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Itoham Foods Inc.

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Securities Code: 2284 (Tokyo Stock Exchange and Osaka Securities Exchange)

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### Notice Regarding Revision of Earnings Forecasts

In light of its recent business performance, Itoham Foods Inc. has revised its earnings forecasts for the first half of fiscal 2012 (April 1 to September 30, 2011) previously announced on May 13, 2011.

Details are as follows.

#### Revision of Consolidated Earnings Forecasts

Revision of Consolidated First Half Earnings Forecasts for Fiscal 2012 (April 1 to September 30, 2011)

	Net sales	Operating income (Loss)	Ordinary income (Loss)	Net income	Net income per share
Previous forecast (A)	Millions of yen 222,000	Millions of yen 2,000	Millions of yen 2,800	Millions of yen 1,000	Yen 4.15
Revised forecast (B)	221,700	500	1,240	240	1.00
Change: B-A	(300)	(1,500)	(1,560)	(760)	
Percentage change	(0.1)	(75.0)	(55.7)	(76.0)	
Reference: First half results in previous year (first half of fiscal 2011)	222,252	(444)	(116)	2,373	9.69

## **Reason for revision**

Net sales for the first half of fiscal 2012 were mostly in line with the previous forecast. Operating income and ordinary income increased substantially from the corresponding period of the previous fiscal year following cost reductions achieved through Group realignment. Despite these advances however, lower-than-anticipated sales of midsummer gift packs, a food poisoning incident, and concerns over the potential for cesium contamination along with other factors have created extremely harsh conditions in the fresh meat business. The Company now expects significantly lower performance in this segment than initially forecast. Other income and expenses are now expected to amount to a smaller loss than initially forecast, but the Company expects lower net income than previously forecast due to a dip in ordinary income.

Moreover, the full-year forecast for fiscal 2012 remains unchanged from that announced on May 13, 2011 since the economic climate and business environment remain uncertain. If a revision of the full-year outlook becomes necessary, it will be disclosed swiftly.

Note: The above forecasts are based on judgments made in light of the information available and certain assumptions deemed to be rational at the time of announcement. Actual results could differ materially from forecasts due to a number of factors.