengthen its lineup of prepared foods. In addition, as part of efforts to expand sales of core products such as fresh meat and processed meat products, Itoham will work with ARIAKE JAPAN to jointly develop dips, sauces and other similar products. Using its own sales channels, these products will be sold nationwide under the Itoham brand.

As one element of the business alliance, Itoham and ARIAKE JAPAN will set up a joint venture with ANZCO FOODS Ltd.*—a company with

expertise in sourcing ingredients in New Zealand and knowledge of the local business environment. This joint venture will carry out the production of safe natural seasonings made from beef and beef bone extract. According to a UK survey on BSE risk, New Zealand beef was identified as the world's safest. The new joint venture will source competitively priced, high-quality beef from group companies affiliated with ANZCO FOODS. This beef will be combined with vegetables grown in the fertile soil of New Zealand to create natural seasoning products. These products will initially be sold in Japan and New Zealand, with plans to launch them in China and across the rest of Asia at a later date.

*** ANZCO FOODS Ltd.**

(Head office: Wellington, New Zealand; Chairman: Graeme Harrison)

ANZCO FOODS was established in 1984 with investment from the state-run New Zealand Meat Board. Following the privatization of ANZCO FOODS, Itoham took a 48.2% stake in the company, becoming its largest shareholder. In 2003, the company posted net sales of ¥61.0 billion, making it New Zealand's 26th largest corporation by sales.