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Itoham Foods Inc.

President: Masami Ito

Securities exchange code: 2284 (Tokyo and Osaka stock exchanges)

Inquiries: Koichi Gamo, Manager, Public Relations Office

0798-66-1231

Itoham Announces Closure of Hokushin Processing Center

Itoham Foods Inc. has reached the decision to close its Hokushin Processing Center, as detailed below.

1. Reason for Closure

In line with the basic strategy of its medium-term management plan—Group management founded on profitability and efficiency—the Company has carried out a full review of its domestic manufacturing network. As a result of this review, Itoham has decided to close its Hokushin Processing Center to concentrate production in fewer locations and enhance efficiency.

2. Overview of Hokushin Processing Center

Location: 1-114, Hanshin Ryutsu Center, Yamaguchi-cho, Nishinomiya City

Opened: November 1979

Operations: Primarily the manufacture of unheated prepared food for commercial use

Production volume: 1,500 tons/month

Employees: 72 (as of January 2004)

Area: 13,528m²

3. Closure Schedule

Production discontinued: February 29, 2004

Equipment removed: March 2004

4. Forecasts

Itoham will endeavor to ensure the continued employment of Hokushin Processing Center employees within the Group through the transfer of these individuals to different Itoham divisions and other measures.

Itoham expects to book a special loss of ¥1.5 billion related to the closure of the Hokushin Processing Center. This special loss has been factored into full-year forecasts for the year ending March 31, 2004, as detailed today in the Company's Fiscal 2004 Third-quarter Consolidated Earnings Release.