

**Supplementary Information to
Consolidated Financial Results for
the First Half of FY 2012**

November 2, 2011
ITOCHU Corporation

Highlights

(unit:¥billion) 

(Consolidated Financial Results of Operations)	1st Half FY 2012	1st Half FY 2011	Increase /Decrease	Forecast for FY 2012	Progress (%)
Gross trading profit	493.0	472.5	+ 20.5	1,050.0	47%
Trading income (* 1)	137.3	115.9	+ 21.5	320.0	43%
Income before income taxes	185.7	111.5	+ 74.2	300.0	62%
Equity in earnings of associated companies	51.7	37.7	+ 14.1	80.0	65%
Net income attributable to ITOCHU	158.1	103.0	+ 55.1	240.0	66%
Adjusted profit (* 2)	199.3	157.6	+ 41.7	400.0	50%

(Consolidated Statements of Comprehensive Income)	1st Half FY 2012	1st Half FY 2011	Increase /Decrease
Net income	167.8	108.0	+ 59.8
Other Comprehensive income(loss) (net of tax)	-72.1	-51.8	- 20.2
(Foreign currency translation adjustments)	(-61.7)	(-48.1)	(-13.6)
Comprehensive income	95.7	56.2	+ 39.6
Comprehensive income attributable to the noncontrolling interest	-10.7	-3.9	- 6.8
Comprehensive income attributable to ITOCHU	85.0	52.3	+ 32.7

(* 1) Trading income = Gross trading profit + SG&A expenses + Provision for doubtful receivables

(* 2) Adjusted profit = Gross trading profit + SG&A expenses + Net financial income + Equity in earnings of associated companies

Financial Position / Cash Flows

(unit: ¥billion) 

(Financial Position)	Sep. 2011	Mar. 2011	Increase /Decrease	Forecast for March 31,2012
Total assets	5,972.7	5,673.7	+ 299.1	6,400.0
Interest-bearing debt	2,334.6	2,268.4	+ 66.2	2,700.0
Net interest-bearing debt	1,877.2	1,633.2	+ 244.0	2,200.0
ITOCHU stockholders' equity	1,224.6	1,154.8	+ 69.8	1,350.0
Ratio of ITOCHU stockholders' equity to total assets	20.5%	20.4%	+ 0.1%	21.1%
NET DER (times)	1.5	1.4	+ 0.1 point	1.6

(Cash Flows)	1st Half FY 2012	1st Half FY 2011
Operating activities	49.6	117.6
Investing activities	-182.1	-116.3
Free cash flows	-132.5	1.4
Financing activities	-38.1	-48.0
Cash and cash equivalents	453.2	424.5

Consolidated Financial Results of Operating



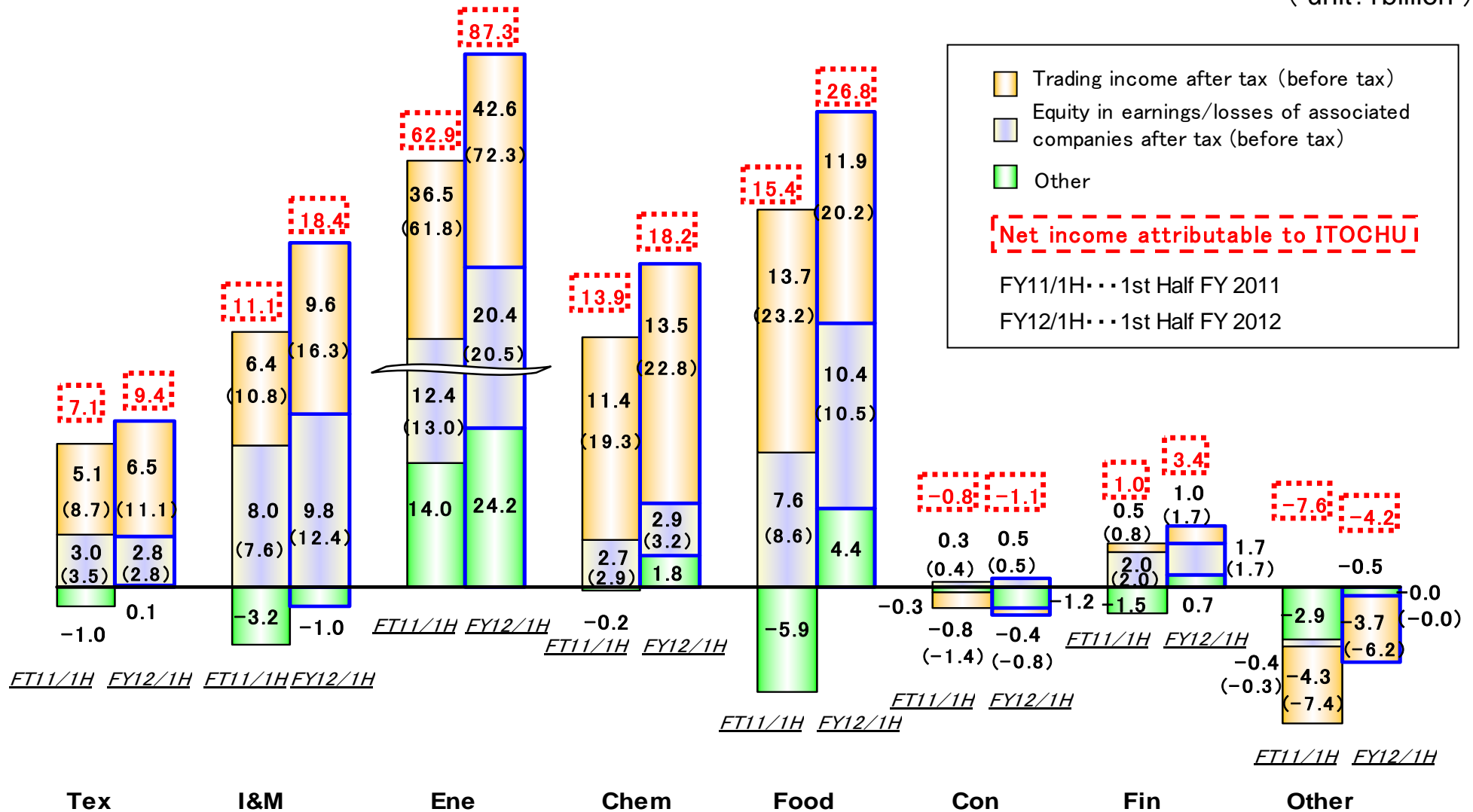
(unit: ¥billion)

	2nd Quarter FY2012	1st Quarter FY2012	1st Half FY 2012	1st Half FY 2011	Increase /Decrease	(Reference) 4th Quarter FY2011	3rd Quarter FY2011
Revenue	1,024.3	898.3	1,922.6	1,717.7	+ 204.9	1,013.1	918.9
Gross trading profit	265.5	227.4	493.0	472.5	+ 20.5	261.6	242.1
Trading income	85.4	51.9	137.3	115.9	+ 21.5	77.1	63.2
Net financial income(expenses)	3.8	4.0	7.8	3.0	+ 4.8	2.5	1.3
Other-net	0.7	39.8	40.6	-7.4	+ 48.0	-45.1	-28.3
Income before income taxes	89.9	95.7	185.7	111.5	+ 74.2	34.5	36.1
Income taxes	-41.5	-28.2	-69.6	-41.1	- 28.5	-23.1	-4.3
Income before equity in earnings of associated companies	48.5	67.6	116.1	70.4	+ 45.7	11.4	31.8
Equity in earnings of associated companies	25.9	25.8	51.7	37.7	+ 14.1	9.0	14.0
Net income	74.4	93.4	167.8	108.0	+ 59.8	20.4	45.8
Less:Net income attributable to the noncontrolling interest	-6.6	-3.1	-9.7	-5.0	- 4.6	-4.8	-3.4
Net income attributable to ITOCHU	67.8	90.3	158.1	103.0	+ 55.1	15.6	42.4
Adjusted profit	116.4	82.8	199.3	157.6	+ 41.7	93.9	81.4

Operating Segment (1st Half FY2012 & 1st Half FY2011)



(unit:¥billion)

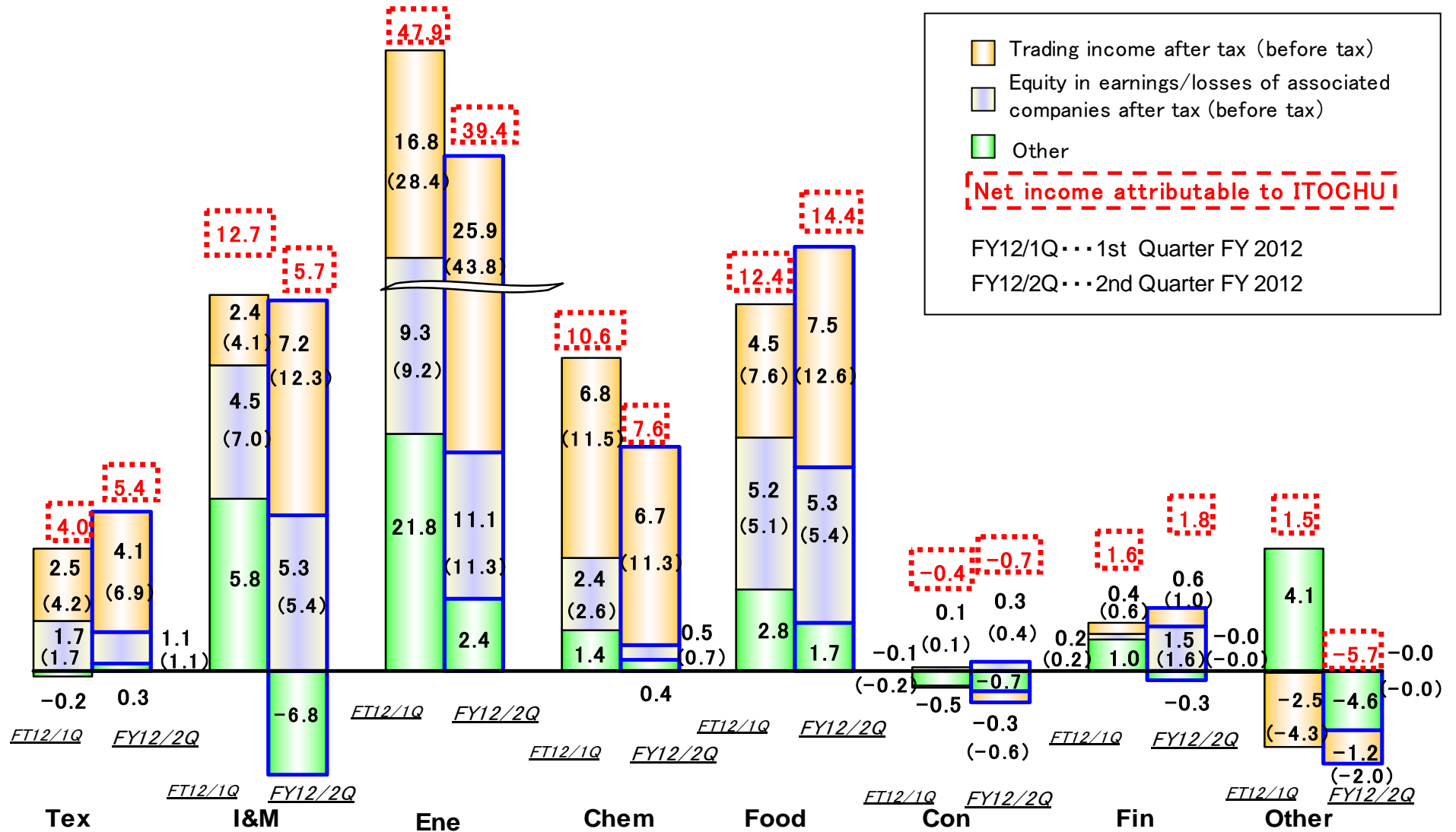


Tex : Textile, I&M : ICT & Machinery, Ene : Energy, Metals & Minerals, Chem : Chemicals, Forest Products & General Merchandise, Food : Food, Con : Construction & Realty, Fin : Financial & Insurance Services, Logistics Services

Operating Segment (1st & 2nd Quarter FY2012)

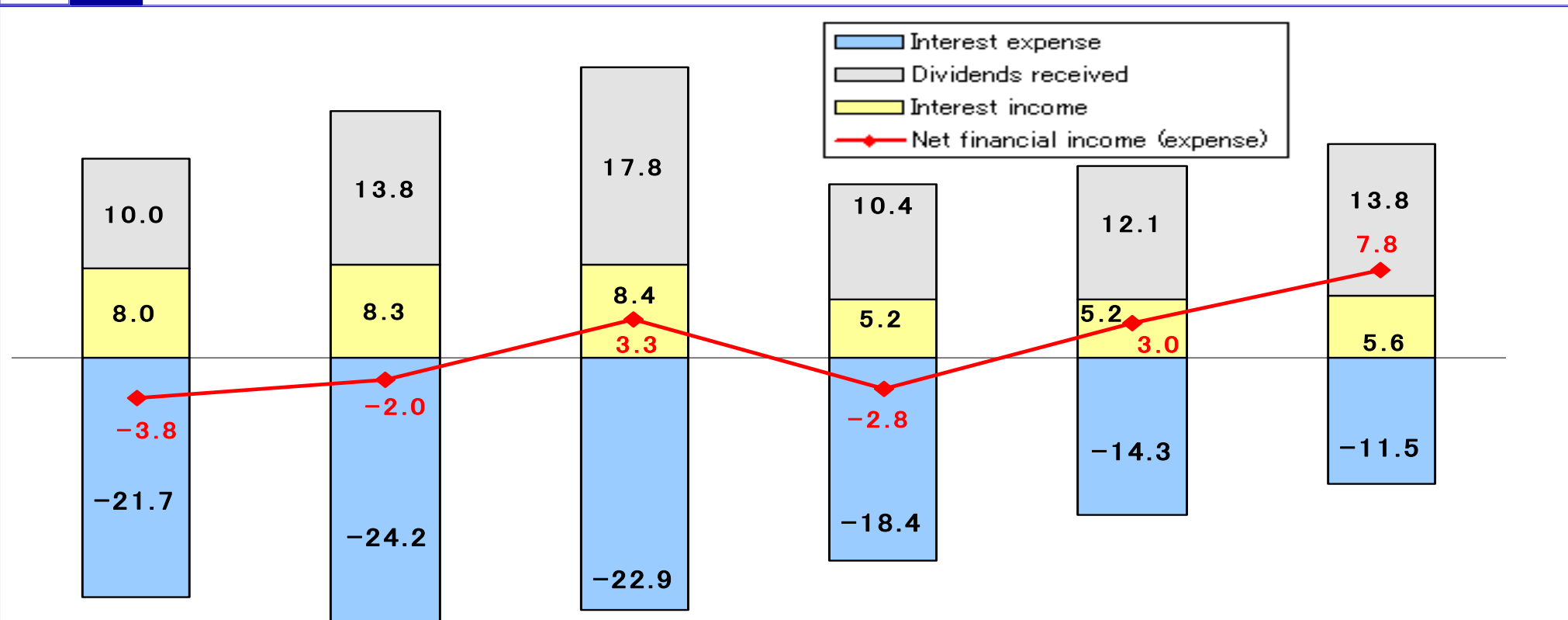


(unit: ¥billion)



Net Financial Income (Expenses)

(unit:¥billion) 



FY07/1H

FY08/1H

FY09/1H

FY10/1H

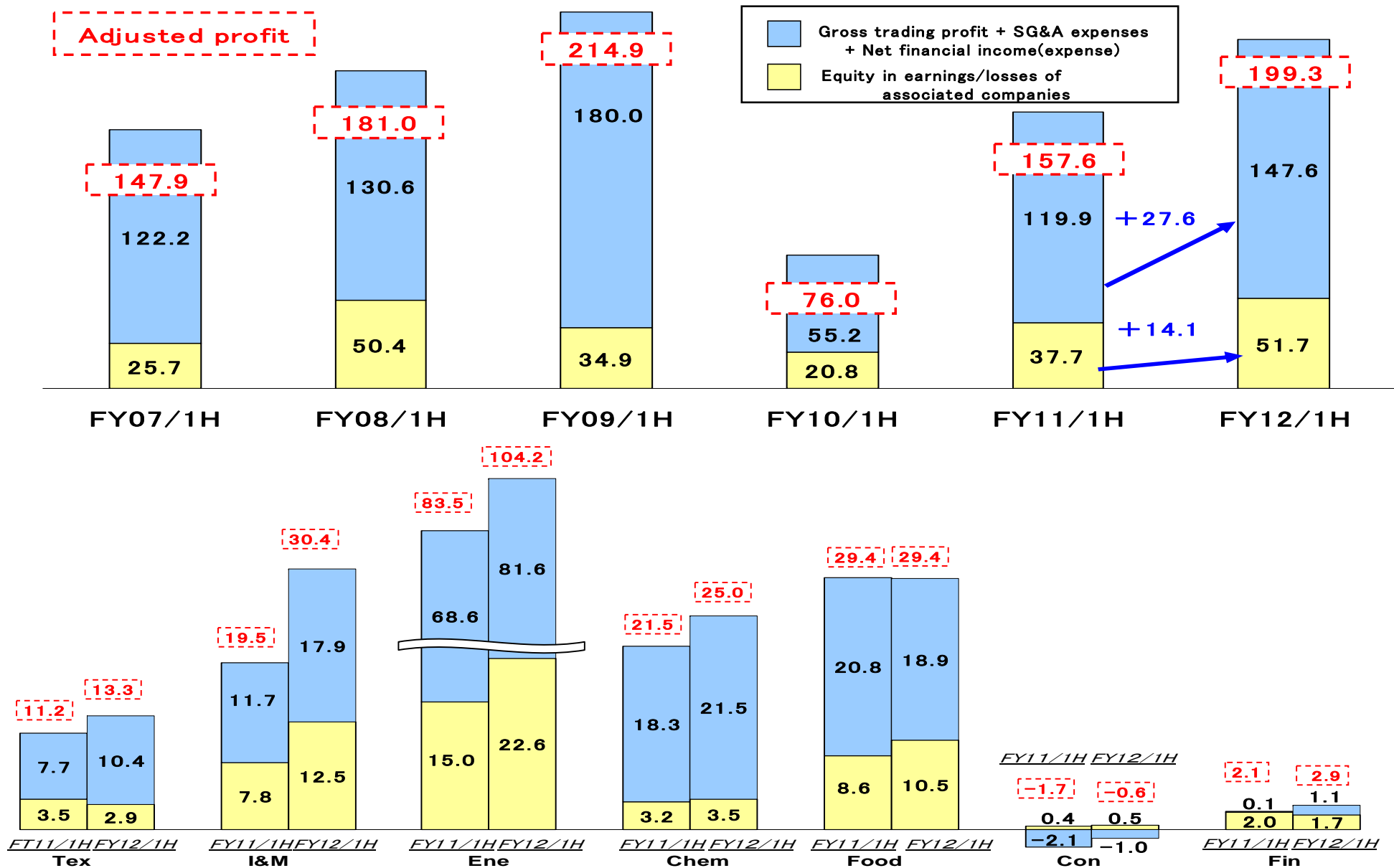
FY11/1H

FY12/1H

	FY07/1H	FY08/1H	FY09/1H	FY10/1H	FY11/1H	FY12/1H
Interest-bearing debt *	2,209.5	2,127.0	2,113.9	2,388.9	2,201.0	2,301.5
(Foreign currency balances included)	(333.6)	(364.9)	(432.7)	(340.4)	(316.1)	(324.6)
JPY TIBOR 3M (Average Apr.-Sep.)	0.324%	0.735%	0.848%	0.574%	0.385%	0.339%
USD LIBOR 3M (Average Jan.-Jun.)	4.989%	5.357%	3.018%	1.044%	0.346%	0.286%

* Average Apr.-Sep.

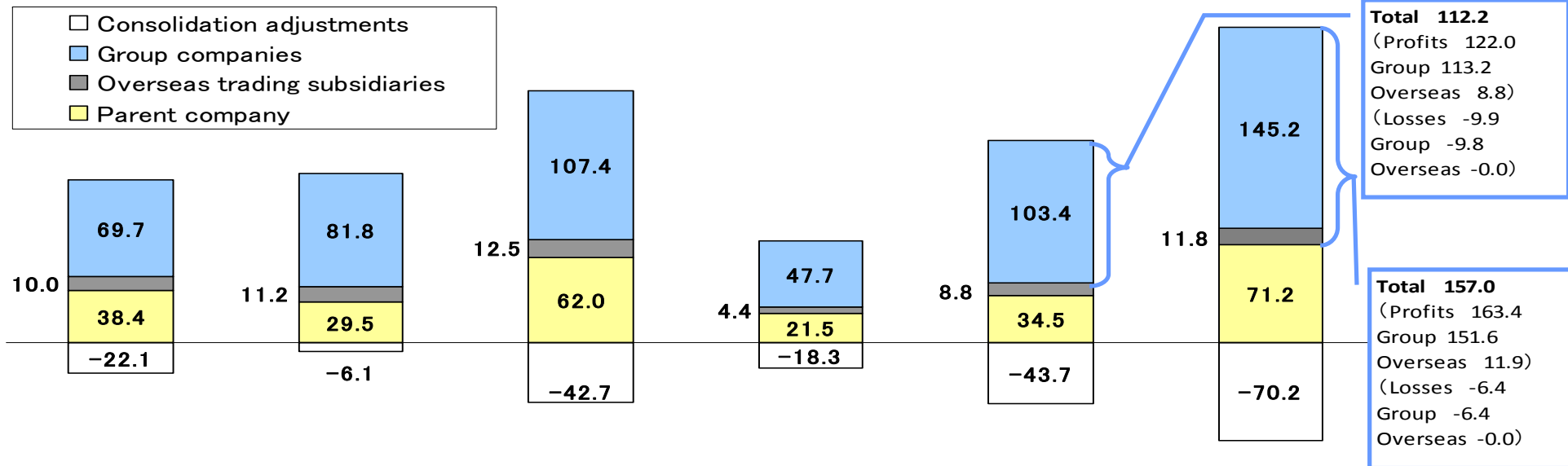
Adjusted Profit



Components of Net Income Attributable to ITOCHU



(unit: ¥billion)



FY07/1H

FY08/1H

FY09/1H

FY10/1H

FY11/1H

FY12/1H

FY07/1H

FY08/1H

FY09/1H

FY10/1H

FY11/1H

FY12/1H

Net income attributable to ITOCHU	96.1	116.4	139.1	55.3	103.0	158.1
Number of Group Companies	451	426	421	423	408	393
Share of Group Companies Reporting Profits	75%	74%	74%	66%	73%	76%
Natural Resource/ Energy-Related Sector	35.7 (37%)	49.8 (43%)	86.4 (62%)	26.1 (47%)	62.9 (61%)	87.3 (55%)
Consumer-Related Sector	25.1 (26%)	21.1 (18%)	31.5 (23%)	26.1 (47%)	29.1 (28%)	44.3 (28%)
Machinery-Related Sector					11.1 (11%)	18.4 (12%)
Chemicals, Real Estate, and Others Sector	35.3 (37%)	45.4 (39%)	21.2 (15%)	3.1 (6%)	-0.2 (0%)	8.1 (5%)

Performance of Group Companies

(unit:¥billion) 

【Major Subsidiaries reporting increase/decrease of profit/loss】

Name		1st Half FY 2012	1st Half FY 2011	Increase/ Decrease
Ene	Brazil Japan Iron Ore Corporation	(*) 22.4	3.7	+ 18.6
Ene	ITOCHU Minerals & Energy of Australia Pty Ltd	50.5	47.0	+ 3.6
Ove	ITOCHU International Inc.	4.4	1.7	+ 2.7
I&M	ITOCHU Techno-Solutions Corporation	2.8	1.5	+ 1.3
Food	NIPPON ACCESS, INC.	6.2	5.1	+ 1.1
Ene	ITOCHU Oil Exploration (Azerbaijan) Inc.	4.0	5.3	- 1.3
Ene	IPC EUROPE LTD.	-0.6	0.6	- 1.1
Chem	C.I. Kasei Co., Ltd.	0.4	0.8	- 0.4

(*) Includes gain on bargain purchase and gain resulting from remeasuring its previously held equity interests at its acquisition-date fair value accompanying the acquisition.

【Major Associated companies reporting increase/decrease of profit/loss】

Name		1st Half FY 2012	1st Half FY 2011	Increase/ Decrease
Ene	Marubeni-Itochu Steel Inc.	6.5	3.2	+ 3.3
I&M	Century Tokyo Leasing Corporation	(*) 3.4	2.1	+ 1.3
Ene	Chemoil Energy Limited	1.0	0.4	+ 0.5
Chem	Unicharm Consumer Products (China) Co., Ltd.	0.4	—	+ 0.4
Chem	Japan Brazil Paper and Pulp Resources Development Co., Ltd.	0.6	1.9	- 1.3
Fin	Orient Corporation	-0.3	0.5	- 0.7

(*) Includes gain on negative goodwill accompanying the purchase of additional common shares.

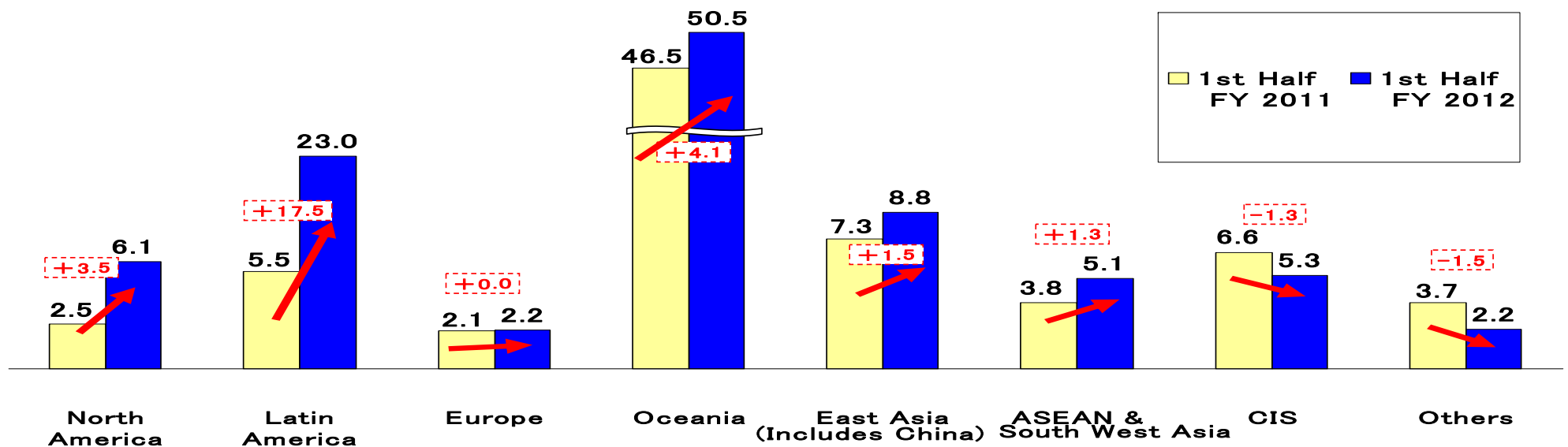
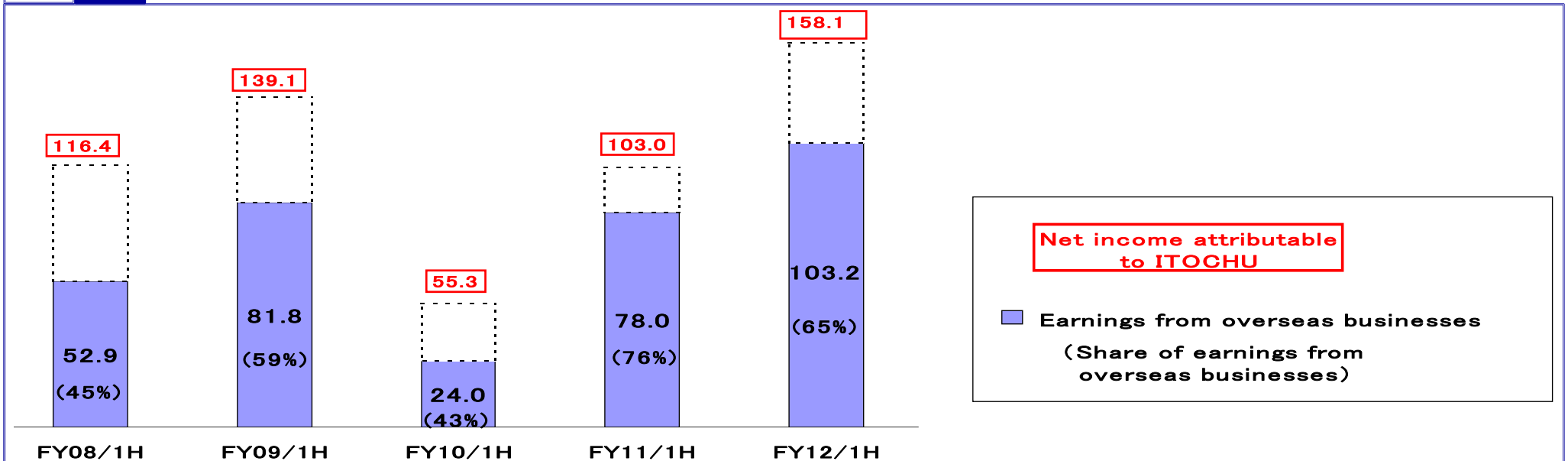
Performance of Group Companies by Segment (unit: ¥billion)



	1st Half FY 2012		1st Half FY 2011		Increase/ Decrease	Summary of changes
		(*)		(*)		
Textile	6.2	82.1%	5.5	81.6%	+ 0.7	Due to rise in clothing transactions in China as well as the absence of losses because of liquidation of a subsidiary in apparel-related businesses at the previous fiscal year-end
ICT & Machinery	19.5	81.9%	11.6	67.1%	+ 8.0	Due to strong transactions of domestic ICT-related businesses and others, favorable business results, and increase in profit from business and gain on negative goodwill accompanying purchase of additional shares from leasing-related company
Energy, Metals & Minerals	86.8	59.5%	64.7	67.9%	+ 22.0	Due to increases in iron ore prices and sales volume, despite lower earnings stemming from decline in coal production volume as well as gain on bargain purchase and remeasuring its previously held equity interests in the acquisition of Brazil Japan Iron Ore Corporation at the fair value
Chemicals, Forest Products & General Merchandise	16.3	82.1%	13.6	73.3%	+ 2.7	Due to higher prices in markets for natural rubber and chemicals, as well as strong domestic market conditions for plywood, despite currency exchange loss on strength of Brazilian real against US dollar of pulp businesses,
Food	24.4	76.3%	16.6	71.1%	+ 7.8	Due to gain on property and equipment-net in Food Products Marketing & Distribution business and favorable operating income in CVS business, as well as income on insurance claims, despite effect of the Great East Japan Earthquake
Construction & Realty	-0.0	72.2%	-1.4	81.0%	+ 1.4	Due to the absence of losses on lower-of-cost-or-market of real estate for sale in the same period of the previous fiscal year and sales to investors of real estate for leasing, despite lower condominium sales due to delay in completion of construction arising from the Great East Japan Earthquake
Financial & Insurance Services, Logistics Services	3.2	88.2%	2.2	75.0%	+ 1.0	Due to increase in logistic related business and card business
Other, Adjustments & Eliminations	0.7	71.4%	-0.5	75.0%	+ 1.2	Due to improvement of equipment-material-related businesses in North America
Total	157.0	76.3%	112.2	73.3%	+ 44.8	

(*) Share of Group Companies Reporting Profits

Earnings from Overseas Businesses



Forecast for FY2012

(unit:¥billion) 

	1st Half FY 2012	Forecast for FY 2012(*)	Progress (%)
Total trading transactions	5,997.3	12,000.0	50%
Gross trading profit	493.0	1,050.0	47%
Trading income	137.3	320.0	43%
Net financial income(expenses)	7.8	—	—
Other-net	40.6	-20.0	—
Income before income taxes	185.7	300.0	62%
Income taxes	-69.6	-120.0	58%
Income before equity in earnings of associated companies	116.1	180.0	64%
Equity in earnings of associated companies	51.7	80.0	65%
Net income	167.8	260.0	65%
Less:Net income attributable to the noncontrolling interest	-9.7	-20.0	48%
Net income attributable to ITOCHU	158.1	240.0	66%
Adjusted profit	199.3	400.0	50%

【Net income attributable to ITOCHU by Segment】

	1st Half FY 2012	Forecast for FY 2012	Progress (%)
Textile	9.4	21.0	45%
ICT & Machinery	18.4	29.0	63%
Energy, Metals & Minerals	87.3	154.0	57%
Chemicals, Forest Products & General Merchandise	18.2	30.0	61%
Food	26.8	37.0	72%
Construction & Realty	-1.1	3.0	—
Financial & Insurance Services, Logistics Services	3.4	4.5	77%
Other, Adjustments & Eliminations	-4.2	-38.5	—
Total	158.1	240.0	66%

*FY2012 Forecast is unchanged from the beginning of the year.



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