CONSOLIDATED BALANCE SHEETS

ITOHAM FOODS INC. and Consolidated Subsidiaries-fiscal 2016 1Q (Jun 30, 2015) and fiscal 2015 (Mar 31, 2015)

ASSETS	Millions of yen					
Current assets:	Jur	n 30, 2015	Mar 31, 2015			
	3.7	15 720	XZ	14 052		
Cash and time deposits	¥	15, 739	¥	14, 953		
Trade notes and accounts receivables		70, 102		61,828		
Marketable securities		1, 500		10		
Inventories		71, 047		66, 045		
Other current assets		6, 962		6, 160		
Allowance for doubtful receivables		(41)		(39)		
Total current assets		165, 309		148, 957		
Property, plant and equipment:						
Buildings and structures		26, 531		27, 255		
Machinery and equipment		19, 165		19, 917		
Land		20, 019		20, 265		
Lease assets		1, 269		1, 165		
Other		1, 283		1,094		
		68, 267		69, 696		
Intangible assets		1, 737		1,747		
Investments and other assets:						
Investments in securities		29, 641		30,027		
Net defined benefit asset		3, 246		2,834		
Other		7, 196		6, 923		
Allowance for doubtful receivables		(178)		(183)		
milo, and for adaptial receivables		39, 905		39, 601		
	¥	275, 218	¥	260, 001		
	<u> </u>	2.0,210		200,001		

Note: This financial statements are unaudited.

	W:11:				
LIADILITIES AND NET ASSETS		ons of yen			
LIABILITIES AND NET ASSETS Current liabilities:	Jun 30, 2015	Mar 31, 2015			
Trade notes and accounts payable	¥ 44, 192	¥ 39,356			
Short-term borrowings	24, 176	22, 386			
Long-term debt due within one year	6,740	5, 661			
Income taxes payable	210	5,001			
Provision for bonuses	1, 143	2, 628			
Other	21, 434	19, 103			
Total current liabilities	97, 895	89, 687			
Long-term liabilities:					
Long-term debt due after one year	36, 375	30, 295			
Provision for loss on guarantees	124	137			
Provision for loss on dissolution of employee's pension fund	468	468			
Net defined benefit liability	1, 464	1, 458			
Asset retirement obligations	858	856			
Other long-term liabilities	3, 310	2, 805			
Total long-term liabilities	42, 599	36, 019			
Net assets: Shareholders' equity:					
Common stock	28, 427	28, 427			
Capital surplus	30, 042	30, 045			
Retained earnings	76, 119	75, 451			
Treasury stock, at cost	(17, 848)	(17, 879)			
Total shareholders' equity	116, 740	116, 044			
Valuation and translation adjustments:					
Net unrealized holding gains on securities	7, 591	7, 053			
Net unrealized holding gains on derivative instruments	289	594			
Foreign currency translation adjustments	1, 953	2, 425			
Remeasurements of defined benefit plans	163	142			
Total valuation and translation adjustments	9, 996	10, 214			
Stock acquisition rights	60	88			
Non-controlling interests	7, 928	7, 949			
Total net assets	134, 724 ¥ 275, 218	134, 295 ¥ 260, 001			
	1 210, 210	1 400,001			

Note: This financial statements are unaudited.

CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME

ITOHAM FOODS INC. and Consolidated Subsidiaries-fiscal 2016 1Q (Apr 1-Jun 30, 2015) and fiscal 2015 1Q (Apr 1-Jun 30, 2014)

Cost and expenses: Cost of sales 138, 235 91, 621 17, 998 2, 668 374 374 375		Millions of yen			
Cost and expenses: Cost of sales 138, 235 91, 621 17, 998 2, 668 374 374 375		Apr 1	-Jun 30, 2015	Apr 1	-Jun 30, 2014
Sealing, general and administrative expenses 138, 235 20, 116 17, 998 Operating income 2, 668 374 Other income (expenses): Interest and dividend income 162 164 Interest and dividend income 162 164 Interest expense (411) (59) Gain on sales of investments in securities, net 1, 346 -	Net sales	¥	161, 019	¥	109, 993
Selling, general and administrative expenses 20,116 17,998 374 374 375	Cost and expenses:				
Operating income 2,668 374 Other income (expenses):	Cost of sales		138, 235		91,621
The rest and dividend income 162 164	Selling, general and administrative expenses				
Interest and dividend income 162 164 Interest expense (411) (59) Gain on sales of investments in securities, net 1,346 - Loss on disposals of property, plant and equipment (9) (21) Equity in losses of affiliates (3) (342) Reversal of provision for loss on guarantees 13 42 Other, net 268 160 Income before income taxes 4,034 318 Income taxes—current 552 - Income taxes—deferred 859 - Income taxes—deferred 859 - Income taxes 7 255 Profit attributable to non-controlling interests 7 255 Profit attributable to owners of patent 7 2,307 7 4 Other comprehensive income: Net unrealized holding gains on securities 540 626 Net unrealized holding losses on derivative instruments (312) (260) Foreign currency translation adjustments (320) (101) Remeasurements of defined benefit plans 20 140 Share of other comprehensive income of entities 20 (472) 610 Comprehensive income 7 2,089 652	Operating income		2, 668		374
Interest expense Gain on sales of investments in securities, net 1,346 -	Other income (expenses):				
Comprehensive income tares to the target state of the target sta	Interest and dividend income		162		164
Loss on disposals of property, plant and equipment Equity in losses of affiliates	Interest expense		(411)		(59)
Equity in losses of affiliates (3) (342) Reversal of provision for loss on guarantees 13 42 Other, net 268 160 Income before income taxes 4,034 318 Income taxes-current 552 -	Gain on sales of investments in securities, net		1, 346		-
Reversal of provision for loss on guarantees 13 42 Other, net 268 160 1, 366 (56) Income before income taxes 4,034 318 Income taxes-current 552 -	Loss on disposals of property, plant and equipment				(21)
Other, net 268 160 Income before income taxes 4,034 318 Income taxes-current 552 - Income taxes-deferred 859 - Income taxes - 255 Profit ¥ 2,623 ¥ 63 Profit attributable to non-controlling interests ¥ 316 ¥ 19 Profit attributable to owners of patent ¥ 2,307 ¥ 44 Other comprehensive income: S 540 626 Net unrealized holding gains on securities 540 626 Net unrealized holding losses on derivative instruments (312) (260) Foreign currency translation adjustments (820) (101) Remeasurements of defined benefit plans 20 140 Share of other comprehensive income of entities accounted for using equity method 100 205 Comprehensive income ¥ 2,151 ¥ 673 Comprehensive income 2,089 652	Equity in losses of affiliates		(3)		(342)
1,366 (56)	Reversal of provision for loss on guarantees		13		42
Income before income taxes Income taxes—current Income taxes—deferred Income taxes	Other, net		268		160
Income taxes-current Income taxes-deferred Income taxes Income taxes-deferred Income taxes Incom			1, 366		(56)
Income taxes	Income before income taxes		4, 034		318
Transfer	Income taxes-current		552		_
Profit attributable to non-controlling interests Profit attributable to owners of patent Other comprehensive income: Net unrealized holding gains on securities Net unrealized holding losses on derivative instruments Foreign currency translation adjustments Remeasurements of defined benefit plans Share of other comprehensive income of entities accounted for using equity method Comprehensive income Comprehensive income attributable to owners of parent Example 2, 623 Example 316 Example 4 Example 316 Example 4 Example 4 Example 540 626 626 626 626 627 626 627 628 628	Income taxes-deferred		859		_
Profit attributable to non-controlling interests Profit attributable to owners of patent Other comprehensive income: Net unrealized holding gains on securities Net unrealized holding losses on derivative instruments Foreign currency translation adjustments Remeasurements of defined benefit plans Share of other comprehensive income of entities accounted for using equity method Comprehensive income Comprehensive income attributable to owners of parent Y 316 Y 19 A4 100 626 626 626 (312) (260) (312) (260) (101) Remeasurements of defined benefit plans 20 140 205 610 205	Income taxes				255
Profit attributable to owners of patent Other comprehensive income: Net unrealized holding gains on securities Net unrealized holding losses on derivative instruments Foreign currency translation adjustments Remeasurements of defined benefit plans Share of other comprehensive income of entities accounted for using equity method Comprehensive income Comprehensive income attributable to owners of parent Y 2,307 ¥ 44 2,307 ¥ 44 44 42 42 43 44 44 44 44 44	Profit	¥	2, 623	¥	63
Profit attributable to owners of patent Other comprehensive income: Net unrealized holding gains on securities Net unrealized holding losses on derivative instruments Foreign currency translation adjustments Remeasurements of defined benefit plans Share of other comprehensive income of entities accounted for using equity method Comprehensive income Comprehensive income attributable to owners of parent Y 2,307 ¥ 44 2,307 ¥ 44 44 42 42 43 44 44 44 44 44	Profit attributable to non-controlling interests	¥	316	¥	19
Other comprehensive income: Net unrealized holding gains on securities Net unrealized holding losses on derivative instruments Foreign currency translation adjustments Remeasurements of defined benefit plans Share of other comprehensive income of entities accounted for using equity method Comprehensive income Comprehensive income attributable to owners of parent Other comprehensive income (312) (820) (101) (820) (101) (820) (102) (820) (103) (820) (104) (820) (105) (820) (106) (820) (107) (820) (108) (820) (109) (820) (101) (820) (S	_		-	
Net unrealized holding gains on securities Net unrealized holding losses on derivative instruments Foreign currency translation adjustments Remeasurements of defined benefit plans Share of other comprehensive income of entities accounted for using equity method Comprehensive income Comprehensive income attributable to owners of parent 540 626 (312) (260) (820) (101) 20 140 205 (472) 610 205 673 673 673	Profit attributable to owners of patent	Ť	2, 307	Ť	44
Net unrealized holding losses on derivative instruments Foreign currency translation adjustments Remeasurements of defined benefit plans Share of other comprehensive income of entities accounted for using equity method Comprehensive income Comprehensive income attributable to owners of parent (312) (260) (820) (101) (820) 140 205 (472) 610 205 (472) 472) 673 673	Other comprehensive income:				
Foreign currency translation adjustments Remeasurements of defined benefit plans Share of other comprehensive income of entities accounted for using equity method Comprehensive income Comprehensive income attributable to owners of parent (820) (101) (820) (102) (103) (205) (472) (472) (472) (472) (472) (472) (472) (472) (473) (473) (473) (473) (474) (475) (476) (476) (477) (477) (478)	9 0				
Remeasurements of defined benefit plans 20 140 Share of other comprehensive income of entities accounted for using equity method 100 205 Comprehensive income \$\frac{\text{Y}}{2}\$, 151 \$\frac{\text{Y}}{2}\$, 673 Comprehensive income attributable to owners of parent 2,089 652	Net unrealized holding losses on derivative instruments		(312)		(260)
Share of other comprehensive income of entities accounted for using equity method 100 205 (472) 610	Foreign currency translation adjustments		(820)		(101)
100 205 (472) 610 (472) (472) (573	Remeasurements of defined benefit plans		20		140
Comprehensive income Comprehensive income attributable to owners of parent (472) ¥ 2,151 ¥ 673 2,089 652	Share of other comprehensive income of entities				
Comprehensive income Comprehensive income attributable to owners of parent Y 2,151 Y 673 652	accounted for using equity method				205
Comprehensive income attributable to owners of parent 2,089 652			$\overline{(472)}$		610
Comprehensive income attributable to owners of parent 2,089 652	Comprehensive income	¥	2, 151	¥	673
	Comprehensive income attributable to owners of parent				652
Comprehensive income attributable to non-controlling interests - hz - /1	Comprehensive income attributable to non-controlling interest	S	62		21

 ${\it Note: This \ financial \ statements \ are \ unaudited.}$

Forecast of consolidated operating results for the years ending March 31, 2016

		Millions of yen			
		2016 2Q		2016	
Net sales	¥	310,000	¥	620, 000	
Operating income		4,500		9,000	
Profit attributable to owners of patent		3, 800		7,000	
		Yen			
		2016 2Q			
Profit per share	¥	18. 61	¥	34. 28	

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.