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Itoham Foods Inc.

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### Notice Regarding Revision of Earnings Forecasts

In light of its recent business performance, Itoham Foods Inc. has revised its earnings forecasts for fiscal 2012 (April 1, 2011 to March 31, 2012) previously announced on May 13, 2011.

Details are as follows.

#### Revision of Consolidated Earnings Forecasts

Revision of Consolidated Earnings Forecasts for Fiscal 2012 (April 1, 2011 to March 31, 2012)

	Net sales	Operating income	Ordinary income	Net income	Net income per share
Previous forecast (A)	Millions of yen 454,000	Millions of yen 6,000	Millions of yen 7,300	Millions of yen 4,000	Yen 16.60
Revised forecast (B)	448,000	3,400	4,800	1,900	7.90
Change: B-A	(6,000)	(2,600)	(2,500)	(2,100)	
Percentage change	(1.3)	(43.3)	(34.2)	(52.5)	
Reference: Results in previous year (fiscal 2011)	455,989	2,481	3,825	478	1.96

## **Reason for revision**

Net sales for fiscal 2012 are expected to be lower than initially forecast. Lower beef demand due to concerns over the potential for radioactive cesium contamination, along with other factors, has created adverse conditions for sales in the fresh meat business, and sales of midsummer and winter gift packs were lower than anticipated, due in part to the March 11, 2011 earthquake. Operating income and ordinary income increased from the previous fiscal year following cost reductions achieved through Group realignment. Despite these advances however, the Company now expects significantly lower performance than initially forecast, due mainly to lower profitability caused by a decline in poultry prices and the lower sales of gift packs. As regards net income, the Company expects lower net income than previously forecast due to a dip in ordinary income.

Note: The above forecasts are based on judgments made in light of the information available and certain assumptions deemed to be rational at the time of announcement. Actual results could differ materially from forecasts due to a number of factors.