CONSOLIDATED BALANCE SHEETS
ITOHAM FOODS INC. and Consolidated Subsidiaries-fiscal 2006 interim (Sep 30, 2005), fiscal 2005 interim (Sep 30, 2004) and fiscal 2005 (Mar 31, 2005)

			Mil	lions of yen		
ASSETS	2006 interim		200	5 interim	2005	
Current assets:						
Cash and time deposits	¥	10,309	¥	14,078	¥	24,299
Trade notes and accounts receivables		54,214		53,972		52,018
Inventories		60,488		51,717		48,837
Other current assets		6,914		4,914		4,232
Allowance for doubtful receivables		(425)		(454)		(418)
Total current assets		131,500		124,227		128,968
nvestments and non-current assets:						
Investment securities		30,180		24,686		26,718
Other		14,160		14,125		14,012
Allowance for doubtful receivables		(410)		(871)		(1,142)
		43,930		37,940		39,588
roperty, plant and equipment:						
Land		21,454		21,107		22,022
Buildings and structures		26,180		26,198		26,434
Machinery		19,643		15,576		17,765
Other		1,889		1,680		1,613
		69,166		64,561		67,834
ntangible assets		1,393		1,438		1,476
	¥	245,989	¥	228,166	¥	237,866

						_
			Mil	llions of yen		
LIABILITIES, MINORITY INTERESTS AND SHAREHOLDERS' EQUITY	2006	interim	200	05 interim	2005	
Current liabilities:						•
Bank loans	¥	8,683	¥	7,567	¥	9,198
Commercial paper		9,000		, <u>-</u>		´ -
Long-term debt due within one year		1,005		11,065		11,194
Trade notes and accounts payable		43,978		42,270		42,656
Income taxes payable		649		2,484		1,308
Other		20,951		17,891		22,267
Total current liabilities		84,266		81,277		86,623
Long-term liabilities:						
Long-term debt due after one year		29,643		20,339		19,618
Employees' severance and retirement benefits		1,543		2,289		2,057
Directors' and statutory auditors' retirement benefits		815		724		802
Other long-term liabilities		4,105		254		2,447
Total long-term liabilities		36,106		23,606		24,924
Minority interests		514		468		475
·		011		100		
Shareholders' equity:						
Common stock		22,415		22,415		22,415
Capital surplus		24,021		24,021		24,021
Retained earnings		72,448		73,371		75,511
Net unrealized holding gains on securities		6,822		4,525		5,149
Foreign currency translation adjustments		179		(747)		(474)
Treasury stock, at cost		(782)		(770)		(778)
Total shareholders' equity		125,103		122,815		125,844
	¥	245,989	¥	228,166	¥	237,866

CONSOLIDATED STATEMENTS OF OPERATIONS
ITOHAM FOODS INC. and Consolidated Subsidiaries-fiscal 2006 interim (Apr 1, 2005-Sep 30, 2005), fiscal 2005 interim (Apr 1, 2004-Sep 30, 2004) and fiscal 2005 (Apr 1, 2004-Mar 31, 2005)

			Мi	Ilions of yen		
	2006	interim	200	O5 interim		2005
Net sales	¥	258,740	¥	247,421	¥	505,461
Cost and expenses:						
Cost of sales		210,776		196,772		402,429
Selling, general and administrative expenses		48,585		46,981		98,431
Operating income (loss)		(621)		3,668		4,601
Other income (expenses):						
Interest and dividend income		190		194		308
Interest expense		(449)		(455)		(919)
Gain on sale of marketable and investment securities		` -		21		85
Gain (loss) on disposal of property, plant and equipment, net Gain on transfer of substitutional portion of social		(228)		371		(246)
welfare pension insurance scheme		679		_		_
Equity in earnings of associated companies		363		381		1,705
Insurance income		_		_		1,775
Impairment expense		(1,792)		_		-,
Other, net		553		412		400
	-	(684)		924		3,108
Income (loss) before income taxes and minority interests		(1,305)	_	4,592		7,709
Provision for income taxes		(1,000)		.,		,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
Current		43		1,811		1,034
Deferred		-		· -		1,748
Minority interests		(47)		(49)		(55)
Net income (loss)	¥	(1,395)	¥	2,732	¥	4,872

Note: This financial statements are unaudited.

## Forecast of consolidated operating results for the years ending March 31, 2006

	Millions of yen
	2006
Net sales Operating loss Net loss	¥ 530,000 (500) (900)
	Yen
	2006
Net loss per share	¥ (4.32)

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.

CONSOLIDATED STATEMENTS OF CASH FLOWS
ITOHAM FOODS INC. and Consolidated Subsidiaries-fiscal 2006 interim (Apr 1, 2005-Sep 30, 2005), fiscal 2005 interim (Apr 1, 2004-Sep 30, 2004) and fiscal 2005 (Apr 1, 2004-Mar 31, 2005)

Cash flows from operating activities:							
Cash flows from operating activities:         Income (loss) before income taxes and minority interests to reconcile income (loss) before income taxes and minority interests to net cash provided by (used in) operating activities:         V (1,305)         V 4,592         V 7,709           Adjustments to reconcile income (loss) before income taxes and minority interests to not cash provided by (used in) operating activities:         3,313         3,067         6,363           Impairment expense         1,792         -         -         -           Decrease in allowance for doubtful receivables         (726)         (684)         (444)           Interest expense         449         455         919           Equity in earnings of associated companies         (363)         (381)         (1,705)           Write-down of investment securities         12         5         289           Gain on sale of property, plant and equipment, net         (31)         (505)         (799)           Loss on disposal of property, plant and equipment         136         106         913           Increase in notes and accounts receivable         (1,980)         (3,518)         (1,565)           Increase in notes and accounts payable         1,297         4,126         4,517           Increase in increase in conce         (1,297)         (4,74)         (6,465)           Inc		Millions of yen					
Income (loss) before income taxes and minority interests		2006	interim	2005	interim		2005
Adjustments to reconcile income (loss) before income taxes and minority interests to net cash provided by (used in) operating activities:  Depreciation and amortization Impairment expense Impairment expense Decrease in employees' severance and retirement benefits (514) (203) (434) Decrease in allowance for doubtful receivables (726) (684) (448) Interest and dividend income (190) (194) (308) Interest expense 449 455 919 Equity in earnings of associated companies (363) (381) (1,705) Write-down of investment securities 12 5 289 Gain on sale of property, plant and equipment 136 106 913 Increase in notes and accounts receivable (1,980) (3,518) (1,856) Increase in inventories (1,247) (9,440) (6,485) Increase in interest and accounts payable Increase in interest and accounts payable Increase income (1,147) (9,440) (6,485) Increase income (1,140) (7,487) (9,461) (1,713) (2,877) Other, net (1,1409) (7,487) (3,603) Interest paid Interest paid Insurance received (479) (446) (9)(4) Insurance received (479) (446) (9)(4) Insurance received (1,1489) (1,357) (1,834) Income taxes paid Insurance received (1,1489) (1,357) (1,834) Income taxes paid Income taxes pa			(4 005)		4 500		7 700
Interests to net cash provided by (used in) operating activities:   Depreciation and amortization   1,792   1,792   1,792     Decrease in employees' severance and retirement benefits   (514)   (203)   (434)     Decrease in allowance for doubtful receivables   (726)   (684)   (448)     Interest and dividend income   (190)   (194)   (308)     Interest expense   449   455   919     Equity in earnings of associated companies   (363)   (381)   (1,705)     Write-down of investment securities   12   5   229     Gain on sale of property, plant and equipment, net   (31)   (505)   (799)     Loss on disposal of property, plant and equipment   (36)   (1,866)   (1,866)     Increase in notes and accounts receivable   (1,980)   (3,518)   (1,856)     Increase in inventories   (11,247)   (9,440)   (6,485)     Increase idecrease) in accrued consumption taxes   135   (200)   (420)     Insurance income   (2,187)   (4,713)   (2,877)     Other, net   (2,187)   (4,713)   (2,877)     Other, net   (2,187)   (4,713)   (2,877)     Income taxes paid   (1,489)   (1,357)   (1,834)     Net cash provided by (used in ) operating activities   (25)   (4,897)     Proceeds from sale of property, plant and equipment   (6,937)   (2,527)   (6,885)     Proceeds from sale of property, plant and equipment   (6,937)   (2,527)   (6,885)     Proceeds from sale of property, plant and equipment   (6,937)   (2,527)   (6,885)     Proceeds from sale of property, plant and equipment   (6,937)   (2,527)   (6,885)     Proceeds from sale of property, plant and equipment   (6,937)   (2,527)   (6,885)     Proceeds from sale of property, plant and equipment   (6,937)   (2,527)   (6,885)     Proceeds from sale of property, plant and equipment   (6,937)   (2,527)   (6,885)     Proceeds from sale of property, plant and equipment   (6,937)   (2,527)   (6,885)     Pa		¥	(1,305)	¥	4,592	¥	7,709
Depreciation and amortization   3,313   3,067   6,363     Impairment expense   1,792							
Impairment expense			2 242		2 067		6 262
Decrease in employees' severance and retirement benefits   (514) (203) (434)	·				3,007		0,303
Decrease in allowance for doubtful receivables   (726)   (684)   (448)   (1190)   (1194)   (308)   (1116)   (1194)   (308)   (116)   (1194)   (308)   (116)   (1194)   (308)   (116)   (1194)   (308)   (116)   (1194)   (308)   (1194)   (308)   (1194)   (308)   (1194)   (308)   (1194)   (308)   (1194)   (308)   (1194)   (308)   (1194)					(202)		(424)
Interest and dividend income			` '				` '
Interest expense							` '
Equity in earnings of associated companies Write-down of investment securities Gain on sale of property, plant and equipment, net Gain on sale of property, plant and equipment Loss on disposal of property, plant and equipment Increase in investment securities Increase in inventories Increase (decrease) in accrued consumption taxes Insurance income Insurance income Insurance income Interest and dividends received Insurance received Interest and dividends received Insurance received Increase paid Income taxes paid Income taxes refunded Income taxes refunded yoused in ) operating activities Investments in time deposits Investments in time deposits Investments in time deposits Proceeds from time deposits Proceeds from sale of property, plant and equipment Payments for purchases of investment securities Payments for purchases of new consolidated subsidiary's stock Description of the security of the security in the securities Payments for purchases of consolidated subsidiary's stock Description of interest paid (1,430) Potential payments for purchases of consolidated subsidiary's stock Description of interesting activities Payments for purchases of consolidated subsidiary's stock Disbursement of loans receivable Collection of loans receivable Collection of loans receivable The securities The security of the secur							
Write-down of investment securities	· ·						
Gain on sale of property, plant and equipment, net Loss on disposal of property, plant and equipment         (31)         (505)         (799)           Loss on disposal of property, plant and equipment Increase in notes and accounts receivable         (1,980)         (3,518)         (1,856)           Increase in inventories         (11,247)         (9,440)         (6,485)           Increase in inventories         (11,247)         (9,440)         (6,485)           Increase (decrease) in accrued consumption taxes         1,297         4,126         4,517           Increase (decrease) in accrued consumption taxes         135         (200)         (420)           Insurance income         -         -         (1,773)         (2,877)           Other, net         (2,187)         (4,713)         (2,877)           Interest and dividends received         282         256         496           Interest paid         (479)         (446)         (914)           Insurance received         -         -         2,115           Income taxes paid         (1,489)         (1,357)         (1,834)           Income taxes refunded         251         300         338           Net cash provided by (used in ) operating activities         (12,844)         (8,734)         3,804					. ,		
Loss on disposal of property, plant and equipment   136   106   913   Increase in notes and accounts receivable   (1,980)   (3,518)   (1,856)   Increase in inventories   (11,247)   (9,440)   (6,485)   Increase in notes and accounts payable   1,297   4,126   4,517   Increase (decrease) in accrued consumption taxes   135   (200)   (420)   Insurance income   -   -   (1,775)					-		
Increase in notes and accounts receivable					. ,		, ,
Increase in inventories			(1,980)		(3,518)		(1,856)
Increase in notes and accounts payable	Increase in inventories		(11,247)				
Insurance income	Increase in notes and accounts payable				4,126		4,517
Other, net         (2,187)         (4,713)         (2,877)           Interest and dividends received         (11,409)         (7,487)         3,603           Interest paid         (479)         (446)         (914)           Insurance received         -         -         -         2,115           Income taxes paid         (1,489)         (1,357)         (1,831)           Income taxes refunded         251         300         338           Net cash provided by (used in ) operating activities         (12,844)         (8,734)         3,804           Cash flows from investing activities:         (10,00)         (86)         (209)           Proceeds from sale of property, plant and equipment	Increase (decrease) in accrued consumption taxes		135		(200)		(420)
Interest and dividends received   282   256   496     Interest paid   (479)   (446)   (914)     Insurance received   2,115     Income taxes paid   (1,489)   (1,357)   (1,834)     Income taxes refunded   251   300   338     Net cash provided by (used in ) operating activities   (12,844)   (8,734)   3,804     Cash flows from investing activities:   (70)   (86)   (209)     Proceeds from time deposits   (70)   (86)   (209)     Acquisitions of property, plant and equipment   (6,937)   (2,527)   (6,585)     Proceeds from sale of property, plant and equipment   250   818   2,013     Acquisitions of intangible assets   (121)   (127)   (376)     Payments for purchases of investment securities   (48)   (571)   (836)     Proceeds from sales of investment securities   (48)   (571)   (836)     Payments for purchases of new consolidated subsidiary's stock   (293)   -   -     Disbursement of loans receivable   (888)   (687)   (1,552)     Collection of loans receivable   (888)   (687)   (1,552)     Net cash used in investing activities   (6,916)   (2,477)   (5,354)     Cash flows from financing activities:	Insurance income		-		-		(1,775)
Interest and dividends received   1479   (446)   (914)   (1479)   (146)   (914)   (1479)	Other, net		(2,187)		(4,713)		(2,877)
Interest paid   (479) (446) (914)   Insurance received   2,115   Income taxes paid   (1,489) (1,357) (1,834)   Income taxes refunded   251   300   338   Net cash provided by (used in ) operating activities   (12,844) (8,734)   (8,734)   3,804   (209)   Proceeds from investing activities:   Investments in time deposits   (70) (86) (209)   Proceeds from time deposits   117   106   329   Acquisitions of property, plant and equipment   (6,937) (2,527) (6,585)   Proceeds from sale of property, plant and equipment   250   818   2,013   Acquisitions of intangible assets   (121) (127) (376)   Payments for purchases of investment securities   (48) (571) (836)   Proceeds from sales of investment securities   20   189   810   Payments for purchases of new consolidated subsidiary's stock   (293)   (20) (20)   Payments for purchases of consolidated subsidiary's stock   (293)   (20) (20)   (20)   Payments for purchases of consolidated subsidiary's stock   (293)   (20) (20)   (							
Insurance received   1,489   (1,357)   (1,834)   1,00000000000000000000000000000000000							
Income taxes paid   (1,489)   (1,357)   (1,834)   (1,000)   (251)   (300)   (338)			(479)		(446)		
Income taxes refunded Net cash provided by (used in ) operating activities  Cash flows from investing activities:  Investments in time deposits Proceeds from time deposits Acquisitions of property, plant and equipment Proceeds from sale of property, plant and equipment Acquisitions of intangible assets Payments for purchases of investment securities Payments for purchases of investment securities Payments for purchases of new consolidated subsidiary's stock Payments for purchases of consolidated subsidiary's stock Payments for purch			-		-		
Net cash provided by (used in ) operating activities  Cash flows from investing activities:  Investments in time deposits  Proceeds from time deposits  Acquisitions of property, plant and equipment  Acquisitions of intangible assets  Payments for purchases of investment securities  Payments for purchases of new consolidated subsidiary's stock  Payments for purchases of consolidated subsidiary's stock  Payments for purchases of consolidated subsidiary's stock  Collection of loans receivable  Collection of loans receivable  Net cash used in investing activities  Cash flows from financing activities:  (12,844)  (8,734)  (8,734)  (8,734)  (86)  (209)  (20)  (20)  (24,527)  (6,585)  818  2,013  250  818  2,013  (121)  (127)  (127)  (127)  (276)  (2836)  Payments for purchases of investment securities  20  189  810  (20)  (20)  (20)  (20)  (20)  Payments for purchases of consolidated subsidiary's stock  (293)  Collection of loans receivable  (888)  (687)  (1,552)  (71)  Net cash used in investing activities  (6,916)  (2,477)  (5,354)							
Cash flows from investing activities:  Investments in time deposits Proceeds from time deposits Acquisitions of property, plant and equipment Proceeds from sale of property, plant and equipment Acquisitions of intangible assets Acquisitions of							
Investments in time deposits Proceeds from time deposits Acquisitions of property, plant and equipment Acquisitions of property, plant and equipment Proceeds from sale of property, plant and equipment Acquisitions of intangible assets Acquisitions of intangible assets Payments for purchases of investment securities Payments for purchases of investment securities Payments for purchases of new consolidated subsidiary's stock Payments for purchases of consolidated subsidiary's s			(12,844)		(8,734)		3,804
Proceeds from time deposits Acquisitions of property, plant and equipment (6,937) Proceeds from sale of property, plant and equipment Acquisitions of intangible assets Acquisitions of intangible assets Proceeds from sales of investment securities Payments for purchases of investment securities Proceeds from sales of investment securities Payments for purchases of new consolidated subsidiary's stock Payments for purchases of consolidated subsidiary's stock Payment of loans receivable Collection of loans receivable Net cash used in investing activities  Cash flows from financing activities:			(70)		(00)		(200)
Acquisitions of property, plant and equipment Proceeds from sale of property, plant and equipment Acquisitions of intangible assets Acquisitions of intangible assets (121) Payments for purchases of investment securities Proceeds from sales of investment securities Payments for purchases of new consolidated subsidiary's stock Payments for purchases of new consolidated subsidiary's stock Payments for purchases of consolidated subsidiary's stock Payments for purchases of consolidated subsidiary's stock Payments for purchases of new consolidated							
Proceeds from sale of property, plant and equipment Acquisitions of intangible assets (121) Payments for purchases of investment securities Proceeds from sales of investment securities Payments for purchases of investment securities Payments for purchases of new consolidated subsidiary's stock Payments for purchases of new consolidated subsidiary's stock Payme							
Acquisitions of intangible assets Payments for purchases of investment securities Proceeds from sales of investment securities Payments for purchases of investment securities Payments for purchases of new consolidated subsidiary's stock Payments for purchases of new consolidated							
Payments for purchases of investment securities Proceeds from sales of investment securities Payments for purchases of new consolidated subsidiary's stock Payments for purchases of consolidated subsidiary's stock Payments for purchases of consolidated subsidiary's stock Payments for purchases of consolidated subsidiary's stock Pisbursement of loans receivable Collection of loans receivable Payments for purchases of consolidated subsidiary's stock Payments for purchases of new consolidated subsidiary's stock							
Proceeds from sales of investment securities Payments for purchases of new consolidated subsidiary's stock Payments for purchases of consolidated subsidiary's stock Payments for purchases of consolidated subsidiary's stock Disbursement of loans receivable Collection of loans receivable Other, net Net cash used in investing activities  Cash flows from financing activities:  20 189 810 (20) (20) (20) (888) (687) (1,552) (71) 738 376 1,143 (71) (6,916) (2,477) (5,354)							
Payments for purchases of new consolidated subsidiary's stock Payments for purchases of consolidated subsidiary's stock  Payments for purchases of consolidated subsidiary's stock  Disbursement of loans receivable  Collection of loans receivable  Other, net  Net cash used in investing activities  Cash flows from financing activities:  - (20) (888) (888) (687) (1,552) 738 376 1,143 52 (71) (6,916) (2,477) (5,354)							
Payments for purchases of consolidated subsidiary's stock Disbursement of loans receivable Collection of loans receivable Other, net Net cash used in investing activities  Cash flows from financing activities:  Payments for purchases of consolidated subsidiary's stock (888) (687) (1,552) 738 376 1,143 52 (71) (6,916) (2,477) (5,354)							
Disbursement of loans receivable         (888)         (687)         (1,552)           Collection of loans receivable         738         376         1,143           Other, net         316         52         (71)           Net cash used in investing activities         (6,916)         (2,477)         (5,354)           Cash flows from financing activities:			(293)		-		-
$ \begin{array}{c ccccccccccccccccccccccccccccccccccc$					(687)		(1.552)
Other, net $\frac{316}{\text{Net cash used in investing activities}}$ $\frac{316}{(6,916)}$ $\frac{52}{(2,477)}$ $\frac{(71)}{(5,354)}$ Cash flows from financing activities:	Collection of loans receivable						
Cash flows from financing activities:	Other, net						
Cash flows from financing activities:	Net cash used in investing activities		(6,916)		(2,477)		(5,354)
Increase (decrease) in short-term bank loans, net (1.289) (650) 610							
	Increase (decrease) in short-term bank loans, net		(1,289)		(650)		610
Proceeds from long-term debt 300 260 360							
Repayments of long-term debt (708) (1,553) (2,229)					(1,553)		(2,229)
Increase in commercial paper, net 9,000					-		-
Proceeds from bonds 10,100					-		-
Repayments of bonds (10,000)					-		-
Payments for purchase of treasury stock (5) (6) (16)							
Dividends paid (1,667) (1,668)			(1,667)		(1,667)		(1,668)
Dividends paid to minority shareholders of			(0)		(7)		(7)
consolidated subsidiaries (8) (7) (7)		-					
Net cash provided by (used in) financing activities 5,723 (3,623) (2,950)  Effect of exchange rate changes on cash and cash equivalents 89 (13) (21)							
		-					
Net decrease in cash and cash equivalents (13,948) (14,847) (4,521) Cash and cash equivalents at beginning of year 24,098 28,619 28,619							
Cash and cash equivalents at end of year $\frac{24,096}{4} = \frac{26,019}{10,150} = \frac{26,019}{4} = \frac{26,019}{13,772} = \frac{26,019}{4} = \frac{26,019}{13,772}$		¥		¥	13 772	¥	
Note: This financial statements are unaudited			.0, 100		10,112	<u> </u>	21,000

NON-CONSOLIDATED BALANCE SHEETS
ITOHAM FOODS INC.-fiscal 2006 interim (Sep 30, 2005), fiscal 2005 interim (Sep 30, 2004) and fiscal 2005 (Mar 31, 2005)

			Mi I	lions of yen			
ASSETS	2006 interim		200	5 interim	2005		
Current assets:							
Cash and time deposits	¥	3,955	¥	6,079	¥	16,593	
Receivables:							
Trade notes and accounts		55,719		54,704		52,921	
Other		981		876		873	
Allowance for doubtful receivables		(34)		(68)		(81)	
		56,666		55,512		53,713	
Inventories		41,368		35,965		30,305	
Other current assets		5,153		3,259		2,261	
Total current assets		107,142		100,815		102,872	
Investments and non-current assets:							
Investment securities		36,072		32,971		33,321	
Long-term receivables		15,197		14,927		14,851	
Other		12,960		12,262		12,366	
Allowance for doubtful receivables		(5,153)		(4,276)		(4,848)	
	\ <u></u>	59,076		55,884		55,690	
Property, plant and equipment:							
Land		16,460		15,643		16,649	
Buildings		15,631		15,687		16,082	
Machinery		14,767		11,005		13,285	
Other		2,082		2,072		2,145	
	<del>-</del>	48,940	<u>-</u>	44,407		48,161	
Intangible assets		978		985		1,078	
	¥	216,136	¥	202,091	¥	207,801	

			Mill	ions of yen		
LIABILITIES AND SHAREHOLDERS' EQUITY		6 interim	2005	interim	2005	
Current liabilities:						
Commercial paper	¥	9,000	¥	-	¥	-
Long-term debt due within one year		613		10,613		10,613
Trade notes and accounts payable		40,323		38,312		38,764
Income taxes payable		-		1,749		725
Other		13,875		11,122		15,287
Total current liabilities		63,811		61,796	'	65,389
Long-term liabilities:						
Long-term debt due after one year		27,620		18,233		17,862
Employees' severance and retirement benefits		_		197		196
Directors' and statutory auditors' retirement benefits		526		473		502
Other long-term liabilities		3,962		161		2,345
Total long-term liabilities		32,108		19,064	-	20,905
Shareholders' equity:						
Common stock		22,415		22,415		22,415
Capital surplus		24,021		24,021		24,020
Retained earnings		67,859		71,073		70,762
Net unrealized holding gains on securities		6,704		4,491		5,087
Treasury stock, at cost		(782)		(769)		(777)
Total shareholders' equity		120,217		121,231		121,507
	¥	216,136	¥	202,091	¥	207,801

NON-CONSOLIDATED STATEMENTS OF OPERATIONS
ITOHAM FOODS INC.-fiscal 2006 interim (Apr 1, 2005-Sep 30, 2005), fiscal 2005 interim (Apr 1, 2004-Sep 30, 2004) and fiscal 2005 (Apr 1, 2004-Mar 31, 2005)

	Millions of yen						
	2006 interim	2005 interim	2005				
Net sales	¥ 214,160	¥ 209,484	¥ 422,292				
Cost and expenses:							
Cost of sales	193,071	185,779	376,371				
Selling, general and administrative expenses	<u>22,658</u>	21,582	44,621				
Operating income (loss)	(1,569)	2,123	1,300				
Other income	2,349	2,192	6,178				
Other expenses	(2,838)	(1,237)	(3,994)				
Income (loss) before income taxes Provision for income taxes	(2,058)	3,078	3,484				
Current Deferred	(823)	1,193	142 1,767				
Net income (loss)	¥ (1,235)	¥ 1,885	¥ 1,575				

Note: This financial statements are unaudited.

# Forecast of non-consolidated operating results for the years ending March 31, 2006

	Millions of yer 2006
Net sales Operating loss Net loss	¥ 452,000 (4,300) (2,400)
	<u>Yen</u> 2006
Net loss per share	¥ (11.52)

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.