

CONSOLIDATED BALANCE SHEETS

ITOHAM FOODS INC. and Consolidated Subsidiaries-fiscal 2015 1Q (Jun 30, 2014) and fiscal 2014 (Mar 31, 2014)

ASSETS	Millions of yen	
	Jun 30, 2014	Mar 31, 2014
Current assets:		
Cash and time deposits	¥ 12,571	¥ 9,877
Trade notes and accounts receivables	46,767	46,302
Marketable securities	5,911	10,002
Inventories	51,902	46,605
Other current assets	5,532	4,837
Allowance for doubtful receivables	(46)	(45)
Total current assets	122,637	117,578
Property, plant and equipment:		
Buildings and structures	16,576	16,893
Machinery and equipment	12,163	12,487
Land	14,344	14,346
Lease assets	1,139	1,135
Other	687	598
	44,909	45,459
Intangible assets	1,297	1,343
Investments and other assets:		
Investments in securities	28,132	27,340
Net defined benefit asset	32	3,783
Other	8,007	7,648
Allowance for doubtful receivables	(211)	(220)
	35,960	38,551
	¥ 204,803	¥ 202,931

Note: This financial statements are unaudited.

LIABILITIES AND NET ASSETS	Millions of yen	
	Jun 30, 2014	Mar 31, 2014
Current liabilities:		
Trade notes and accounts payable	¥ 37,565	¥ 34,372
Short-term borrowings	450	8
Long-term debt due within one year	5,869	5,883
Income taxes payable	535	486
Provision for bonuses	690	2,777
Asset retirement obligations	33	33
Other	16,890	12,552
Total current liabilities	62,032	56,111
Long-term liabilities:		
Long-term debt due after one year	21,048	21,154
Provision for loss on guarantees	217	259
Provision for loss on dissolution of employee's pension fund	601	601
Net defined benefit liability	1,455	1,225
Asset retirement obligations	844	841
Other long-term liabilities	2,378	2,836
Total long-term liabilities	26,543	26,916
Net assets:		
Shareholders' equity:		
Common stock	28,427	28,427
Capital surplus	30,045	30,047
Retained earnings	63,973	68,266
Treasury stock, at cost	(12,156)	(12,181)
Total shareholders' equity	110,289	114,559
Valuation and translation adjustments:		
Net unrealized holding gains on securities	4,789	4,165
Net unrealized holding gains (losses) on derivative instruments	(60)	200
Foreign currency translation adjustments	2,019	1,915
Remeasurements of defined benefit plans	(1,540)	(1,680)
Total valuation and translation adjustments	5,208	4,600
Stock acquisition rights	67	92
Minority interests	664	653
Total net assets	116,228	119,904
	¥ 204,803	¥ 202,931

Note: This financial statements are unaudited.

CONSOLIDATED STATEMENTS OF OPERATIONS

ITOHAM FOODS INC. and Consolidated Subsidiaries—fiscal 2015 1Q (Apr 1–Jun 30, 2014) and fiscal 2014 1Q (Apr 1–Jun 30, 2013)

	Millions of yen	
	Apr 1–Jun 30, 2014	Apr 1–Jun 30, 2013
Net sales	¥ 109,993	¥ 108,422
Cost and expenses:		
Cost of sales	91,621	89,642
Selling, general and administrative expenses	17,998	18,289
Operating income	374	491
Other income (expenses):		
Interest and dividend income	164	158
Interest expense	(59)	(61)
Loss on disposals of property, plant and equipment	(21)	(26)
Equity in losses of affiliates	(342)	(385)
Reversal of provision for loss on guarantees	(42)	(98)
Other, net	244	460
Income before income taxes and minority interests	318	539
Provision for income taxes	255	261
Minority interests	(18)	(19)
Net income	¥ 45	¥ 259

Note: This financial statements are unaudited.

Forecast of consolidated operating results for the years ending March 31, 2015

	Millions of yen	
	2015 2Q	2015
Net sales	¥ 223,000	¥ 471,000
Operating income	1,100	7,000
Net income	700	5,500

	Yen	
	2015 2Q	2015
Net income per share	3.27	¥ 25.69

Note: The above forecasts are based on management's assumptions and beliefs in light of the information available at the day of publication. We caution readers that actual results could differ materially from forecasts due to a number of factors outside the control of the Itoham Group.