

CONSOLIDATED BALANCE SHEETS

ITOHAM FOODS INC. and Consolidated Subsidiaries—fiscal 2014 1Q (Jun 30, 2013) and fiscal 2013 (Mar 31, 2013)

ASSETS	Millions of yen	
	Jun 30, 2013	Mar 31, 2013
Current assets:		
Cash and time deposits	¥ 11,290	¥ 11,469
Marketable securities	9,500	19,000
Trade notes and accounts receivables	52,623	48,839
Inventories	40,962	36,073
Other current assets	4,920	4,789
Allowance for doubtful receivables	(69)	(65)
Total current assets	119,226	120,105
Property, plant and equipment:		
Land	16,100	16,092
Buildings and structures	16,145	16,312
Machinery and equipment	11,288	11,461
Lease assets	1,250	1,261
Other	937	431
	45,720	45,557
Intangible assets	1,483	1,563
Investments and other assets:		
Investments in securities	26,589	25,336
Other	13,265	13,538
Allowance for doubtful receivables	(616)	(748)
	39,238	38,126
	¥ 205,667	¥ 205,351

Note: This financial statements are unaudited.

LIABILITIES AND NET ASSETS	Millions of yen	
	Jun 30, 2013	Mar 31, 2013
Current liabilities:		
Short-term borrowings	¥ 233	¥ 340
Trade notes and accounts payable	38,504	38,329
Income taxes payable	316	1,582
Asset retirement obligations	26	54
Other	20,331	17,378
Total current liabilities	59,410	57,683
Long-term liabilities:		
Long-term debt due after one year	26,829	26,570
Employees' severance and retirement benefits	134	207
Provision for loss on guarantees	677	775
Asset retirement obligations	875	866
Other long-term liabilities	2,308	2,409
Total long-term liabilities	30,823	30,827
Net assets:		
Shareholders' equity:		
Common stock	28,427	28,427
Capital surplus	30,048	30,048
Retained earnings	63,714	64,564
Treasury stock, at cost	(12,179)	(9,975)
Total shareholders' equity	110,010	113,064
Valuation and translation adjustments:		
Net unrealized holding gains on securities	4,049	3,552
Net unrealized holding gains on derivative instruments	150	361
Foreign currency translation adjustments	571	(788)
Total valuation and translation adjustments	4,770	3,125
Stock acquisition rights	67	76
Minority interests	587	576
Total net assets	115,434	116,841
	¥ 205,667	¥ 205,351

Note: This financial statements are unaudited.

CONSOLIDATED STATEMENTS OF OPERATIONS

ITOHAM FOODS INC. and Consolidated Subsidiaries—fiscal 2014 1Q (Apr 1–Jun 30, 2013) and fiscal 2013 1Q (Apr 1–Jun 30, 2012)

	Millions of yen	
	Apr 1–Jun 30, 2013	Apr 1–Jun 30, 2012
Net sales	¥ 108,422	¥ 104,475
Cost and expenses:		
Cost of sales	89,642	84,902
Selling, general and administrative expenses	18,289	18,558
Operating income	491	1,015
Other income (expenses):		
Interest and dividend income	158	191
Interest expense	(61)	(76)
Gain on sales of property, plant and equipment	2	7
Gain on sales of investment securities	—	34
Equity in earnings of affiliates	(385)	(480)
Business restructuring costs	(60)	(59)
Other, net	394	105
	48	(278)
Income before income taxes and minority interests	539	737
Provision for income taxes	261	417
Minority interests	(19)	(15)
Net income	¥ 259	¥ 305

Note: This financial statements are unaudited.

Forecast of consolidated operating results for the years ending March 31, 2014

	Millions of yen	
	2014 2Q	2014
Net sales	¥ 218,000	¥ 456,000
Operating income	2,100	7,000
Net income	1,200	5,200

	Yen	
	2014 2Q	2014
Net income per share	5.55	¥ 24.16

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.