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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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### **Revision of Earnings Forecasts for Fiscal 2007**

In light of recent trends in the Company's business performance, Itoham Foods Inc. has revised its original earnings forecasts for fiscal 2007, which were announced on February 9, 2007, together with the third quarter results for fiscal 2007. Details are as follows.

#### **1. Revision of Consolidated Earnings Forecasts for Fiscal 2007 (April 1, 2006 to March 31, 2007)**

(Millions of yen)

	Net Sales	Ordinary Income (Loss)	Net Loss
Previous Forecasts: A (Announced February 9, 2007)	501,000	3,000	(900)
Revised Forecasts: B	504,300	3,870	(1,380)
Change: B – A	3,300	870	(480)
Change: B vs. A (%)	0.7	29.0	–
Fiscal 2006 Results	517,275	(2,532)	(8,371)

## 2. Revision of Non-consolidated Earnings Forecasts for Fiscal 2007 (April 1, 2006 to March 31, 2007)

(Millions of yen)

	Net Sales	Ordinary Income	Net Loss
Previous Forecasts: A (Announced November 17, 2006)	407,500	1,000	(1,500)
Revised Forecasts: B	409,700	1,700	(3,000)
Change: B – A	2,200	700	(1,500)
Change: B vs. A (%)	0.5	70.0	–
Fiscal 2006 Results	423,306	(4,033)	(11,861)

### 3. Reasons for Revisions

#### (i) Non-consolidated

While net sales were lower than in the previous period, sales were strong in the second half, and are expected to exceed the previous forecast by ¥2,200 million. Due to the increase in sales and to cost-cutting measures, ordinary income is also expected to exceed the previous forecast by ¥700 million. However the net loss is expected to increase by ¥1,500 million, as additional reserves will be necessary to cover bad debts of Subsidiaries and investment losses.

#### (ii) Consolidated

The previous forecast has been revised mainly in accordance with the revision to the non-consolidated earnings forecast. The net loss is expected to increase by ¥480 million due to the reversal of ¥1,098 million in subsidiary deferred tax assets.

## Forward-looking Statements

*The above forecasts are based on judgments made in light of information currently available. Actual results could differ materially from forecasts due to a number of factors.*