

November 8, 2006

**Itoham Foods Inc.**

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

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**Revision of Interim Earnings Forecasts for Fiscal 2007**

In light of recent trends in the Company's business performance, Itoham Foods Inc. has revised its original interim earnings forecasts for fiscal 2007, which were announced on May 19, 2006 together with the fiscal 2006 results. Details are as follows.

**1. Revision of Non-consolidated Interim Earnings Forecasts for Fiscal 2007**

**(April 1, 2006 to September 30, 2006)**

(Millions of yen)

	Net Sales	Ordinary Income (Loss)	Net Income (Loss)
Previous Forecasts: A (Announced May 19, 2006)	207,000	(1,500)	(1,750)
Revised Forecasts: B	201,370	400	(1,700)
Change: B – A	-5,630	1,900	50
Change: B vs. A (%)	-2.7	—	—
Fiscal 2006 Interim Results	214,160	(660)	(1,235)

**2. Revision of Consolidated Interim Earnings Forecasts for Fiscal 2007  
(April 1, 2006 to September 30, 2006)**

(Millions of yen)

	Net Sales	Ordinary Income (Loss)	Net Income (Loss)
Previous Forecasts: A (Announced May 19, 2006)	250,000	(1,100)	(1,550)
Revised Forecasts: B	245,670	460	(1,480)
Change: B – A	-4,330	1,560	70
Change: B vs. A (%)	-1.7	—	—
Fiscal 2006 Interim Results	258,740	8	(1,394)

### 3. Reasons for Revisions

#### (i) Non-consolidated

Interim net sales are expected to be lower than previous forecasts, due primarily to a drop in sales in the Fresh Meat Division. However, the Company has raised its forecast for ordinary income, reflecting raw material costs that are stabilizing, albeit at a high level; the benefits of efforts to reduce manufacturing expenses; and price revisions for hams and sausages as well as processed foods. Despite the significant upwards revision for ordinary income, however, the net loss is expected to be only slightly less than projected. This reflects the additional booking of some ¥1.8 billion in special losses, primarily related to factory closure.

#### (ii) Consolidated

Revisions have been made to reflect changes to non-consolidated earnings forecasts.

The Company is currently reviewing its full-year earnings forecasts for fiscal 2007, and will announce the forecasts together with interim results on November 17, 2006.

**Forward-looking Statements**

*The above forecasts are based on judgments made in light of information currently available. Actual results could differ materially from forecasts due to a number of factors.*