

April 30, 2003

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Announcement Regarding the Revision of the Retirement Benefit System

On April 1, 2003, Itoham Foods Inc. reformed its retirement benefit system with the adoption of a point system. On May 1, the Company will follow this initiative by eliminating its approved retirement pension system in favor of a choice by employees between the two options of a defined-contribution pension system and an advance payment pension system.

1. Objectives of the revision

Presently the Company provides its employees with a retirement benefit system that consists of an employees' pension fund, an approved retirement pension system, and a retirement allowance plan. In recent years, Japan's pension system financing has been deteriorating due to falling investment yields, and the disbursement of retirement benefits has been exerting an increasingly severe impact on the business results of many companies. In order to better cope with these significant changes in the conditions of the current pension systems, Itoham Foods has elected to undertake a fundamental reform of these systems on an ongoing basis.

The purpose of the current partial revision of the Company's pension arrangements is to support stable corporate management and encourage a self-reliant mindset in our employees.

2. Impact on business results

The Company is in the process of assessing the effect of this system revision on its business results. On May 20, 2003, when the Company publishes its annual financial results, it will include these effects in its forecast of results for the fiscal year ending March 31, 2004.