Highlights of Consolidated Financial Results for the 1st-3rd Quarter of FY 2012 (U.S. GAAP)
(9 months from April 1, 2011 to December 31, 2011)

February 2, 2012
ITOCHU Corporation

(Unit: billion yen, (losses, decrease))

Financial topics for the 1st-3rd Quarter (9 months) of FY 2012

- 1-3Q "Net income attributable to ITOCHU" increased by ¥71.4 bil. to ¥216.7 bil. and recorded the highest ever 1-3Q earnings (including a loss of ¥9.7 bil. the reversal of deferred tax assets of accompanying the change in the effective income tax rate under Japanese taxation reform). Progress toward the previous Outlook for FY 2012 of ¥240.0 bil. was 90% and toward the revision of Outlook for FY 2012 of ¥280.0 bil. was 77%. Similarly, "Income before income taxes", "Equity in earnings of associated companies", Net income attributable to ITOCHU of group companies (subsidiaries and associated companies) reporting profits and total of group companies achieved record-high. Adjusted profit increased by ¥58.9 bil. to ¥297.8 bil.
- For "Net income attributable to ITOCHU" by segment, "Ener., Met. & Min." increased significantly by ¥28.1 bil. to ¥115.1 bil., and increased by ¥8.1 bil. to ¥35.5 bil. for "Food", ¥5.5 bil. to ¥26.5 bil. for "Chem., FP & GM" and ¥4.2 bil. to ¥17.0 bil. for "Textile". These 4 segments recorded highest ever earnings. "ICT & Mach." increased by ¥9.2 bil. to ¥24.5 bil. In "Fin. & IS, LS" there was the reversal of deferred tax assets (a loss of ¥4.0 bil.) but due to the absence of impairment losses on Orient Corporation preferred stocks recorded in the same period of the previous FY, improved ¥12.6 bil. to ¥0.6 bil,; and "Const. & Rlty." recorded small loss. (Refer to Exhibit A-2)
- Share of "Net income attributable to ITOCHU" by sector: Natural Resource/Energy-Related 53% (¥115.1 bil.), Consumer-Related 30% (¥65.2 bil.), Machinery-Related 11% (¥24.5 bil.), and Chemicals, Construction & Realty and Others 6% (¥12.0 bil.) Natural Resource/Energy-Related and Consumer-Related sectors reached record-high.
- "Total ITOCHU stockholders' equity" increased by ¥44.4 bil. to ¥1,199.2 bil. from the previous FY end. Ratio of ITOCHU stockholders' equity to total assets was 19.1%. NET DER recorded 1.75 times and expected to be 1.6 times at the end of FY 2012. Total equity was ¥1,525.8 bil. (Refer to Exhibit A-2)

Consolidated Financial Results of Operations

Consolidated Statements of Income

Consolidated Financial Results of Operations	Apr.-Dec. 2011	Apr.-Dec. 2010	Increase (Decrease)	Outlook for FY 2012	Progress(%)	The previous outlook for FY 2012 (Announced on May 6, 2011)	Changes
Revenue	2,973.8	2,636.6	337.2				
Gross trading profit (Note 1)	751.2	714.6	36.6	1,030.0	72.9%	1,050.0	(20.0)
Selling, general and administrative expenses (Note 1)	(542.4)	(531.5)	(10.8)	(740.0)	73.3%	(730.0)	(10.0)
Provision for doubtful receivables	(3.7)	(4.0)	0.3	(10.0)	37.5%	-	(10.0)
Net interest expenses	(9.3)	(13.3)	4.0	(15.0)	62.1%	(20.0)	5.0
Dividends received	16.9	17.6	(0.7)	25.0	67.5%	20.0	5.0
Net financial income	*7.6*	*4.3*	*3.3*	*10.0*	*75.5%*	*0.0*	*10.0*
Gain (loss) on investments-net (*)	8.7	(27.9)	36.6				
Loss on property and equipment-net (*)	(0.8)	(1.5)	0.7	(*) 40.0	87.5%	(*) (20.0)	60.0
Gain on bargain purchase in acquisition (*)	10.5	-	10.5				
Other-net (*)	16.6	(6.2)	22.8				
Total other expenses	(503.6)	(566.9)	63.4	(700.0)	71.9%	(750.0)	50.0
Income before income taxes and equity in earnings of associated companies	247.6	147.6	100.0	330.0	75.0%	300.0	30.0
Income taxes	(96.7)	(45.4)	(51.3)	(130.0)	74.4%	(120.0)	(10.0)
Income before equity in earnings of associated companies	150.9	102.2	48.7	200.0	75.4%	180.0	20.0
Equity in earnings of associated companies	81.4	51.6	29.8	100.0	81.4%	80.0	20.0
Net income	232.3	153.8	78.5	300.0	77.4%	260.0	40.0
Less: Net income attributable to the noncontrolling interest	(15.6)	(8.5)	(7.1)	(20.0)	77.9%	(20.0)	-
Net income attributable to ITOCHU	216.7	145.3	71.4	280.0	77.4%	240.0	40.0
(Reference)							
Total trading transactions	8,877.2	8,505.1	372.0	11,800.0	75.2%	12,000.0	(200.0)
Gross trading profit ratio	8.5%	8.4%	0.1%	8.7%		8.8%	
Adjusted profit	297.8	238.9	58.9	400.0	74.4%	400.0	-

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

Summary of changes from the same period of the previous fiscal year

- **Revenue**: Increase in Energy, Metals & Minerals Company (higher prices for iron ore, oil & gas and an increase in iron ore sales volume), in Chemicals, Forest Products & General Merchandise Company (acquisition of Kwik-Fit Group, higher market prices for chemicals and natural rubber) and in Food Company (higher market prices for food materials, such as feed grains and others, an increase in transaction volume in food-distribution-related companies)
- **Gross trading profit**:
  Textile/ Decr (94.8→92.7): Due to liquidation of apparel-related company at the previous fiscal year-end, despite rise in uniform products and textile materials transactions, as well as the strong sales on the domestic demand in China
  ICT & Machinery/ Incr (130.3→145.9): Due to strong transactions in domestic ICT-related companies and acceptance in healthcare-related business as a result of reorganization, despite less transactions in automobiles as a result of aftermath of the Great East Japan Earthquake
  Energy, Metals & Minerals/ Incr (149.3→163.8): Due to rise in price for oil & gas and improvement of operations in energy transactions, as well as higher prices for iron ore and sales volume, despite decrease in revenue due to lower coal production volume
  Chemicals, Forest Products & General Merchandise/ Incr (88.3→102.2): Due to acquisition of Kwik-Fit Group, as well as higher market prices for natural rubber, in addition to strong domestic market conditions for plywood
  Food/ Incr (208.4→209.9): Due to rise in transaction volume at food-distribution-related companies, despite decrease in some business as a result of aftermath of the Great East Japan Earthquake
  Construction & Realty/ Incr (11.1→12.6): Due to higher sales of newly completed condominiums in favorable locations and sales to investors of real estate for leasing
  Financial & Insurance Services, Logistics Services/ Decr (14.6→11.3): Due to sale of a travel-related domestic company and the transfer of foreign exchange operations to head office as a result of reorganization
- **SG & A**: Increase due to an increase accompanying a rise in revenue among existing consolidated companies and new consolidated subsidiaries, which offset decreases in the effect of cost reductions and the de-consolidation of certain subsidiaries
- **Net financial income**: Improvement of net interest expenses, even though decreased in dividends due primarily to a decrease in dividends from LNG-related investments accompanying a change of investee's dividend policy
- **Gain (loss) on investments-net**: Net of impairment losses and remeasuring gain on investments+34.8, Net gain on sales of investments+0.7, Losses on business disposals and others+1.1
- **Loss on property and equipment-net**: Improved in impairment losses+6.1〔due to the absence of impairment losses on oil & gas assets recorded in the same period of the previous fiscal year〕, Net gain on sales of property and equipment and others-5.3〔due to the absence of gain on sales of coal interests recorded in the same period of the previous fiscal year〕
- **Gain on bargain purchase in acquisition**: Gain on acquisition of Brazil Japan Iron Ore Corporation for the first quarter of fiscal year 2012
- **Other-net**: Due to the receipt of insurance related to the Great East Japan Earthquake and to the absence of losses on disposal of three enterprises and business reconstruction costs on equipment-material-related business in North America, as well as the cost related to asset retirement obligations recorded in the same period of the previous year
- **Income taxes**: The reversal of deferred tax assets accompanying the change in the effective income tax rate under Japanese taxation reform
- **Equity in earnings of assoc. co.**: Equity-method associated companies of Brazil Japan Iron Ore Corporation+9.0, Orient Corporation [the absence of impairment losses on investment recorded in the same period of the previous fiscal year/ excluding tax effect]+5.3, Marubeni-Itochu Steel Inc.+3.9, Equity-method associated companies of IMEA+2.4, FamilyMart Co., Ltd.+2.1, Century Tokyo Leasing Corporation (Note 2) [Gain on negative goodwill accompanying the additional investment/ excluding tax effect]+1.5

* The effect on Net income attributable to ITOCHU of the reversal of deferred tax assets accompanying the change in the effective income tax rate was a loss of ¥9.7 bil. (125 million U.S. dollars), including losses recognized by equity-method associated companies.

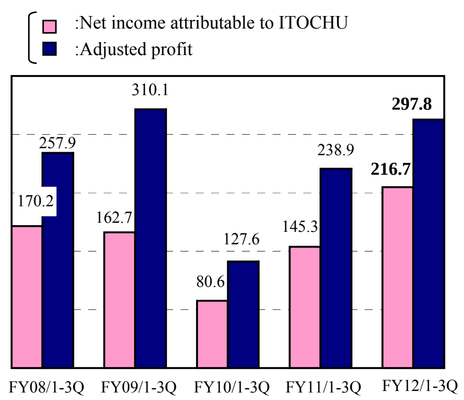
(Note 1) As a result of the ITOCHU Group's integration of food distribution and marketing business, the items in which distribution cost related to these operations has been included were changed from the beginning of fiscal year 2012. The relevant amounts for the same period of the previous fiscal year were reclassified based on this new classification.
(Note 2) ITOCHU has refrained from announcing the figures more than above since the company is scheduled to announce its results on February 2, which is the same day of ITOCHU's announcement day.
(Note 3) "Earnings from overseas businesses" is the total of Net income attributable to ITOCHU of overseas trading subsidiaries and overseas group companies, plus Net income attributable to ITOCHU of overseas branches of parent company and the companies established in Japan for specific overseas business whose sources of revenue are in overseas.

Consolidated Statements of Comprehensive Income

	Apr.-Dec. 2011	Apr.-Dec. 2010	Increase (Decrease)
Net income	232.3	153.8	78.5
Other comprehensive income (loss) (net of tax)			
Foreign currency translation adjustments	(142.0)	(59.8)	(82.2)
Pension liability adjustments	2.8	0.8	2.0
Unrealized holding gains (losses) on securities	(9.4)	15.1	(24.6)
Unrealized holding gains (losses) on derivative instruments	(2.1)	1.2	(3.3)
Total other comprehensive income (loss) (net of tax)	(150.8)	(42.7)	(108.1)
Comprehensive income (loss)	81.5	111.1	(29.6)
Comprehensive income (loss) attributable to the noncontrolling interest	4.3	(6.9)	11.2
Comprehensive income (loss) attributable to ITOCHU	85.8	104.2	(18.5)

Components of Net income attributable to ITOCHU	Apr.-Dec. 2011	Apr.-Dec. 2010	Increase (Decrease)
Parent company	102.4	40.4	62.0
Group companies	200.1	149.9	50.3
Overseas trading subsidiaries	16.6	7.7	8.9
Consolidation adjustments	(102.4)	(52.6)	(49.8)
Net income attributable to ITOCHU	216.7	145.3	71.4
Earnings from overseas businesses (Note 3)	144.1	105.9	38.2
Share of earnings from overseas businesses	66%	73%	

Net income attributable to ITOCHU and Adjusted profit



Dividend Information (Per Share)	
Annual (Planned)	40.0 yen
Interim	16.5 yen

Dividend Information (Per Share)	
Annual (Planned)	33.0 yen
Interim	16.5 yen

Brand-new Deal 2012
Earn, Cut, Prevent

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(Unit: billion yen, (losses, decrease))

Operating Segment Information	Net income attributable to ITOCHU Apr.-Dec. 2011	Apr.-Dec. 2010	Increase (Decrease)	[Net income attributable to ITOCHU] Summary of changes from the same period of the previous fiscal year
Textile	17.0	12.8	4.2	Increase due to upturn on liquidation of apparel-related company at the previous fiscal year-end, as well as improvement in tax and others
ICT & Machinery	24.5	15.2	9.2	Increase due to rise in gross trading profit and increase in equity in earnings of associated companies due to higher earnings and increase of equity interests, as well as unordinary gain resulting from additional investments for leasing company, despite impairment losses on investment securities
Energy, Metals& Minerals	115.1	87.0	28.1	Increase due to rise in gross trading profit and gain on bargain purchase and remeasuring its previously held equity interests in acquisition of Brazil Japan Iron Ore Corporation at the fair value, as well as increase in equity in earnings of associated companies from iron ore-related companies
Chemicals, Forest Products & General Merchandise	26.5	21.0	5.5	Increase due to rise in gross trading profit and increase in equity in earnings of associated companies resulting from higher profits in chemicals-related companies, as well as improvement in tax and others
Food	35.5	27.3	8.1	Increase due to absence of impairment losses on investment securities recognized for the same period of the previous fiscal year, gain on sales of investments, gain on property and equipment, and income on insurance claims, despite increase logistic costs and others as a result of aftermath of the Great East Japan Earthquake
Construction & Realty	(0.2)	0.4	(0.6)	Deterioration due to absence of gain on sales of overseas real-estate-related companies for the same period of the previous fiscal year and the reversal of deferred tax assets accompanying the change in the effective income tax rate, despite increase in gross trading profit
Financial & Insurance Services, Logistics Services	0.6	(12.0)	12.6	Upturn due to the absence of the impairment losses on common and preferred stocks of Orient Corporation, despite the reversal of deferred tax assets accompanying the change in the effective income tax rate
Adjustments & Eliminations and others	(2.3)	(6.5)	4.2	Improvement due to the upturn in equipment-material-related business currently undergoing restructuring in North America and improvement on the absence of losses on disposal of three North American enterprises, despite the reversal of deferred tax assets accompanying the change in the effective income tax rate
Total	216.7	145.3	71.4	

P/L of Group Companies Reporting Profits/Losses	Apr.-Dec. 2011	Apr.-Dec. 2010	Increase (Decrease)
Group co. reporting profits	230.4	177.0	53.4
Group companies reporting profits	213.6	166.3	47.3
Overseas trading subsidiaries reporting profits	16.8	10.7	6.0
Group co. reporting losses	(13.6)	(19.5)	5.9
Group companies reporting losses	(13.5)	(16.4)	2.9
Overseas trading subsidiaries reporting losses	(0.2)	(3.1)	2.9
Total	216.7	157.5	59.2
Share of group co. reporting profits	78.9%	74.9%	4.0%
Number of group co. reporting profits (Note 4)	307	308	(1)
Total number of group co. reporting (Note 4)	389	411	(22)

(Note 4)The number of companies directly invested by ITOCHU or its overseas trading subsidiaries are shown above.

Group Companies

(Major Group Companies) (C): Consolidated subsidiary, (E): Equity-method associated company

Group Companies		Apr.-Dec. 2011	Apr.-Dec. 2010	Summary of changes from the same period of the previous fiscal year
ITOCHU Minerals & Energy of Australia Pty Ltd (IMEA)	(C)	69.6	64.8	Due to increases in iron ore prices and sales volume and the absence of impairment losses on oil & gas assets in the same period of the previous fiscal year, despite lower earnings stemming from decline in coal production volume and the absence of gain on sales of coal interests in the same period of the previous FY
Brazil Japan Iron Ore Corporation	(C)	29.7	7.8	Due to gain accompanying acquisition as well as higher sales volume and prices
Marubeni-Itochu Steel Inc.	(E)	9.6	5.7	Due to recovery in demand for steel products both in Japan and overseas
Orient Corporation	(E)	(3.3)	(3.7)	Due to the absence of impairment losses on its common stocks in the same period of the previous fiscal year and decrease in gross trading profit
OVERSEAS PROPERTY SALES CO., LTD	(C)	(2.3)	0.0	Due to the reversal of deferred tax assets accompanying the change in the effective income tax rate

Financial Position	Dec. 2011	Mar. 2011	Increase (Decrease)	Outlook for March 31, 2012 New	Previous
Total assets	6,262.9	5,673.7	589.2	6,300.0	6,400.0
Interest-bearing debt	2,512.4	2,268.4	244.1	2,600.0	2,700.0
Net interest-bearing debt	2,103.2	1,633.2	470.0	2,100.0	2,200.0
Total ITOCHU stockholders' equity	1,199.2	1,154.8	44.4	1,300.0	1,350.0
Total equity	1,525.8	1,397.5	128.3	1,600.0	1,590.0
Ratio of stockholders' equity to total assets	19.1%	20.4%	(1.2%)	20.6%	21.1%
Net debt-to-equity ratio (times)	1.75	1.41	0.34 up	1.6	1.6

(Note 5)"Stockholders' equity" is equivalent to "ITOCHU stockholders' equity" and used in calculating "NET DER".

Summary of changes from the previous fiscal year end

- **Total assets**: Significant decrease in Cash and cash equivalents and Time deposits due to new investments. However, Investments to associated companies increased due to investments in Textile, in ICT & Machinery and in Energy, Metals & Minerals. In addition, in Energy, Metals & Minerals and Chemicals and Forest Products & General Merchandise, there were increases in Net trade receivables and Inventories. Also, in Chemicals, Forest Products & General Merchandise there were increases in Inventories, Net property and equipment and Other assets due to acquisition of Kwik-Fit Group
- **Total ITOCHU stockholders' equity**: Increased due to "Net income attributable to ITOCHU", despite a decrease in dividend payment and a large deterioration of "Foreign currency translation adjustments." As a result, "Ratio of stockholders' equity to total assets" (Note 5) decreased by 1.2 points to 19.1 % from March 31, 2011. "NET DER" (Note 5) was 1.75 times. Total equity, or the total of ITOCHU stockholders' equity and noncontrolling interest was increased to 1,525.8 billion yen mainly due to acquisition of Brazil Japan Iron Ore Corporation

Cash Flows	Apr.-Dec. 2011	Apr.-Dec. 2010
Operating activities	94.3	154.7
Investing activities	(420.1)	(228.4)
Financing activities	106.9	(27.4)
Cash and cash equivalents	405.0	369.6
Increase (Decrease)	(225.8)	(106.1)

Summary of Cash Flows for Apr.-Dec. 2011

- **Operating**: Net cash-inflow resulting from the steady performance in operating revenue in overseas natural resources, despite an increase in inventories in Energy, Metals & Minerals and Chemicals, Forest Products & General Merchandise, and Food
- **Investing**: Net cash-outflow mainly due to new investments in Colombian coal mining company and U.S. oil & gas development company, additional investment in Brazil Japan Iron Ore Corporation and an investment in IPP in North America, as well as additional capital expenditures and purchase of interests in natural resource development sector
- **Financing**: Net cash-inflow due to dividend payment and large-scale investments, which was partly covered by cash and deposits

Major Indicates			Apr.-Dec. 2011	Apr.-Dec. 2010	Variance
Foreign exchange (Yen/US$)	Mar. closing	Average (Apr.-Dec.)	79.29	87.64	(8.35)
		December 31th	Dec.-11 77.74	Mar.-11 83.15	(5.41)
	Dec. closing	Average (Jan.-Sep.)	81.38	90.02	(8.64)
		September 30th	Sep.-11 76.65	Dec.-10 81.49	(4.84)
Interest	JPY TIBOR 3M, average (Apr.-Dec.)		0.338%	0.371%	(0.033%)
	US$ LIBOR 3M, average (Jan.-Sep.)		0.290%	0.361%	(0.071%)
Crude oil (Brent) average (US$/BBL)		Average (Apr.-Dec.)	112.79	81.25	31.54
		Average (Jan.-Sep.)	111.52	77.89	33.63
Iron ore, fine (US$/ton)			169	131	38
Coking coal ／Thermal coal (US$/ton)			310 / 130	211 / 98	99 / 32

Exhibit A－2