May 8, 2013

ANNUAL FINANCIAL STATEMENTS

For years ended March 31, 2013 and 2012

Page:

ITOCHU Corporation

May 8, 2013

- Unaudited -

Consolidated Financial Results for Fiscal Year 2013 (Year ended March 31, 2013)

[Prepared in conformity with accounting principles generally accepted in the United States of America]

Company name: ITOCHU Corporation
Stock exchange code: 8001 URL: http://www.itochu.co.jp/en/ir/
President and Chief Executive Officer: Masahiro Okafuji
General Manager of Corporate Communications Division: Tomoyuki Takada TEL: 81 - 3 - 3497 - 7291
The date of Shareholders' meeting June 21, 2013 (Planned) The date of payout of dividend June 24, 2013 (Planned)
The date of issue of audited financial statements June 21, 2013 (Planned)

1. Consolidated operating results for fiscal year 2013 (from April 1, 2012 to March 31, 2013)

(1) Consolidated operating results (Summary) (%: Changes from the previous fiscal year)

	Total trading transactions		Trading income (*1)		Income before income taxes and equity in earnings of associated companies		Net income attributable to ITOCHU	
	millions of yen	%	millions of yen	%	millions of yen	%	millions of yen	%
Fiscal year 2013	12,551,557	5.4	244,219	(10.4)	311,112	(8.8)	280,297	(6.7)
Fiscal year 2012	11,904,749	5.1	272,620	6.4	341,174	87.1	300,505	86.5

(Note) Comprehensive income (millions of yen) FY 2013 : 507,040 (up 97.3%) FY 2012 : 256,951 (up 121.0%)
(Note) Comprehensive income attributable to ITOCHU (millions of yen) FY 2013 : 475,819 (up 90.3%) FY 2012 : 249,983 (up 135.7%)

	Net income attributable to ITOCHU per share (basic)	Net income attributable to ITOCHU per share (diluted) (*2)	Ratio of net income attributable to ITOCHU to stockholders' equity	Please refer below (*3)	Please refer below (*4)
	yen	yen	%	%	%
Fiscal year 2013	177.35	-	17.9	4.6	1.9
Fiscal year 2012	190.13	-	23.8	5.6	2.3

(*1) "Trading income" = "Gross trading profit" + "Selling, general and administrative expenses" + "Provision for doubtful receivables"
(*2) Net income attributable to ITOCHU per share (diluted) for Fiscal year 2013 and Fiscal year 2012 are not presented since antidiluted effect by the convertible preference stocks issued by associated company outstanding.
(*3) Income before income taxes and equity in earnings of associated companies / Total assets
(*4) Trading income / Total trading transactions
(Note) Equity in earnings of associated companies (millions of yen) FY 2013 : 85,891 FY 2012 : 102,748

(2) Consolidated financial position

	Total assets	Total equity	Total ITOCHU stockholders' equity	Ratio of ITOCHU stockholders' equity to total assets	ITOCHU stockholders' equity per share
	millions of yen	millions of yen	millions of yen	%	yen
March 31, 2013	7,117,446	2,112,619	1,765,435	24.8	1,117.01
March 31, 2012	6,507,273	1,696,141	1,363,797	21.0	862.88

(3) Consolidated cash flows information

	Operating activities	Investing activities	Financing activities	Cash and cash equivalents
	millions of yen	millions of yen	millions of yen	millions of yen
Fiscal year 2013	245,661	(199,990)	(11,323)	569,716
Fiscal year 2012	212,830	(416,315)	84,704	513,489

2. Dividend distribution

	Dividend distribution per share					Total Dividend distribution (Annual)	Payout ratio (Consolidated)	Ratio of dividend distribution to ITOCHU stockholders' equity (Consolidated)
	End of first quarter	End of second quarter	End of third quarter	Year-end	Annual			
	yen	yen	yen	yen	yen	millions of yen	%	%
Fiscal year 2012	-	16.50	-	27.50	44.00	69,598	23.1	5.5
Fiscal year 2013	-	20.00	-	20.00	40.00	63,271	22.6	4.0
Fiscal year 2014 (Planned)	-	21.00	-	21.00	42.00		22.9	

3. Outlook of consolidated operating results for fiscal year 2014 (from April 1, 2013 to March 31, 2014)

(%: Changes from the previous fiscal year)

	Total trading transactions		Trading income (*)		Income before income taxes and equity in earnings of associated companies		Net income attributable to ITOCHU		Net income attributable to ITOCHU per share (basic)
	millions of yen	%	millions of yen	%	millions of yen	%	millions of yen	%	yen
Fiscal year 2014	14,300,000	13.9	280,000	14.7	300,000	(3.6)	290,000	3.5	183.48

(*) "Trading income" = "Gross trading profit" + "Selling, general and administrative expenses" + "Provision for doubtful receivables"

4. Other information

(1) Changes in classification of specified subsidiaries accompanied by changes in the consolidation scope during the fiscal year 2013: N/A

(2) Changes in accounting policies or presentation ways in the consolidated financial statements
(a) Changes due to amendment of accounting standards: N/A
(b) Other changes: N/A

(3) Number of common shares issued

(a) Number of common shares outstanding: (including the number of treasury stock)	As of end of FY 2013	1,584,889,504	Fiscal Year 2012	1,584,889,504
(b) Number of treasury stock:	As of end of FY 2013	4,383,289	Fiscal Year 2012	4,366,546
(c) Average number of common shares outstanding:	For FY 2013	1,580,515,991	For FY 2012	1,580,528,221

[Note]

1. This document is an English translation of a statement written initially in Japanese. The Japanese original should be considered the primary version.

2. The financial statements contain forward-looking statements regarding ITOCHU Corporation's corporate plans, strategies, forecasts, and other statements that are not historical facts. They are based on current expectations, estimates, forecasts and projections about the industries in which ITOCHU Corporation operates. As the expectations, estimates, forecasts and projections are subject to a number of risks, uncertainties and assumptions, including without limitation, changes in economic conditions; fluctuations in currency exchange rates; changes in the competitive environment; the outcome of pending and future litigation; and the continued availability of financing; financial instruments and financial resources, they may cause actual results to differ materially from those presented in such forward-looking statements. ITOCHU Corporation, therefore, wishes to caution that readers should not place undue reliance on forward-looking statements, and, further that ITOCHU Corporation undertakes no obligation to update any forward-looking statements as a result of new information, future events or other developments.

3. "Total trading transactions" and "Trading income" are presented in accordance with Japanese accounting practice.
   -"Total trading transactions" in the consolidated statements of income consists of sales with respect to transactions in which the companies act as principal and the total amount of transactions in which the companies act as agent.
   -"Trading income" = "Gross trading profit" + "Selling, general and administrative expenses" + "Provision for doubtful receivables"

4. The consolidated financial statements are expressed in yen and, solely for the convenience of the reader, have been translated into U.S. dollars at the rate of 94.05 yen = 1 U.S. dollar, the exchange rate prevailing on March 31, 2013. The translation should not be construed as a representation that the Japanese yen amounts could be converted into U.S. dollars at the above or any other rate.

5. "ITOCHU" in items of A/C on the consolidated financial statements represents ITOCHU Corporation.

1. Summary of Operations

(1) Analysis of Consolidated Operating Results

<General Economic Situations>

In fiscal year 2013, although the global economy grew at a sluggish pace as the economies of industrialized countries and emerging countries remained slack, the pace of growth showed signs of accelerating toward the end of the fiscal year. The WTI crude oil price decreased from US$105 per barrel at the beginning of April 2012 to below US$80 at one point. However, it rose again, reaching US$97 per barrel at the end of March 2013. Japan's economy slumped unavoidably because of lackluster exports due to the sluggish growth of the global economy and issues between Japan and China, as well as a slowdown in consumer spending due to the diminishing impact of measures to stimulate consumption. However, at the end of 2012, expectations that large-scale monetary easing would be introduced prompted yen depreciation and share price increases, improved consumer sentiment and invigorated consumer spending. As the stemming from decline in exports, the Japanese economy moved toward recovery. Through October 2012, investors grew more risk averse as a result of concern of the European sovereign debt crisis and the outlook for the global economy, and financial markets were characterized by yen appreciation and falling share prices. Thereafter, however, expectations that the Bank of Japan would introduce large-scale monetary easing led to a reversal, marked by yen depreciation and rising share prices. The yen strengthened against the U.S. dollar from around ¥83 at the beginning of April 2012 to around ¥77 in September. From October the trend reversed, with the yen weakening against the U.S. dollar to ¥87 at the end of December and to ¥94 at the end of March 2013. The Nikkei Stock Average dropped from around ¥10,000 at the beginning of April 2012 to below ¥8,500 at one point in June, remaining between that level and ¥9,000 through September. After that point, factors such as a weakening yen drove the index up to ¥10,400 at the end of December, rising to ¥12,400 at the end of March 2013. Long-term interest rates trended downward through September owing to growing risk aversion among investors and from October in anticipation of large-scale monetary easing. Accordingly, the yield on 10-year Japanese government bonds fell from around 1% at the beginning of April 2012 to the neighborhood of 0.5% at the end of March 2013.

<Operating Results for Fiscal Year 2013 (April 1, 2012, to March 31, 2013)>

Revenue for the fiscal year ended March 31, 2013, increased by 9.1%, or 382.2 billion yen, compared with the previous fiscal year, to 4,579.8 billion yen (48,695 million U.S. dollars). This gain was attributable to higher revenue from the Energy & Chemicals Company, mainly due to the acquisition of U.S. energy-related companies in the fourth quarter of the previous fiscal year, as well as to increased revenue due to the acquisition of automobile-related companies in the second quarter of the current fiscal year in the Machinery Company. These increases offset lower revenue from the Metals & Minerals Company, reflecting falls in iron ore and coal prices.

Gross trading profit decreased by 4.3%, or 41.0 billion yen, compared with the previous fiscal year, to 915.9 billion yen (9,738 million U.S. dollars). This decrease was attributable to significantly lower earnings from the Metals & Minerals Company, due to falls in iron ore and coal prices despite increase in sales volume, and a decline in earnings from the ICT, General Products & Realty Company due to the conversion of mobile-phone-related subsidiary into equity-method associated company and the sales of consolidated subsidiaries in the previous fiscal year despite increase due to the acquisition of Kwik-Fit Group in the previous fiscal year. These decreases offset higher earnings from the Energy & Chemicals Company, due to the acquisition of domestic energy-related companies in the second quarter of the current fiscal year and increase in transaction volume for crude oil, fuel oil and petroleum products and higher earnings from the Machinery Company due to the acquisition of automobile-related companies in the second quarter of the current fiscal year and increase in ship transactions.

Selling, general and administrative expenses fell by 1.2%, or 8.1 billion yen, compared with the previous fiscal year, to 671.3 billion yen (7,138 million U.S. dollars). This decrease was attributable to the result of the acquisition of new consolidated subsidiaries or the conversion of subsidiaries into equity method associated companies and sales of consolidated subsidiaries accompanying the asset replacement.

Provision for doubtful receivables improved by 4.6 billion yen, compared with the previous fiscal year, to a loss of 0.3 billion yen (4 million U.S. dollars), mainly due to a decrease in allowance for doubtful receivables and collections.

Net interest expenses deteriorated by 9.6%, or 1.2 billion yen, compared with the previous fiscal year, to an expense of 14.1

billion yen (149 million U.S. dollars), due to an increase in interest-bearing debt, despite lower debt cost. **Dividends received** increased by 23.7%, or 6.6 billion yen, compared with the previous fiscal year, to 34.6 billion yen (368 million U.S. dollars), due primarily to an increase in dividends from oil-and-gas-related investments on Sakhalin. Consequently, **Net financial income**, which is the total of **Net interest expenses** and **Dividends received**, improved by 5.4 billion yen, compared with the previous fiscal year, to a gain of 20.6 billion yen (219 million U.S. dollars).

Gain on investments–net increased by 24.9 billion yen, compared with the previous fiscal year, to a gain of 45.9 billion yen (488 million U.S. dollars). This gain was attributable to an increase in gain on sales of investments, which more than offset a decrease in revaluation gain related to reclassification of control between consolidated subsidiaries and equity-method associated companies.

Loss on property and equipment–net deteriorated by 2.5 billion yen, compared with the previous fiscal year, to a loss of 9.3 billion yen (99 million U.S. dollars), due to increase of impairment losses on property and equipment and the worsening of gain (loss) on sales of property and equipment.

Other-net decreased by 13.5 billion yen, compared with the previous fiscal year, to a gain of 9.7 billion yen (104 million U.S. dollars), mainly due to the absence of the receipt of insurance related to the Great East Japan Earthquake for the previous fiscal year and a decrease of miscellaneous income (loss). Also, **Gain on bargain purchase in acquisition** of 15.9 billion yen was recognized in the previous fiscal year.

As a result, **Income before income taxes and equity in earnings of associated companies** decreased by 8.8%, or 30.1 billion yen, compared with the previous fiscal year, to 311.1 billion yen (3,308 million U.S. dollars). **Income taxes** decreased (improved) by 22.7%, or 27.7 billion yen, compared with the previous fiscal year, to expenses of 94.3 billion yen (1,003 million U.S. dollars) due to the absence of a loss on reversal of deferred tax assets accompanying the change in the effective income tax rate under Japanese tax reform.

Equity in earnings of associated companies decreased by 16.4%, or 16.9 billion yen, compared with the previous fiscal year, to a gain of 85.9 billion yen (913 million U.S. dollars). This decline was attributable to impairment losses of oil and gas properties recognized by U.S. oil-and-gas-development-related companies as a result of slumping gas prices and revision of development plans as well as a decrease in equity in earnings of mineral-resources-related companies accompanying falls in iron ore prices. These factors more than offset rises due to new investments in Colombian coal-related companies and European pulp-related companies; increases in equity in earnings of CVS company and mobile-phone-related companies; and an unordinary gain recognized due to an investment in an industrial-textiles-related company.

As a result, **Net income** decreased by 6.0 %, or 19.2 billion yen, compared with the previous fiscal year, to 302.7 billion yen (3,218 million U.S. dollars).

Consequently, **Net income attributable to ITOCHU**, which is calculated as **Net income** minus **Net income attributable to the noncontrolling interest** of 22.4 billion yen (238 million U.S. dollars), decreased by 6.7%, or 20.2 billion yen, compared with the previous fiscal year, to 280.3 billion yen (2,980 million U.S. dollars).

(Supplemental information)

In accordance with Japanese accounting practices, **Total trading transactions** for the fiscal year ended March 31, 2013, increased by 646.8 billion yen, compared with the previous fiscal year, to 12,551.6 billion yen (133,456 million U.S. dollars). This increase was attributable to the acquisition of U.S. energy-related companies in the fourth quarter of the previous fiscal year and an increase in transaction volume on crude oil, fuel oil, and petroleum products in the Energy & Chemicals Company, and an increase in automobile transactions for Europe in the Machinery Company. These factors more than offset lower trading transactions from the ICT, General Products & Realty Company due to the conversion of mobile-phone-related subsidiary into equity-method associated company in the third quarter of the current fiscal year and sales of consolidated subsidiaries in the previous fiscal year—despite higher transactions from domestic ICT-related companies—and lower trading transactions from the Metals & Minerals Company, due to falls in iron ore and coal prices—despite increase in sales volume.

<Operating Results for the Fourth Quarter of Fiscal Year 2013 (January 1, 2013 to March 31, 2013)>

Revenue for the fourth quarter of fiscal year 2013, the three-month period ended March 31, 2013, increased by 4.5%, or 57.4 billion yen, compared with the same period of the previous fiscal year, to 1,332.5 billion yen (14,168 million U.S. dollars). This gain was attributable to higher revenue from the Metals & Minerals Company due to an increase in iron ore sales volume, a rise in revenue from the Machinery Company, due to the acquisition of automobile-related companies in the second quarter of the current fiscal year and higher revenue from the Textile Company, due to the acquisition of European apparel manufacturing and wholesale-related companies in the second quarter of the current fiscal year. These factors more than offset lower revenue from the ICT, General Products & Realty Company, accompanying the conversion of mobile-phone-related subsidiary into equity-method associated company in the third quarter of the current fiscal year.

Gross trading profit decreased by 3.9%, or 10.0 billion yen, compared with the same period of the previous fiscal year, to 248.1 billion yen (2,638 million U.S. dollars). This decrease was attributable to lower earnings from the ICT, General Products & Realty Company due to decrease in tire-related transactions for Europe and the conversion of mobile-phone-related subsidiary into equity-method associated company despite higher transactions from domestic ICT-related companies. These decreases offset higher earnings from the Energy & Chemicals Company, due to an increase in transaction volume on crude oil, fuel oil, and petroleum products and a rise in earnings from the Machinery Company, mainly due to an increase in ship transactions and the acquisition of automobile-related companies.

Selling, general and administrative expenses decreased by 13.2%, or 25.6 billion yen, compared with the same period of the previous fiscal year, to 167.5 billion yen (1,781 million U.S. dollars), which was attributable to the absence of the unordinary expense in the same period of the previous fiscal year and to the result of the acquisition of new consolidated subsidiaries or the conversion of subsidiaries into equity method associated companies and sales of consolidated subsidiaries accompanying the asset replacement.

Provision for doubtful receivables improved by 0.6 billion yen, compared with the same period of the previous fiscal year, to a loss of 0.6 billion yen (6 million U.S. dollars).

Net interest expenses improved by 6.0%, or 0.2 billion yen, compared with the same period of the previous fiscal year to an expense of 3.3 billion yen (36 million U.S. dollars) due to lower debt cost despite increase in interest-bearing debt. **Dividends received** increased by 107.4%, or 12.0 billion yen, compared with the same period of the previous fiscal year, to 23.1 billion yen (246 million U.S. dollars), due primarily to an increase in dividends from LNG-related investments, resulting from the change of an investee's dividend policy from a quarterly basis to a yearly basis and dividends from oil-and-gas-related investments on Sakhalin. Consequently, **Net financial income**, which is the total of **Net interest expenses** and **Dividends received**, improved by 12.2 billion yen, compared with the same period of the previous fiscal year, to a gain of 19.8 billion yen (210 million U.S. dollars).

Gain on investments–net improved by 13.2 billion yen, compared with the same period of the previous fiscal year, to a gain of 25.5 billion yen (271 million U.S. dollars), due primarily to an increase in gain on sales of investments.

Loss on property and equipment–net improved by 0.9 billion yen, to a loss of 5.1 billion yen (54 million U.S. dollars), due to the absence of impairment losses recognized for the same period of the previous fiscal year.

Other-net decreased by 6.4 billion yen, compared with the same period of the previous fiscal year, to a gain of 0.3 billion yen (3 million U.S. dollars), due to the absence of miscellaneous gain recognized for the same period of the previous fiscal year. Also, **Gain on bargain purchase in acquisition** of 5.4 billion yen was recognized in the same period of the previous fiscal year.

As a result, **Income before income taxes and equity in earnings of associated companies** increased by 34.1%, or 30.7 billion yen, compared with the same period of the previous fiscal year, to 120.5 billion yen (1,281 million U.S. dollars). **Income taxes** increased (worsened) by 81.5%, or 19.4 billion yen, compared with the same period of the previous fiscal year, to expense of 43.1 billion yen (458 million U.S. dollars) due to the absence of tax effects recognized for the same period of the previous fiscal year stemming from the tax reform in Australia.

Equity in earnings of associated companies decreased by 94.8%, or 20.2 billion yen, compared with the same period of the previous fiscal year, to a gain of 1.1 billion yen (12 million U.S. dollars). This decline was attributable to impairment losses of oil and gas properties recognized by U.S. oil-and-gas-development-related companies as a result of slumping gas prices and revision of development plans. These factors more than offset contribution of new investments in European pulp-related companies and increased equity in earnings from steel-products-related companies.

As a result, **Net income** decreased by 10.2%, or 8.9 billion yen, compared with the same period of the previous fiscal year, to 78.5 billion yen (835 million U.S. dollars).

Consequently, **Net income attributable to ITOCHU**, which is calculated as **Net income** minus **Net income attributable to the noncontrolling interest** of 6.3 billion yen (68 million U.S. dollars), decreased by 11.6%, or 9.4 billion yen, compared with the same period of the previous fiscal year, to 72.2 billion yen (767 million U.S. dollars).

(Supplemental information)
In accordance with Japanese accounting practices, **Total trading transactions** for the three-month period ended March 31, 2013, increased by 198.8 billion yen, compared with the same period of the previous fiscal year, to 3,277.7 billion yen (34,851 million U.S. dollars). This increase was attributable to an increase in transaction volume on crude oil, fuel oil, and petroleum products in the Energy & Chemicals Company, and an increase in automobile transactions for Europe and ship transactions in the Machinery Company. These factors more than offset lower trading transactions from the ICT, General Products & Realty Company, due to the conversion of mobile-phone-related subsidiary into equity-method associated company, despite higher transactions from the domestic ICT-related companies.

(2) Analysis of Consolidated Financial Position

(a) Assets, Liabilities, and Equity

Total assets as of March 31, 2013, increased by 9.4%, or 610.2 billion yen, compared with March 31, 2012, to 7,117.4 billion yen (75,677 million U.S. dollars). This rise was attributable to an increase in cash and cash equivalents; new investments in the non-resource sector such as European pulp-related companies, automobile-related companies, IPP-related and water-supply-related companies, European apparel manufacturing and wholesale-related companies; increases in inventories in the ICT, General Products & Realty Company and the Energy & Chemicals Company; and an increase accompanying additional capital expenditures in the natural resource development sector; as well as to the effect of yen depreciation.

Interest-bearing debt increased by 9.0%, or 228.9 billion yen, compared with March 31, 2012, to 2,762.5 billion yen (29,372 million U.S. dollars) due to a rise in debt for new investments. **Net interest-bearing debt** (**Interest-bearing debt** after deducting **Cash and cash equivalents** and **Time deposits**) increased by 8.5%, or 170.7 billion yen, compared with March 31, 2012, to 2,185.6 billion yen (23,239 million U.S. dollars).

Total ITOCHU stockholders' equity rose by 29.5%, or 401.6 billion yen, compared with March 31, 2012, to 1,765.4 billion yen (18,771 million U.S. dollars), due to an increase in **Net income attributable to ITOCHU** and an improve in **Accumulated other comprehensive income (loss)** due to yen depreciation and high stock prices, which more than compensated for a decrease accompanying dividends payment.

As a result, the **Ratio of stockholders' equity to total assets** improved by 3.8 points to 24.8% from March 31, 2012. **NET DER** (Net Debt-to-stockholders' Equity ratio) was 1.24 times.

Total equity, or the sum of **Total ITOCHU stockholders' equity** and **Noncontrolling interest**, increased by 24.6%, or 416.5 billion yen, compared with March 31, 2012, to 2,112.6 billion yen (22,463 million U.S. dollars).

(b) Consolidated Cash Flows Information

[Consolidated Cash Flows for Fiscal Year 2013 (from April 1, 2012 to March 31, 2013)]

Cash flows from operating activities for the fiscal year ended March 31, 2013, recorded a net cash-inflow of 245.7 billion yen (2,612 million U.S. dollars), resulting from the stable performance in operating revenue in the Machinery Company, the energy sector, and the Food Company despite an increase in inventories in the construction & realty sector and the forest products & general merchandise sector, as well as stable performance in operating revenue in the Metals & Minerals Company, despite falls in commodity prices.

Cash flows from investing activities recorded a net cash-outflow of 200.0 billion yen (2,126 million U.S. dollars), due to new investments in the European pulp-related companies, automobile-related companies, IPP-related and water-supply-related companies in the non-resource sector and additional capital expenditures in the natural resource development sector, despite sales of investments.

Cash flows from financing activities recorded a net cash-outflow of 11.3 billion yen (120 million U.S. dollars), mainly due to dividends payment exceeding proceeds from debt.

Consequently, **Cash and cash equivalents** as of March 31, 2013, increased by 56.2 billion yen to 569.7 billion yen (6,058 million U.S. dollars), compared with March 31, 2012.

[Consolidated Cash Flows for the Fourth Quarter of Fiscal Year 2013 (from January 1, 2013 to March 31, 2013)]

Cash flows from operating activities for the three-month period ended March 31, 2013, remained at a net cash-inflow of 131.8 billion yen (1,401 million U.S. dollars), resulting from stable performance in operating revenue in the Metals & Minerals Company, the energy sector, and the ICT sector, as well as lower inventories in the energy sector.

Cash flows from investing activities recorded a net cash-outflow of 12.8 billion yen (136 million U.S. dollars), due to additional capital expenditures in the natural resource development sector despite sales of investments.

Cash flows from financing activities recorded a net cash-outflow of 87.8 billion yen (934 million U.S. dollars), mainly due to repayment of debt.

The trend of consolidated cash flow indices is as follows:

FY	2009	2010	2011	2012	2013
Ratio of stockholders' equity to total assets (%)	16.4%	20.1%	20.4%	21.0%	24.8%
Ratio of market capitalization to total assets (%)	14.6%	23.7%	24.3%	22.0%	25.2%
Years of debt redemption (years)	8.6yrs	7.5yrs	6.8yrs	11.9yrs	11.2yrs
Interest coverage ratio (times)	5.8	8.0	11.9	9.2	10.5

Consolidated cash flow indices are calculated as follows:

Ratio of stockholders' equity to total assets (%) = Stockholders' equity / Total assets

Ratio of market capitalization to total assets (%) = Market capitalization / Total assets

Years of debt redemption (years) = Interest-bearing debt / Cash flows from operating activities

Interest coverage ratio (times) = Cash flows from operating activities / Interest paid

(3) Risk Information

ITOCHU Group is exposed to various risks such as market risks, credit risks and investment risks, due to the nature of a wide range of its businesses. These risks include unpredictable uncertainties and may have significant effects on its future business and financial performance.

ITOCHU Group has enhanced its risk management policy and risk management methodology to monitor and manage these risks, but it is impossible to completely avoid all these risks.

With respect to descriptions about future events, ITOCHU appropriately has determined its assumptions and estimates based on information currently available as of March 31, 2013.

i) Corporate Result Risks Due to Macroeconomic Factors

ITOCHU Group involves a wide variety of business ranging from supply of raw materials to manufacturing and sale in each of its businesses areas. It conducts diverse types of commercial transactions such as purchase and sale of products in the domestic market, import/export trade between overseas affiliates as well as development of energy, metal resources and mineral resources. To give an overview of Group's main areas of business, trade in machinery such as plants, automobiles and construction machinery, trade in mineral resources, energy and chemical products, and investments in development are all largely dependent on economic trends in the world while the domestic economy has a relatively strong influence on the consumer and retail-related segments such as textiles and food. However, economic trends in the world have been more and more influential even on these consumer and retail-related segments as economic globalization proceeds.

Furthermore, in regions worldwide, the Group conducts business and trade. Consequently, economic trends, not only overall worldwide economic trends but also specific regional trends, could significantly affect the Group.

ii) Market Risk

ITOCHU Group is exposed to market risks such as foreign exchange rate risks, interest rate risks, commodity price risks and stock price risks. The Group attempts to minimize risks related to market fluctuations such as changes in foreign exchange rates and interest rates by establishing risk management policies such as setting and controlling limits and by utilizing a variety of derivative instruments for hedging purposes.

a) Foreign Exchange Rate Risk

ITOCHU Group is exposed to foreign exchange rate risk related to transactions in foreign currencies due to its significant involvement in import/export trading. Therefore, ITOCHU works to minimize foreign exchange rate risk through hedge transactions that utilize such derivatives as forward exchange contracts. However, ITOCHU cannot guarantee a complete avoidance of such foreign exchange rate risk by utilizing these hedging techniques.

Further, ITOCHU's investments in overseas businesses expose ITOCHU Group to the risk that fluctuations in foreign exchange rates could affect stockholders' equity through the accounting for foreign currency translation adjustments and the risk that fluctuations in foreign exchange rates could affect the amount of periodic income when converted to yen. These foreign exchange rate risks could seriously affect the financial position and results of operations of ITOCHU Group.

b) Interest Rate Risk

ITOCHU Group is exposed to interest rate risk in both raising and using money for investing, financing, and operating activities. Among the interest insensitive assets such as investment securities or fixed assets, the part acquired using floating interest loans is considered to be the interest mismatch amount exposed to interest rate risk. ITOCHU is working to quantify the interest rate risk to control the fluctuation of gains and losses due to interest rate change properly.

To be specific, using the management method Earnings at Risk (EaR), ITOCHU has set a certain limit (Loss Cut Limit) as the highest acceptable interest expense and has executed hedging transactions primarily in the form of interest rate swaps to minimize interest rate risk.

However, ITOCHU still cannot guarantee a complete avoidance of interest rate risk, even after having adopted these management methods.

c) Commodity Price Risk

As a trading company handling a diverse array of commodities, ITOCHU Group is exposed to commodity price risk due to such factors as market fluctuations. The Group has established a risk management policy on a Division Company basis, assessing purchase contracts, inventories, and sales contracts, etc. and sets and manages a balance limit and loss cut limit for each individual product with conducting periodic reviews.

In addition, ITOCHU Group works to minimize commodity price risk by utilizing derivatives such as futures or forward contracts as means of hedging. Despite these measures, ITOCHU Group cannot guarantee a complete avoidance of commodity price risk.

ITOCHU Group also participates in development businesses such as mineral resources and energy and other manufacturing businesses. Production in these businesses is also exposed to the same commodity price risk noted above, and it is possible for the value of the businesses to deteriorate.

If this were to occur, it could seriously affect the financial position and results of operations of ITOCHU Group.

d) Stock Price Risk

ITOCHU Group holds available-for-sale securities which are vulnerable to price fluctuation. There is a risk that stockholders' equity may change in our consolidated financial statements along with the price fluctuations of these investments. Assuming that the fair value of these available-for-sale marketable securities decreased, the necessity of recognizing holding loss on securities may arise, and it could seriously affect the financial position and results of operations of ITOCHU Group.

iii) Credit Risks

ITOCHU Group conducts a vast array of commercial transactions with its trading partners, both domestically and overseas. ITOCHU therefore bears credit risk from the uncollectible trading receivables, loans, or credits for guaranty held by the Group due to the deteriorating credit status or insolvency of ITOCHU's partners, from assuming a responsibility to fulfill the contracts as an involved party is unable to continue its business and fulfill its obligations under the contracts.

In ITOCHU, the credit department, which is independent of the business departments, manages credit risk on both quantitative and qualitative bases. Each proposal submitted by a business division undergoes careful screening by the credit department, which then sets an appropriate credit limit upon the completion of review. Specific expiration dates are set for credit limits. These limits and the status of trade receivables are monitored on a periodic basis along with periodic reviews of the status of debt collections and delinquencies. The necessary reserves are determined and booked on this basis. With all these measures, however, the occurrence of credit risks cannot be completely avoided, and such occurrences could seriously affect the financial position and results of operations of ITOCHU Group.

iv) Country Risk

ITOCHU Group has trading relationships with many foreign countries. These include handling foreign goods and investments in foreign trading partners. ITOCHU Group therefore is exposed to country risk resulting from regulations imposed by foreign governments, political instability, or restrictions on the transfers of funds. In response to the country risk, in addition to taking appropriate countermeasures for each transaction, with the aim of avoiding a concentration of exposure, ITOCHU Group is endeavoring to manage risk by setting total limit guidelines and limits for each country and setting credit policies appropriate to each country.

ITOCHU Group does, however, have debts in countries and regions where there is a relatively high probability of country risk emerging and those in which business activities are implemented through loans, investment and guarantees for monetary indebtedness. When those debts and business activities face events caused by political, economic, or social instability, ITOCHU Group cannot entirely deny the possibility that those events may have a significant impact on the debt collection and sustainability of ITOCHU Group's business activities in such countries and regions. Such occurrences could have a serious, adverse effect on the financial position and results of operations of ITOCHU Group.

Further, in countries and regions, including developed countries, in which the ITOCHU Group conducts business activities, changes in tax law and various other types of laws and statutory regulations could significantly change the profitability of the said businesses.

v) Investment Risk

Investing in a variety of businesses is one of the major business activities of ITOCHU Group. In managing the Group's portfolio of investments strategically, ITOCHU Group faces serious decisions regarding the initiation of new investments that will produce profit commensurate with the attendant risk, or the withdrawal from investments that do not produce profits consistent with attendant risks.

However, in ITOCHU Group's engagement in investing activities, there may arise such cases that the Group is unable to achieve the Group's forecasted results from the invested businesses due to a deteriorating management environment for the businesses in which the Group has invested or the deteriorating corporate results and financial standing of ITOCHU's partners, ITOCHU Group is unable to withdraw from a business or restructure the business under a timeframe or method that the Group desires due to the difference of business policy from the partners' or low liquidity of investments etc., the likelihood of investment recovery are lowered due to poor corporate results of investees, or stock prices are expected to drop below a specified level for a considerable period of time. In such cases, serious adverse influences on the future corporate results and financial standing of ITOCHU Group are possible including the necessities that the whole or partial investment is recognized as loss, and that the infusion of additional funds is required.

vi) Risks Due to Impairment Loss on Fixed Assets

ITOCHU Group is exposed to impairment loss risks on fixed assets held, such as real estate, aircraft, ships and assets related to natural resource development. ITOCHU does not foresee at present any necessity for booking additional impairment losses.

However, ITOCHU Group might be required to recognize impairment losses should the economic value of fixed assets deteriorate due to decreased demand, deterioration in market conditions for each of the assets or changes in development plans. Such an occurrence could seriously affect the financial position and results of operations of ITOCHU Group.

vii) Risks Due to Fund Raising

ITOCHU Group uses ALM (Asset Liability Management) to ensure the necessary funding for its businesses and to ensure liquidity through debt from domestic and international financial institutions, as well as the issuance of commercial papers and debentures. However, should ITOCHU's credit worthiness in the capital market deteriorate due to a significant lowering of the Company's credit rating, or should there be an upheaval in the financial systems in major financial markets, the Group could experience an inability to raise funds from financial institutions or investors when necessary or under desirable conditions and could consequently experience an increase in funding costs. This could exert a serious, adverse influence on the financial position and results of operations of ITOCHU Group.

viii) Risks Due to Pension Cost and Projected Benefit Obligations

The benefit expenses and benefit obligations of ITOCHU are calculated based on actuarial calculations that utilize a variety of assumptions such as the discount rate for benefit obligations and the expected rate of return on pension assets. However, should it become necessary to change the assumptions on which the actuarial calculations are based or should pension assets be affected by deterioration in the stock market, it is possible that pension cost and projected benefit obligations could increase and that additional contributions to pension assets might be necessary. The financial position and results of operations of ITOCHU Group could be seriously affected by such occurrences.

ix) Risks Due to Deferred Taxes

Deferred tax assets are an important factor in ITOCHU's consolidated balance sheets. Therefore, accounting judgment on evaluation of deferred tax assets has a substantial impact on ITOCHU's consolidated financial statements.

Considering the necessity of an allowance for deferred tax assets, ITOCHU Group reports the realizable amount of deferred tax assets, taking into consideration future taxable income and feasible tax planning strategies.

The management of ITOCHU Group believes these estimations of realizable amount of deferred tax assets are rational. However, allowance for deferred taxes may increase or decrease depending on changes in estimated taxable income in tax planning, changes in the tax system including changes in tax rates, and changes in tax planning strategies. In that case it could seriously affect the financial position and results of operations of ITOCHU Group.

x) Risks Due to Competition

Due to ITOCHU Group's involvement in many different industries and the fact that the Group handles a vast array of products and services, the Group is open to competition from many different companies, both domestic and foreign, including competition from other general trading companies. ITOCHU Group cannot deny the existence of other companies with superior experience, technology, and funding capacity, that are in a position to provide products and services that meet customer needs. Moreover, ever-greater competition from companies in newly developing countries like China is gradually emerging in addition to ongoing competition from companies in European and North American industrialized countries due to economic globalization. ITOCHU Group could also find its competitiveness unsustainable due to future events such as deregulation, changes in the business environment such as entering into other industries, and technological innovation. The advent of such risks could cause a corresponding loss in competitiveness for ITOCHU Group, giving major adverse impact on the financial position and results of operations of ITOCHU Group.

xi) Risks Associated with Significant Lawsuits

There is no significant, currently pending lawsuit, arbitration, or other legal proceeding that may materially affect the financial position or results of the operations of ITOCHU Group.

However, there is no assurance that domestic or overseas business activities of ITOCHU Group may not become subject to any of such lawsuits, arbitrations or other legal proceedings.

xii) Risks Associated with Compliance

a) Risks Related to Laws and Regulations

ITOCHU Group is subject to a number of diverse laws and regulations both domestically and overseas due to the vast array of products and services the Group provides.

To be specific, ITOCHU Group is required to adhere to laws and regulations such as the laws for each industry, including companies act, financial instruments and exchange laws, and tax laws, as well as all laws pertaining to trade such as foreign exchange control laws, antitrust laws, intellectual property laws, waste disposal laws and the laws of each country in which ITOCHU Group conducts business overseas. ITOCHU Group is aware that the observance of laws and regulations is a serious obligation of the Company and the Group has made every effort for the observance of these laws and regulations by reinforcing the compliance system. With all these measures, however, there is a possibility of the situation where, including personal misconduct by directors and employees, risks associated with compliance or suffering social disgrace cannot be removed.

Also, ITOCHU cannot deny that unexpected, additional enactment or change in laws and regulations by legislative, judicial, and regulatory bodies are a possibility both domestically and overseas, and there are possibilities of major change in laws and regulations by political/economical changes. This could exert a serious, adverse influence on the financial position and results of operations of ITOCHU Group.

b) Risks Related to the Environment

ITOCHU Group has designated global environmental issues as one of the most important elements of its management policy. The Group is actively working on environmental issues designated by ITOCHU's environmental policy and is building an environmental management system in order to minimize environmental risk, including the risk of infringement of laws and regulations, in natural resource development, real estate development and other investments, the handling of goods, and the provision of services. Despite these efforts, ITOCHU Group cannot guarantee that the Group's business activities will not affect the world environment, and ITOCHU cannot completely avoid the possibility that the opposition of environmental protection groups will impede the business growth. Should such events occur, the ITOCHU Group could suffer the loss of public trust and could suffer serious adverse effects on the financial position and results of operations of ITOCHU Group.

xiii) Risks Associated with Information Systems and Information Security

In ITOCHU Group, a code of conduct concerning the handling of information is enforced on all directors and employees and high priority is placed on maintaining a high information security level. ITOCHU Group has established information systems to facilitate the sharing of information and to improve the efficiency of operations. In order to maintain a secure operation of its information systems, ITOCHU Group has established security guidelines and has developed crisis control measures.

Despite these measures, ITOCHU Group cannot completely avoid the possibility of unauthorized access from the outside, the leakage of sensitive company information due to computer viruses, or operational failure of the system due to damage to information system equipment arising from natural disasters or accidents or from trouble with telecommunications circuitry. If such events occur, this could cause a deterioration of operational efficiency, and depending on the seriousness of the damage, could result in a serious adverse effect on the financial position and results of operations of ITOCHU Group.

xiv) Natural Disaster and Other Risks

Natural disasters such as earthquake or infectious diseases such as the new influenza may adversely affect the operations of ITOCHU Group. ITOCHU has implemented measures such as developing Business Continuity Plan (BCP) for large-scale disasters, developing a BCP for the occurrence of new influenza viruses, introducing a safety confirmation system, creating a disaster manual, reinforcing earthquake resistance, and conducting emergency drills. Also, various measures have been implemented individually in each Group company. However, since ITOCHU Group operates business activities in a vast range of regions, damage from disasters or infectious diseases such as new influenza viruses cannot be completely avoided. Therefore, damage inflicted from natural disaster or infectious diseases such as new influenza viruses could significantly affect the financial position and results of operations of ITOCHU Group.

2. Performance of Group Companies attributable to ITOCHU

Components of Consolidated Net income attributable to ITOCHU

[Years ended March 31, 2013 and 2012]

(Unit: billion yen)	2013	2012	Increase (Decrease)
Parent company	153.3	131.0	22.3
Group companies excluding overseas trading subsidiaries	205.4	271.3	(65.9)
Overseas trading subsidiaries	23.9	23.7	0.2
Subtotal	382.6	426.1	(43.5)
Consolidation adjustments	(102.3)	(125.5)	23.3
Consolidated Net income attributable to ITOCHU	280.3	300.5	(20.2)
Earnings from overseas businesses (*)	99.9	194.2	(94.3)
Share of earnings from overseas businesses	36%	65%	

[For the three-month period ended March 31, 2013 and 2012]

(Unit: billion yen)	2013 Jan.-Mar.	2012 Jan.-Mar.	Increase (Decrease)
Parent company	17.5	28.7	(11.1)
Group companies excluding overseas trading subsidiaries	41.7	67.3	(25.5)
Overseas trading subsidiaries	6.5	7.1	(0.6)
Subtotal	65.7	103.0	(37.3)
Consolidation adjustments	6.4	(21.4)	27.8
Consolidated Net income attributable to ITOCHU	72.2	81.6	(9.4)
Earnings from overseas businesses (*)	12.0	46.2	(34.1)
Share of earnings from overseas businesses	17%	57%	

(*) "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.

Number of Group Companies(**)

	March 31, 2013			March 31, 2012							Net
	Domestic	Overseas	Total	Domestic	Overseas	Total	Increase	Decrease	Changes within Group		changes
Subsidiaries	79	138	217	86	140	226	+ 7	(12)	+ 1	(5)	(9)
Equity-method associated companies	66	73	139	58	82	140	+ 8	(13)	(1)	+ 5	(1)
Total	145	211	356	144	222	366	+ 15	(25)			(10)

(**)Investment companies which are directly invested by ITOCHU and its Overseas trading subsidiaries are included in the above-mentioned number of companies. Investment companies which are considered as part of parent company are not included.

Number/Share of Group Companies Reporting Profits

		2013			2012			Increase (Decrease)		
		Profits	Losses	Total	Profits	Losses	Total	Profits	Losses	Total
Subsidiaries	Domestic	74	5	79	77	9	86	(3)	(4)	(7)
	Overseas	114	24	138	112	28	140	+ 2	(4)	(2)
	Total	188	29	217	189	37	226	(1)	(8)	(9)
	Share (%)	86.6%	13.4%	100.0%	83.6%	16.4%	100.0%	+ 3.0%	(3.0%)	
Equity-method associated companies	Domestic	52	14	66	47	11	58	+ 5	+ 3	+ 8
	Overseas	61	12	73	63	19	82	(2)	(7)	(9)
	Total	113	26	139	110	30	140	+ 3	(4)	(1)
	Share (%)	81.3%	18.7%	100.0%	78.6%	21.4%	100.0%	+ 2.7%	(2.7%)	
Total	Domestic	126	19	145	124	20	144	+ 2	(1)	+ 1
	Overseas	175	36	211	175	47	222	± 0	(11)	(11)
	Total	301	55	356	299	67	366	+ 2	(12)	(10)
	Share (%)	84.6%	15.4%	100.0%	81.7%	18.3%	100.0%	+ 2.9%	(2.9%)	

Profits/Losses of Group Companies Reporting Profits/Losses

(Unit: billion yen)

		2013			2012			Increase (Decrease)		
		Profits	Losses	Total	Profits	Losses	Total	Profits	Losses	Total
Subsidiaries	Domestic	61.6	(0.4)	61.2	77.6	(3.9)	73.7	(16.0)	+ 3.5	(12.5)
	Overseas (***)	82.7	(3.5)	79.3	125.8	(4.6)	121.2	(43.0)	+ 1.1	(42.0)
	Total	144.4	(3.9)	140.5	203.4	(8.5)	194.9	(59.1)	+ 4.6	(54.5)
Equity-method associated companies	Domestic	80.1	(7.6)	72.5	69.0	(8.2)	60.8	+ 11.0	+ 0.7	+ 11.7
	Overseas	48.5	(32.2)	16.3	40.8	(1.5)	39.3	+ 7.7	(30.7)	(23.0)
	Total	128.5	(39.7)	88.8	109.8	(9.7)	100.1	+ 18.7	(30.0)	(11.3)
Total	Domestic	141.7	(8.0)	133.7	146.7	(12.1)	134.5	(5.0)	+ 4.2	(0.8)
	Overseas (***)	131.2	(35.6)	95.6	166.5	(6.1)	160.5	(35.3)	(29.6)	(64.9)
	Total	272.9	(43.6)	229.3	313.2	(18.2)	295.0	(40.3)	(25.4)	(65.7)

(***)Results of "Overseas trading subsidiaries" which are included in the above "Overseas" are as follows;

	2013			2012			Increase (Decrease)		
	Profits	Losses	Total	Profits	Losses	Total	Profits	Losses	Total
Overseas trading subsidiaries	23.9	(0.0)	23.9	24.0	(0.3)	23.7	(0.1)	+ 0.3	+ 0.2

Major New Group Companies

Business Field	Name	Country	Share Holding Ratio	Categories
Textile	TERAOKA SEISAKUSHO CO., LTD.	Japan	(25.3 %)	Sale and manufacture of adhesive tape
Textile	Bramhope Group Holdings Ltd.	U.K.	(100.0 %)	Apparel manufacturing and wholesale
Machinery	Toyo Advanced Technologies Co., Ltd.	Japan	(70.0 %)	Manufacture of machine tools and automobile parts
Machinery	PEGFIT LIMITED	U.K.	(100.0 %)	Investment company in IPP business
Energy & Chemicals	GOLDEN FERTILIZER ASIA SDN. BHD.	Malaysia	(100.0 %)	Sale of fertilizer and investment in Malaysian fertilizer company
Energy & Chemicals	TODA KOGYO CORP.	Japan	(21.9 %)	Sale and manufacture of functional pigments and electronic materials
Food	HYLIFE GROUP HOLDINGS LTD.	Canada	(33.4 %)	Pork production business in Canada
Food	Dole International Holding, Inc.	Japan	(100.0 %)	Managing business of the fresh produce business in Asia and the worldwide packaged food business of Dole
Food	CONFEX CO., LTD.	Japan	(25.0 %)	Confectionery wholesale
ICT, General Products & Realty	ITOCHU FIBRE LIMITED	U.K.	(100.0 %)	Sale of pulp and chips for paper manufacturing and paper products
ICT, General Products & Realty	famima.com Co., Ltd.	Japan	(20.8 %)	Provider of variety of services to FamilyMart Group

Performance of Group Companies (Net income attributable to ITOCHU)

Years ended March 31, 2013 and 2012

Major Group Companies

(Unit: billion yen)

	Name	Shares	Method of Consolidation	Net income attributable to ITOCHU (*1) 2013 4Q	2013	2012 4Q	2012	Categories
Textile	JOI'X CORPORATION	100.0%	Consolidation	0.1	1.3	(0.3)	(0.3)	Manufacture, retail and sale of men's apparel
	SANKEI CO., LTD.	100.0%	Consolidation	0.2	1.6	1.7	4.0	Sale of garment accessories
	ITOCHU Textile Prominent (ASIA) Ltd. (*3) (Hong Kong, China)	100.0%	Consolidation	0.1	1.1	(0.3)	1.0	Production control and wholesale of textile and apparel
	ITOCHU TEXTILE (CHINA) CO., LTD. (*4) (China)	100.0%	Consolidation	0.2	1.3	0.1	1.1	Production control and wholesale of textile materials, fabrics and apparel
Machinery	JAPAN AEROSPACE CORPORATION	100.0%	Consolidation	0.2	0.7	0.2	0.6	Import and sale of aircraft and related equipment
	ITOCHU CONSTRUCTION MACHINERY CO., LTD.	100.0%	Consolidation	0.2	0.9	0.1	0.6	Sale and rental of construction machinery
	ITOCHU MACHINE-TECHNOS CORPORATION	100.0%	Consolidation	0.5	0.7	0.3	0.6	Import/Export and domestic sale of industrial machinery and NC machine tools
	Century Medical, Inc.	100.0%	Consolidation	0.2	1.0	0.1	0.9	Import and wholesale of medical equipment and materials
	JAMCO Corporation	33.2%	Equity	(*2)	(*2)	(1.1)	(1.2)	Maintenance of aircraft and manufacture of aircraft interior
	Century Tokyo Leasing Corporation (*5)	25.1%	Equity	(*2)	(*2)	0.9	6.2	Lease, installment sale, business lease and other
	SUNCALL CORPORATION	26.8%	Equity	(*2)	(*2)	0.1	0.3	Manufacturing and sale of optical communication devices, electronic devices and assembly
Metals & Minerals	ITOCHU Metals Corporation	100.0%	Consolidation	0.5	1.3	0.2	1.2	Import/Export and wholesale of non-ferrous/light metals and recycle business mainly in metal products
	Brazil Japan Iron Ore Corporation (*6)	67.5%	Consolidation	2.4	10.4	7.2	36.8	Investment in projects of iron ore in Brazil
	ITOCHU Minerals & Energy of Australia Pty Ltd (*7) (Australia)	100.0%	Consolidation	13.5	50.3	19.7	89.3	Investment in projects of iron ore, coal and bauxite mining, manufacture of alumina and oil exploration
	ITOCHU Coal Americas Inc. (U.S.A.)	100.0%	Consolidation	0.6	3.5	1.7	2.0	Holding of coal mine and transportation infrastructure interests
	Marubeni-Itochu Steel Inc.	50.0%	Equity	4.4	12.8	3.4	12.9	Import/Export and wholesale of steel products
Energy & Chemicals	ITOCHU ENEX CO., LTD.	54.0%	Consolidation	1.3	3.2	1.1	2.4	Wholesale of petroleum products and high-pressure gas
	ITOCHU CHEMICAL FRONTIER Corporation	100.0%	Consolidation	0.7	3.0	0.6	2.9	Wholesale of fine chemicals and related raw materials
	ITOCHU PLASTICS INC.	100.0%	Consolidation	0.8	2.2	0.6	1.9	Wholesale of plastics and related products
	C.I. Kasei Co., Ltd.	97.6%	Consolidation	0.7	1.1	0.2	1.2	Manufacture and sale of plastic products
	ITOCHU Oil Exploration (Azerbaijan) Inc. (Cayman Islands)	100.0%	Consolidation	4.2	13.1	2.6	13.0	Exploration and production of crude oil and gas
	ITOCHU PETROLEUM CO., (SINGAPORE) PTE. LTD. (Singapore)	100.0%	Consolidation	1.1	0.8	0.0	(0.2)	Trade of crude oil and petroleum products
	TAKIRON Co., Ltd.	28.8%	Equity	(*2)	(*2)	0.2	0.5	Manufacture, processing and sale of plastic products
Food	ITOCHU SHOKUHIN Co., Ltd.	51.6%	Consolidation	(*2)	(*2)	(0.1)	2.3	Wholesale of foods and liquor
	NIPPON ACCESS, INC. (*8)	93.8%	Consolidation	2.1	10.8	2.0	8.6	Wholesale and distribution of foods
	China Foods Investment Corp.	74.1%	Consolidation	(0.1)	2.7	0.1	2.4	Managing business of TING HSIN (CAYMAN ISLANDS) HOLDING CORP. and its group companies
	Japan Foods Co., Ltd.	36.8%	Equity	0.0	0.2	0.0	0.1	Production on consignment and sale of soft drinks
	Fuji Oil Co., Ltd.	25.7%	Equity	(*2)	(*2)	0.5	2.3	Integrated manufacturer of cooking oil and soybean protein
	FamilyMart Co., Ltd.	31.5%	Equity	1.0	9.1	0.9	6.7	Operation of a convenience store chain
	Prima Meat Packers, Ltd.	39.5%	Equity	(*2)	(*2)	0.1	2.4	Production and sale of meat, ham, sausage and processed foods
ICT, General Products & Realty	ITOCHU Kenzai Corp. (*9)	100.0%	Consolidation	0.2	1.5	0.3	1.8	Wholesale of wood products and building materials
	ITOCHU Pulp & Paper Corp.	100.0%	Consolidation	0.1	0.6	0.0	0.2	Wholesale of paper, paperboards and various paper materials
	ITOCHU Techno-Solutions Corporation (*10)	56.6%	Consolidation	4.2	8.9	3.3	7.5	Sales, maintenance and support of computers and network systems; commissioned software development; information processing services
	Excite Japan Co., Ltd.	57.3%	Consolidation	(*2)	(*2)	0.1	0.2	Providing services of Internet information
	ITOCHU LOGISTICS CORP.	99.0%	Consolidation	0.1	1.2	0.2	1.3	Comprehensive logistics services
	ITOCHU Property Development, Ltd.	99.8%	Consolidation	0.0	1.8	2.9	2.6	Development and sale of housing
	DAIKEN CORPORATION	25.5%	Equity	(*2)	(*2)	0.1	0.2	Manufacture and sale of building materials
	ITC NETWORKS CORPORATION (*11)	48.3%	Equity	0.5	4.2	0.6	1.5	Sale of mobile phone units, mobile phones-related solution business
	SPACE SHOWER NETWORKS INC.	36.4%	Equity	0.0	0.1	0.1	0.1	Music channel on cable/satellite television
	eGuarantee, Inc.	25.2%	Equity	(*2)	(*2)	0.0	0.1	B to B credit guarantee service
	Orient Corporation (*12)	22.6%	Equity	(*2)	(*2)	(0.3)	(3.7)	Consumer credit
Overseas trading subsidiaries	ITOCHU International Inc. (U.S.A.)	100.0%	Consolidation	1.6	7.7	2.3	7.5	U.S. trading subsidiary
	ITOCHU Europe PLC (*13) (U.K.)	100.0%	Consolidation	0.8	1.5	1.5	2.3	Europe trading subsidiary
	ITOCHU Hong Kong Ltd. (*3) (Hong Kong, China)	100.0%	Consolidation	1.0	3.4	0.5	2.8	Hong Kong trading subsidiary
	ITOCHU (China) Holding Co., Ltd. (*4) (China)	100.0%	Consolidation	0.9	4.1	1.0	4.2	China trading subsidiary
	ITOCHU Australia Ltd. (*7) (Australia)	100.0%	Consolidation	0.6	2.0	0.9	3.6	Australia trading subsidiary

Note : Please refer to page 15 for details of (*1)-(*13)

Performance of Group Companies (Net income attributable to ITOCHU)

Years ended March 31, 2013 and 2012

Major Group Companies Reporting Profits (Unit: billion yen)

Name		Segment (*14)	Shares	Net income attributable to ITOCHU (*1) 2013	2012	Increase (Decrease)	Main reasons for changes
[Domestic subsidiaries]							
NIPPON ACCESS, INC.	(*8)	Fod	93.8%	10.8	8.6	2.2	Increase due to absence of expenses related to the Great East Japan Earthquake and loss accompanying change in effective income tax rate for the previous fiscal year, and increase in transactions of frozen foods and daily-delivery foods, despite absence of gain on sale of land and buildings recognized for the previous fiscal year
Brazil Japan Iron Ore Corporation	(*6)	M&M	67.5%	10.4	36.8	(26.5)	Decrease due to fall in sales prices and absence of related gain in business combination recognized for the previous fiscal year, despite increase in sales volume and gain on foreign currency translation
ITOCHU Techno-Solutions Corporation	(*10)	IGR	56.6%	8.9	7.5	1.4	Increase due to infrastructural enhancement projects accompanying faster speeds of mobile telecommunications and spread of smart devices, as well as to new large-scale infrastructure construction projects
ITOCHU Oil Exploration Co., Ltd.		E&C	100.0%	5.7	0.6	5.0	Increase due mainly to gain on sales of investments
ITOCHU ENEX CO., LTD.		E&C	54.0%	3.2	2.4	0.8	Increase due to favorable performance by electric power business and Home-Life Division and contribution of new consolidated steam supply company
ITOCHU CHEMICAL FRONTIER Corporation		E&C	100.0%	3.0	2.9	0.1	Increase due to gain on sales of investments, despite sales transactions at almost the same level
China Foods Investment Corp.		Fod	74.1%	2.7	2.4	0.3	Increase due to unordinary gains recognized by acquisition of Pepsi bottling business, despite sluggish sales in beverage business
ITOCHU PLASTICS INC.		E&C	100.0%	2.2	1.9	0.3	Increase due to stable transactions in the packaging materials area and gain on sales of investments, despite lower sales volume of plastics and electronic materials used as raw materials as result of unfavorable operations by Japanese manufacturers of consumer electronics/home appliances
ITOCHU Property Development, Ltd.		IGR	99.8%	1.8	2.6	(0.9)	Decrease due to lower condominium sales and losses on some real estate for sale valued using lower-of-cost-or-market method
SANKEI CO., LTD.		Tex	100.0%	1.6	4.0	(2.4)	Decrease due to absence of recognition of deferred tax assets accompanying participation in consolidated taxation group for the previous fiscal year
ITOCHU Kenzai Corp.	(*9)	IGR	100.0%	1.5	1.8	(0.4)	Due to decline in plywood prices compared with the previous fiscal year
[Overseas subsidiaries]							
ITOCHU Minerals & Energy of Australia Pty Ltd	(*7) (Australia)	M&M	100.0%	50.3	89.3	(39.1)	Decrease due to the fall in iron ore and coal prices and the absence of tax effects recognized for the previous fiscal year stemming from the tax reform in Australia, despite increase in sales volume of iron ore and coal
ITOCHU Oil Exploration (Azerbaijan) Inc.	(Cayman Islands)	E&C	100.0%	13.1	13.0	0.1	Almost the same level as higher sales volume and the impact of yen depreciation on foreign currency translations were offset by fall in oil prices and rise in costs
ITOCHU International Inc.	(U.S.A.)	Ove	100.0%	7.7	7.5	0.1	Increase mainly due to stable performance by Machinery segment centered on IPP-related business and the impact of yen depreciation on foreign currency translations, despite sluggish performance by housing-materials-related companies
ITOCHU (China) Holding Co., Ltd.	(*4) (China)	Ove	100.0%	4.1	4.2	(0.1)	Decrease due to unfavorable transaction volume related to chemicals, despite increase in earnings of textile-related companies
ITOCHU Coal Americas Inc.	(U.S.A.)	M&M	100.0%	3.5	2.0	1.5	Due to actual commencement of profit of new established company from the third quarter of the previous fiscal year (Investment and management company for projects of coal in Colombia)
ITOCHU Hong Kong Ltd.	(*3) (Hong Kong, China)	Ove	100.0%	3.4	2.8	0.7	Increase due to increase in earnings of finance-related companies
ITOCHU FIBRE LIMITED	(*13) (U.K.)	IGR	100.0%	2.4	-	2.4	Stable pulp-related transactions (European pulp-related company established in the current fiscal year)
ITOCHU (Thailand) Ltd.	(Thailand)	Ove	100.0%	2.3	1.2	1.1	Increase due to increase in earnings of finance-related companies and increase in transactions in metals, minerals and food
European Tyre Enterprise Limited	(*13) (U.K.)	IGR	100.0%	2.2	(0.4)	2.6	Increase due to improvement in profitability and reduction of expenses, as well as absence of the unordinary expense recognized in the previous fiscal year for post-acquisition restructuring, despite deterioration of market prices
ITOCHU Australia Ltd.	(*7) (Australia)	Ove	100.0%	2.0	3.6	(1.6)	Due to decrease in profit of ITOCHU Minerals & Energy of Australia Pty Ltd
ITOCHU Singapore Pte Ltd	(*3)(Singapore)	Ove	100.0%	1.8	1.5	0.3	Increase due to stable transactions in construction materials and textiles
[Domestic equity-method associated companies]							
Marubeni-Itochu Steel Inc.		M&M	50.0%	12.8	12.9	(0.1)	Almost the same level due to favorable performance in steel pipe area, despite slumping market
FamilyMart Co., Ltd.		Fod	31.5%	9.1	6.7	2.4	Increase due to stable trading income and gain on sales of investments accompanying reorganization of business scheme of companies in Thailand
ITC NETWORKS CORPORATION	(*11)	IGR	48.3%	4.2	1.5	2.7	Increase due to favorable smartphone sales, increase in trading income as a result of merger, and as a result of gain of revaluation accompanying the conversion into equity-method associated companies
Japan Brazil Paper and Pulp Resources Development Co., Ltd.		IGR	32.1%	2.0	2.1	(0.1)	Decrease due to fall in pulp prices from preceding year, despite improvement in foreign currency translation stemming from depreciation of the Brazilian real (against U.S. dollar) and increase in earnings due to acquisition of additional shares
[Overseas equity-method associated companies]							
Unicharm Consumer Products (China) Co., Ltd.	(*4) (China)	IGR	20.0%	1.2	1.0	0.2	Increase due to favorable sales accompanying growth in China's domestic demand
PT. KARAWANG TATABINA INDUSTRIAL ESTATE	(Indonesia)	IGR	50.0%	0.8	0.6	0.2	Increase due to stable marketing of Karawang International Industrial City (third phase)

Major Group Companies Reporting Losses

(Unit: billion yen)

Name		Segment (*14)	Shares	Net income attributable to ITOCHU (*1)			Main reasons for changes
				2013	2012	Increase (Decrease)	
[Overseas subsidiaries]							
JD Rockies Resources Limited	(U.S.A.)	E&C	100.0%	(31.2)	(0.1)	(31.1)	Significant deterioration for new associate oil-and-gas-development-related company due to impairment losses of oil and gas properties associated with development plan revisions as well as slumping gas prices
LLC ITR	(Russia)	IGR	100.0%	(0.7)	0.1	(0.7)	Deterioration due to lower profitability accompanying change in market environment

(*1) Net income attributable to ITOCHU is the figure after adjusting to U.S. GAAP, which may be different from the figures each company announces.
(*2) Refer to the results announced by each corresponding company, as their announcement dates are on or after ITOCHU's announcement date of Fiscal Year 2013.
(*3) The above figure of ITOCHU Hong Kong Ltd. includes 30.0% of net income from ITOCHU Textile Prominent (ASIA) Ltd. Also, ITOCHU Singapore Pte Ltd includes 10.0% of net income from ITOCHU Textile Prominent (ASIA) Ltd. The net income from ITOCHU Textile Prominent (ASIA) Ltd. includes net income of equity-method associated companies which were transferred from ITOCHU due to the business restructuring in Textile Material & Fabric Division. As a result, profit for this period and the same period of the previous fiscal year includes these companies' profit.
(*4) The above figure of ITOCHU (China) Holding Co., Ltd. includes 40.0% of net income from ITOCHU TEXTILE (CHINA) CO., LTD. and 3.8% of net income from Unicharm Consumer Products (China) Co., Ltd.
(*5) The above figure of Century Tokyo Leasing Corporation for the same period of the previous fiscal year includes gain on negative goodwill (0.9 billion yen after tax effect) accompanying the purchase of additional common shares of Century Tokyo Leasing Corporation.
(*6) The above figure of Brazil Japan Iron Ore Corporation for the same period of the previous fiscal year includes gain on bargain purchase and gain resulting from remeasuring its previously held equity interests at its acquisition-date fair value accompanying the acquisition by ITOCHU (19.7 billion yen after tax effect for FY2012 / 3.4 billion yen for 2012 Jan.-Mar.).
(*7) The above figure of ITOCHU Australia Ltd. includes 3.7% of net income from ITOCHU Minerals & Energy of Australia Pty Ltd.
(*8) NIPPON ACCESS, INC. took over business from ITOCHU Fresh Corporation Inc. on October 1, 2011. As a result, profit for the same period of the previous fiscal year is presented as the sum of both companies' profit.
(*9) ITOCHU Kenzai Corp. acquired ITC Green & Water Corp. as a subsidiary on April 1, 2012. As a result, profit for the same period of the previous fiscal year is presented as the sum of both companies' profit.
(*10) ITOCHU Techno-Solutions Corporation acquired ITOCHU Techno-solutions America, Inc. as a subsidiary on March 31, 2012. (The company's name changed from ITOCHU Technology, Inc. on April 2, 2012.) As a result, profit for the same period of the previous fiscal year is presented as the sum of both companies' profit.
(*11) The above figure of ITC NETWORKS CORPORATION includes the profit resulting from gain on revaluation accompanying the conversion of existing consolidated subsidiaries into equity-method associated companies (2.5 billion yen after tax effect).
(*12) The above figure of Orient Corporation includes the related tax effect.
(*13) The above figure of ITOCHU Europe PLC includes 20.0% of net income from European Tyre Enterprise Limited and 10.0% of net income from ITOCHU FIBRE LIMITED.
(*14) Tex : Textile, Mac : Machinery, M&M : Metals & Minerals, E&C : Energy & Chemicals, Fod : Food, IGR : ICT, General Products & Realty, Ove : Overseas trading subsidiaries

Performance of Group Companies (Net income attributable to ITOCHU)

For the three-month period ended March 31, 2013 and 2012

Major Group Companies Reporting Profits (Unit: billion yen)

Name		Segment (*14)	Shares	Net income attributable to ITOCHU (*1) 2013 Jan.-Mar.	2012 Jan.-Mar.	Increase (Decrease)	Main reasons for changes
[Domestic subsidiaries]							
NIPPON ACCESS, INC.	(*8)	Fod	93.8%	2.1	2.0	0.1	Increase due to increase in transactions of frozen foods and daily-delivery foods
Brazil Japan Iron Ore Corporation	(*6)	M&M	67.5%	2.4	7.2	(4.8)	Decrease due to fall in sales price and absence of related gain in business combination recognized for the same period of the previous fiscal year
ITOCHU Techno-Solutions Corporation	(*10)	IGR	56.6%	4.2	3.3	1.0	Increase due to new large-scale infrastructure construction projects
ITOCHU Oil Exploration Co., Ltd.		E&C	100.0%	5.6	0.6	5.0	Increase due mainly to gain on sales of investments
ITOCHU ENEX CO., LTD.		E&C	54.0%	1.3	1.1	0.2	Increase due mainly to improvement in profitability on Global Trade Division
ITOCHU CHEMICAL FRONTIER Corporation		E&C	100.0%	0.7	0.6	0.1	Increase due to gain on sales of investments, despite sales transactions at almost the same level
China Foods Investment Corp.		Fod	74.1%	(0.1)	0.1	(0.2)	Deterioration due to sluggish sales in beverage business
ITOCHU PLASTICS INC.		E&C	100.0%	0.8	0.6	0.2	Increase due to gain on sales of investments, despite sales transactions at almost the same level
ITOCHU Property Development, Ltd.		IGR	99.8%	0.0	2.9	(2.9)	Decrease due to fall in number of condominiums completed compared with the same period of the previous year, and losses on some real estate for sale valued using lower-of-cost-or-market method
SANKEI CO., LTD.		Tex	100.0%	0.2	1.7	(1.5)	Decrease due to absence of recognition of deferred tax assets for the same period of the previous fiscal year
ITOCHU Kenzai Corp.	(*9)	IGR	100.0%	0.2	0.3	(0.0)	Almost the same level
[Overseas subsidiaries]							
ITOCHU Minerals & Energy of Australia Pty Ltd	(*7) (Australia)	M&M	100.0%	13.5	19.7	(6.2)	Decrease due to the fall in iron ore and coal prices and the absence of tax effects recognized for the same period of previous fiscal year stemming from the tax reform in Australia, despite increase in sales volume of iron ore and coal
ITOCHU Oil Exploration (Azerbaijan) Inc.	(Cayman Islands)	E&C	100.0%	4.2	2.6	1.6	Increase due mainly to increase in vessel allocation compared with the same period of the previous fiscal year
ITOCHU International Inc.	(U.S.A.)	Ove	100.0%	1.6	2.3	(0.7)	Decrease due to absence of tax effect on IPP-related business from the same period of the previous fiscal year
ITOCHU (China) Holding Co., Ltd.	(*4) (China)	Ove	100.0%	0.9	1.0	(0.1)	Decrease due to unfavorable transaction volume related to chemicals
ITOCHU Coal Americas Inc.	(U.S.A.)	M&M	100.0%	0.6	1.7	(1.0)	Decrease due mainly to decline in shipment volume
ITOCHU Hong Kong Ltd.	(*3) (Hong Kong, China)	Ove	100.0%	1.0	0.5	0.6	Increase due to increase in earnings of finance-related companies and absence of impairment losses on investments for the same period of the previous fiscal year
ITOCHU FIBRE LIMITED	(*13) (U.K.)	IGR	100.0%	1.2	-	1.2	Increased sales volume due to the current quarter was a period of demand for pulp-related transactions (European pulp-related company established during the current fiscal year)
ITOCHU (Thailand) Ltd.	(Thailand)	Ove	100.0%	0.7	0.4	0.3	Increase due to increase in earnings of finance-related companies
European Tyre Enterprise Limited	(*13) (U.K.)	IGR	100.0%	0.2	(1.6)	1.7	Improvement due to the absence of the unordinary expense recognized in the same period of the previous fiscal year for post-acquisition restructuring
ITOCHU Australia Ltd.	(*7) (Australia)	Ove	100.0%	0.6	0.9	(0.3)	Due to decrease in profit of ITOCHU Minerals & Energy of Australia Pty Ltd
ITOCHU Singapore Pte Ltd	(*3) (Singapore)	Ove	100.0%	0.6	0.5	0.1	Almost the same level
[Domestic equity-method associated companies]							
Marubeni-Itochu Steel Inc.		M&M	50.0%	4.4	3.4	1.0	Increase due mainly to favorable performance in steel pipe area
FamilyMart Co., Ltd.		Fod	31.5%	1.0	0.9	0.1	Almost the same level
ITC NETWORKS CORPORATION		IGR	48.3%	0.5	0.6	(0.1)	Almost the same level as favorable smartphone sales and increase in trading income as a result of merger offset by decrease in share
Japan Brazil Paper and Pulp Resources Development Co., Ltd.		IGR	32.1%	0.5	0.1	0.4	Increase due to rise in pulp prices compared with the same period of the previous fiscal year and increase in earnings due to acquisition of additional shares
[Overseas equity-method associated companies]							
Unicharm Consumer Products (China) Co., Ltd.	(*4) (China)	IGR	20.0%	0.4	0.4	0.1	Increase due to favorable sales accompanying growth in China’s domestic demand
PT. KARAWANG TATABINA INDUSTRIAL ESTATE	(Indonesia)	IGR	50.0%	0.0	0.5	(0.4)	Decrease due to absence of deliveries of properties in this quarter under review

Major Group Companies Reporting Losses

(Unit: billion yen)

Name		Segment (*14)	Shares	Net income attributable to ITOCHU (*1)			Main reasons for changes
				2013 Jan.-Mar.	2012 Jan.-Mar.	Increase (Decrease)	
[Overseas subsidiaries]							
JD Rockies Resources Limited	(U.S.A.)	E&C	100.0%	(23.5)	0.1	(23.6)	Significant deterioration for new associate oil-and-gas-development-related company due to impairment losses of oil and gas properties associated with development plan revisions as well as slumping gas prices
LLC ITR	(Russia)	IGR	100.0%	(0.6)	(0.1)	(0.5)	Deterioration due to lower profitability accompanying change in market environment

(*15) The classification of companies which are reported as Profits or Losses for the three-month period ended March 31, 2013 is based on the reporting results of the twelve-month period ended March 31, 2013.
Note : Please refer to page 15 for details of (*1)-(*14)

3. Management Policy

Medium-Term Management Plan “Brand-new Deal 2012”

The ITOCHU Group’s medium-term management plan, “Brand-new Deal 2012,” covered the two-year period from FY2012 to FY2013. Under this plan, the basic policies were as follows: “strengthen our front-line capabilities,” “proactively seek new opportunities,” and “expand our scale of operations.” The following shows specific results in the fiscal year ended March 31, 2013 as the final year of “Brand-new Deal 2012.”

Consumer-Related Sector:

ITOCHU acquired 24.9% of the shares in Finland’s METSA FIBRE, one of the world’s largest pulp producers, which conducts sales chiefly in European and Asian markets. Having abundant and high-quality forest resources in Finland, the METSA Group is highly cost competitive, thanks to its stable supply of resources. Through the acquisition, ITOCHU aims to confirm its leading global position in pulp trading, expanding its sales network and further reinforcing its paper and pulp business. ITOCHU also acquired 100% of the shares in Bramhope Group Holdings Ltd., a leading UK-based apparel manufacturer and wholesaler. ITOCHU plans to strategically accelerate sales of textile products to leading European retailers by harnessing Bramhope’s planning and production platform. It also plans to position Bramhope’s high-quality and price-competitive production as part of an essential manufacturing base in the ASEAN region. We will apply ourselves to improving Bramhope’s corporate value and expanding its business for the world, including Japan, by utilizing ITOCHU’s global network. Furthermore, in the field of adhesive tape, ITOCHU acquired shares in Teraoka Seisakusho Co., Ltd., a manufacturer with a wide variety of products ranging from packaging tape to electrical/electronics tape and industrial tape, issued through a private placement (25% of issued stock). ITOCHU also acquired 33.4% of the shares in HyLife Group Holdings Ltd., one of Canada’s leading pork producers, thereby taking part in the Canadian pork production business. Furthermore, ITOCHU has agreed with the Dole Food Company of the United States to acquire the Asia fresh produce business and the worldwide packaged foods business, and has concluded a purchase agreement.

Natural Resource/Energy-Related Sector:

Wholly owned subsidiary CIECO Exploration and Production (UK) Limited, which holds a working interest in Block 210/24a in the UK North Sea, has reached an agreement with the operator of the block to jointly develop newly discovered oil fields (Western Isles Development Project), and its development plan has received approval from the UK government authorities. ITOCHU also entered into a joint development agreement with Coastal Caverns, Inc., owned by the Vitol Group of the United States, a leading global energy trading company. The agreement calls for joint promotion of a project in which the group is planning to construct a US LP gas export base. Furthermore, during the fiscal year under review, ITOCHU continued to invest in additional facilities in line with an investment plan determined during the previous fiscal year aimed to expand shipping capacity for the Western Australia iron ore operations, which are run as joint venture with leading mining company BHP Billiton (Australia and UK) and others.

Machinery-Related Sector:

ITOCHU acquired from Mazda Motor Corporation 70% of the shares in Toyo Advanced Technologies Co., Ltd. The acquisition is designed to enhance ITOCHU’s partnership with Mazda and maximize the corporate value of Toyo Advanced Technologies by increasing business opportunities through the overseas sales networks of ITOCHU with ongoing technological support of Mazda. We also acquired 70% of the shares in the Bristol Water Group, which supplies water to the city of Bristol and the surrounding vicinity in the southwest UK, together with Canadian infrastructure company Capstone Infrastructure Corporation Group, giving ITOCHU a 20% share position. Through its equity participation in Bristol Water, ITOCHU aims to build know-how from this advanced UK water utility and to apply that know-how proactively in advancing new water-related business in Asia and other regions. Furthermore, ITOCHU and ITOCHU Techno-Solutions Corporation acquired 100% of the shares in CSC Automated Pte. Ltd. (hereinafter “CSC Automated”), an IT service provider in Singapore and CSC ESI Sdn Bhd (hereinafter “CSC ESI”), an IT service provider in Malaysia, which are affiliated with Computer Sciences Corporation, a major IT service provider in the United States.

Through the investments in CSC Automated and CSC ESI, which have customer bases and technological capabilities, we aim to establish global operations of IT services in the ASEAN region, where high growth in the IT market is expected.

Chemicals, Real Estate, and Others Sector:

ITOCHU acquired 25% of the shares in Agromate Holdings Sdn Bhd, one of the largest fertilizer distributors in Malaysia and a leading company in its sector in Asia, selling approximately 1.3 million tons of fertilizer annually. In line with the global population increase, demand for fertilizer is predicted to tighten over the medium to long term, reflecting the need for food. ITOCHU aims to collaborate with Agromate to promote new investment in the fertilizer industry to build a solid sales network centered in China and India, where fertilizer demand is expected to increase. ITOCHU Corporation has concluded an agreement with a leading iron oxide and electronic materials manufacturer, Toda Kogyo Corp., to sign a capital/business partnership and acquire all shares that Toda Kogyo will issue additionally through private placement (22.1% ownership of voting shares). We also formed a business alliance with Antares Managing Agency Limited, which runs a syndicate (an organization unit that underwrites insurance risks) at Lloyd's of London in the United Kingdom, the world's largest insurance market, to launch an underwriting business at Lloyd's by underwriting reinsurance from the syndicate. This is the first launch of an insurance underwriting business at Lloyd's in London in the United Kingdom by a non-financial sector company in Japan.

Promoting the Medium-Term Management Plan "Brand-new Deal 2014"

The ITOCHU Group's previous medium-term management plan, "Brand-new Deal 2012" (the two-year plan covering the period from FY2012 to FY2013), sought to implement the basic business principles of "earn, cut, prevent." The next medium-term management plan, "Brand-new Deal 2014" (the two-year plan covering the period from FY2014 to FY2015), is formulated to maintain these principles and achieve further growth. As well as continuing to develop the basic policies of the previous medium-term management plan, "strengthen our front-line capabilities," "proactively seek new opportunities," and "expand our scale of operations," "Brand-new Deal 2014" raises the three new basic policies outlined below.

The first is "boost profitability." We will steadily cultivate and expand revenues derived from the approximately ¥970 billion in new investment made during the term of the previous medium-term management plan. At the same time, we will continue striving to improve management in order to increase the profitability of existing businesses. Furthermore, we will aggressively take on promising new projects, making new investments over the two-year period of up to ¥800 billion on a net basis and ¥1,000 billion on a gross investment basis, further expanding our earnings platform.

The second is "pursue balanced growth." In new investment, we will seek to maintain a balance between non-resource and resource sectors; reinforce ITOCHU's strength in consumer-related fields; and achieve higher earnings in machinery, chemicals and other basic industry-related areas, as we aim to become the leading trading company in the non-resource sector. Furthermore, we will work to reinvigorate the domestic and trading businesses.

The third is "maintain financial discipline and lean management." Along with investing aggressively, we will expand our operating cash flow, promote an exit from stock holdings in non-affiliate companies, and use amassed earnings to strengthen stockholders' equity. We will sustain a sound net debt equity ratio. We also will continue working to improve the ratio of SG&A expense to gross trading profit, maintaining the lean management amid an uncertain management environment.

ITOCHU will also sustain efforts to strengthen its management foundation. As well as continuing to strengthen the overseas compliance system, we will establish a system for effective, efficient investigation/monitoring of bribery and collusive bidding risks in Japan and overseas. In corporate governance, we will maintain our current system, which is based on the Board of Directors including outside directors and the Board of Corporate Auditors, a half or more of whom are outside corporate auditors.

Dividend Policy

Under "Brand-new Deal 2014," we will maintain the same dividend policy as during the previous medium-term management plan: a dividend payout ratio of approximately 20% on Net income attributable to ITOCHU up to ¥200.0 billion, and a dividend payout ratio of approximately 30% on the portion of Net income attributable to ITOCHU exceeding ¥200.0 billion.

Outlook for Fiscal Year 2014

Going forward, we anticipate gradual economic expansion, centering on the United States and China. Nevertheless, the outlook remains opaque due to the protracted European sovereign debt crisis and ongoing fiscal issues in the United States. Accordingly, financial markets are growing increasingly risk averse. Adequate caution remains necessary in relation to the risk of sudden changes in exchange rates, stock prices or commodities markets and the risk of these factors affecting the global economy through falls in asset value. Furthermore, in some emerging markets financial restraints to curtail inflation could inhibit growth. In the Japanese economy, we anticipate recovery in both exports and internal demand, supported by extensive monetary easing, yen depreciation and increased public spending.

Under these circumstances, ITOCHU expects consolidated Total trading transactions of 14.3 trillion yen for the fiscal year ended March 31, 2014, with Net income attributable to ITOCHU of 290 billion yen.

For your attention, these forecasts are forward looking statements that are based on the management's assumptions and beliefs based on information currently available and involve risks and uncertainties. Thus, the actual results could be substantially different from the above statement due to such factors including, but not limited to, global economic and market conditions, and currency exchange rate fluctuations.

(Unit: Billion yen)

Consolidated	Forecast FY2014	FY2013
Total trading transactions	14,300.0	12,551.6
Gross trading profit	1,000.0	915.9
Selling, general and administrative expenses	(715.0)	(671.3)
Provision for doubtful receivables	(5.0)	(0.3)
Net interest expenses	(17.0)	(14.1)
Dividends received	27.0	34.6
Other-net	10.0	46.3
Income before income taxes and equity in earnings of associated companies	300.0	311.1
Income taxes	(105.0)	(94.3)
Income before equity in earnings of associated companies	195.0	216.8
Equity in earnings of associated companies	120.0	85.9
Net income	315.0	302.7
(less) Net income attributable to the noncontrolling interest	(25.0)	(22.4)
Net income attributable to ITOCHU	290.0	280.3

(Unit: Billion yen)

Consolidated	Forecast FY2014	FY2013
Total assets	7,500.0	7,117.4
Interest-bearing debt	3,150.0	2,762.5
Net interest-bearing debt	2,650.0	2,185.6
Total equity	2,230.0	2,112.6
Total ITOCHU stockholders' equity	1,900.0	1,765.4

	Precondition FY2014	*FY2013*
Foreign exchange rate (Yen/US$)	*90*	*82.20*
Crude oil (Brent) (US$/BBL)	*110 (Apr-Mar)*	*110.28 (Apr-Mar result)*
Iron ore, fine (US$/ton)	*137 (Note) (Apr-Mar)*	*122*
Coking coal (US$/ton)	*172 (Note) (Apr-Mar)*	*192*
Thermal coal (US$/ton)	*95 (Note) (Apr-Mar)*	*115*

(Note) Those are provisional prices that it is said major suppliers and customers have agreed regarding shipments in the first quarter of FY 2014.
And the prices after the first quarter of FY2014 are subject to change.

Distribution of the current fiscal year's profit

ITOCHU plans to pay dividend of 40 yen per share for the fiscal year ended March 31, 2013 (an interim dividend of 20 yen per share was already paid).
For the fiscal year ending March 31, 2014, ITOCHU plans to pay full-year dividend of 42 yen per share which is increased by 2 yen, comprising an interim dividend of 21 yen per share and a year-end dividend of 21 yen per share.

Major Group Companies' Forecasts of Fiscal Year 2014

ITOCHU's major group companies' forecasts of fiscal year 2014 are as follows.
As for listed group companies which are scheduled to announce their forecasts of fiscal year 2014 on or after May 8, refer to their own announcements.
The following list will be updated based on forecasts of fiscal year 2014 disclosed by all major group companies. (Scheduled around the end of May)
Please refer to ITOCHU website accordingly. (Note 1)

[Major Group Companies'(unlisted companies) forecasts of fiscal year 2014] (Unit: billion yen)

Name			Shares	ITOCHU's share of Net income [Forecasts]	ITOCHU's share of Net income [FY 2013]
Textile	JOI'X CORPORATION		100.0%	1.3	1.3
	SANKEI CO., LTD.		100.0%	2.4	1.6
	ITOCHU Textile Prominent (ASIA) Ltd.	(Hong Kong, China)	100.0%	1.0	1.1
	ITOCHU TEXTILE (CHINA) CO., LTD.	(China)	100.0%	1.5	1.3
Machinery	JAPAN AEROSPACE CORPORATION		100.0%	0.8	0.7
	ITOCHU CONSTRUCTION MACHINERY CO., LTD.		100.0%	0.6	0.9
	ITOCHU MACHINE-TECHNOS CORPORATION		100.0%	0.6	0.7
	Century Medical, Inc.		100.0%	1.1	1.0
Metals & Minerals	ITOCHU Metals Corporation		100.0%	1.3	1.3
	ITOCHU Minerals & Energy of Australia Pty Ltd	(Australia)	100.0%	54.0	50.3
	Marubeni-Itochu Steel Inc.		50.0%	(Note 2)	12.8
Energy & Chemicals	ITOCHU CHEMICAL FRONTIER Corporation		100.0%	2.8	3.0
	ITOCHU PLASTICS INC.		100.0%	2.4	2.2
	C.I.Kasei Co., Ltd.		97.6%	1.1	1.1
	ITOCHU Oil Exploration (Azerbaijan) Inc.	(Cayman Islands)	100.0%	12.4	13.1
	ITOCHU PETROLEUM CO.,(SINGAPORE)PTE. LTD.	(Singapore)	100.0%	0.9	0.8
Food	NIPPON ACCESS, INC.		93.8%	12.0	10.8
ICT, General Products & Realty	ITOCHU Kenzai Corp.		100.0%	1.8	1.5
	ITOCHU Pulp & Paper Corp.		100.0%	0.6	0.6
	ITOCHU LOGISTICS CORP.		99.0%	1.2	1.2
	ITOCHU Property Development, Ltd.		99.8%	2.0	1.8
Overseas	ITOCHU International Inc.	(U.S.A.)	100.0%	9.5	7.7
	ITOCHU Europe PLC	(U.K.)	100.0%	2.6	1.5
	ITOCHU Hong Kong Ltd.	(Hong Kong, China)	100.0%	3.8	3.4
	ITOCHU (China) Holding Co., Ltd.	(China)	100.0%	4.5	4.1
	ITOCHU Australia Ltd.	(Australia)	100.0%	2.2	2.0

[Major Group Companies'(listed companies) forecasts of fiscal year 2014] (Unit: billion yen)

Name		(Expected) Date of Announcement	Companies' Forecasts (Note 3)	Shares	ITOCHU's share of Net income [Forecasts] (Note 4)	ITOCHU's share of Net income [FY 2013] (Note 5)
Machinery	JAMCO Corporation	May.10	(Note 1)	33.2%	(Note 1)	(Note 1)
	Century Tokyo Leasing Corporation	May.8	(Note 1)	25.1%	(Note 1)	(Note 1)
	SUNCALL CORPORATION	May.14	(Note 1)	26.8%	(Note 1)	(Note 1)
Energy & Chemicals	ITOCHU ENEX CO., LTD.	May.2	5.8	54.0%	3.1	3.2
	TAKIRON Co., Ltd.	May.9	(Note 1)	28.8%	(Note 1)	(Note 1)
Food	ITOCHU SHOKUHIN Co., Ltd.	May.9	(Note 1)	51.6%	(Note 1)	(Note 1)
	Japan Foods Co., Ltd.	Apr.23	0.9	36.8%	0.3	0.2
	Fuji Oil Co., Ltd.	May.9	(Note 1)	25.7%	(Note 1)	(Note 1)
	FamilyMart Co., Ltd.	Apr.9	22.5	31.5%	7.1	9.1
	Prima Meat Packers, Ltd.	May.13	(Note 1)	39.5%	(Note 1)	(Note 1)
ICT, General Products & Realty	ITOCHU Techno-Solutions Corporation	May.1	16.5	56.6%	9.3	8.9
	Excite Japan Co., Ltd.	May.10	(Note 1)	57.3%	(Note 1)	(Note 1)
	DAIKEN CORPORATION	May.10	(Note 1)	25.5%	(Note 1)	(Note 1)
	ITC NETWORKS CORPORATION	Apr.30	4.4	48.3%	2.1	(Note 6) 4.2
	SPACE SHOWER NETWORKS INC.	Apr.25	0.2	36.4%	0.1	0.1
	eGuarantee, Inc.	May.14	(Note 1)	25.2%	(Note 1)	(Note 1)
	Orient Corporation	May.10	(Note 1)	22.6%	(Note 7)	(Note 1)

(Note 2) Please refer to the forecasts to be announced by the company.
(Note 3) The figures for "Companies' Forecasts" are which each Group company has announced in Japanese GAAP and exclude U.S. GAAP adjustments.
(Note 4) The figures in the "ITOCHU's share of Net income [Forecasts]" column are Group companies' forecasts of fiscal year 2014 multiplied by ITOCHU's respective shares and exclude U.S. GAAP adjustments.
(Note 5) The figures in the "ITOCHU's share of Net income [FY 2013]" column are after U.S. GAAP adjustments.
(Note 6) The figures in the "ITOCHU's share of Net income [FY 2013]" column of ITC NETWORKS CORPORATION includes the profit resulting from gain on revaluation accompanying the conversion of consolidated subsidiaries into equity-method associated companies (2.5 billion yen after tax effect).
(Note 7) ITOCHU adopts U.S. GAAP, which prescribes a substantial number of different accounting treatments from Japanese GAAP with regard to financial transactions for consumer credit companies. ITOCHU recognizes the equity in earnings (losses) calculated by multiplying the figures after U.S. GAAP adjustments by Shares. Therefore, for Orient Corporation, ITOCHU has not announced the figures in the above table since a discrepancy may occur between the forecast announced by the company and that of ITOCHU.

4. Consolidated Financial Statements

-Unaudited-

Consolidated Financial Statements have been prepared in conformity with accounting principles generally accepted in the United States of America.

(1) Consolidated Statements of Income-Annual [Condensed]

ITOCHU Corporation and Subsidiaries

Years ended March 31, 2013 and 2012

	Millions of Yen		Millions of U.S. dollars
	2013	2012	**2013**
Revenue:			
Sales revenue	**¥ 4,245,976**	¥ 3,800,242	**$ 45,146**
Trading margins and commissions on trading transactions	**333,787**	397,283	**3,549**
Total revenue	**4,579,763**	4,197,525	**48,695**
Cost of sales	**(3,663,884)**	(3,240,605)	**(38,957)**
Gross trading profit	**915,879**	956,920	**9,738**
Selling, general and administrative expenses	**(671,319)**	(679,375)	**(7,138)**
Provision for doubtful receivables	**(341)**	(4,925)	**(4)**
Interest income	**9,153**	10,166	**98**
Interest expense	**(23,207)**	(22,985)	**(247)**
Dividends received	**34,626**	28,003	**368**
Gain on investments-net	**45,856**	20,942	**488**
Loss on property and equipment-net	**(9,273)**	(6,747)	**(99)**
Gain on bargain purchase in acquisition	**-**	15,910	**-**
Other-net	**9,738**	23,265	**104**
Total other-expenses	**(604,767)**	(615,746)	**(6,430)**
Income before income taxes and equity in earnings of associated companies	**311,112**	341,174	**3,308**
Income taxes	**(94,333)**	(122,029)	**(1,003)**
Income before equity in earnings of associated companies	**216,779**	219,145	**2,305**
Equity in earnings of associated companies	**85,891**	102,748	**913**
Net income	**302,670**	321,893	**3,218**
Less: Net income attributable to the noncontrolling interest	**(22,373)**	(21,388)	**(238)**
Net income attributable to ITOCHU	**¥ 280,297**	¥ 300,505	**$ 2,980**

Note :

1. "Total trading transactions" in accordance with Japanese accounting practice consists of sales with respect to transactions in which the companies act as principal and the total amount of transactions in which the companies act as agent.
   Total trading transactions for years ended March 31, 2013 and 2012 were 12,551,557 million yen (133,456 million U.S. dollars) and 11,904,749 million yen respectively. Please refer to "(11) Operating Segment Information" on page 38-39.

2. With respect to distribution cost related to the ITOCHU Group's food distribution and marketing business, the ITOCHU Group's portion of operational cost arising at the distribution centers of the ITOCHU Group's customers, such as mass merchandisers, and delivery costs from the distribution centers to the customers' stores was previously included in "Selling, general and administrative expenses". In light of comprehensive consideration of changes in the characteristics of the distribution cost and the accounting practices of the industry, these have been presented as a deduction from "Trading margins and commissions on trading transactions" since the beginning of the fiscal year 2013. Amounts presented for the previous fiscal year have been reclassified to conform to the current presentation. "Trading margins and commissions on trading transactions" and "Selling, general and administrative expenses" have decreased by 73,527 million yen respectively for the previous fiscal year.

(2) Consolidated Statements of Comprehensive Income-Annual [Condensed]

ITOCHU Corporation and Subsidiaries

Years ended March 31, 2013 and 2012

	Millions of Yen		Millions of U.S. dollars
	2013	2012	**2013**
Comprehensive income (loss):			
Net income	**¥ 302,670**	¥ 321,893	**$ 3,218**
Other comprehensive income (loss) (net of tax):			
Foreign currency translation adjustments	**157,696**	(72,138)	**1,677**
Pension liability adjustments	**10,546**	(4,631)	**112**
Unrealized holding gains on securities	**35,731**	13,521	**380**
Unrealized holding gains (losses) on derivative instruments	**397**	(1,694)	**4**
Total other comprehensive income (loss) (net of tax)	**204,370**	(64,942)	**2,173**
Comprehensive income (loss)	**507,040**	256,951	**5,391**
Comprehensive income (loss) attributable to the noncontrolling interest	**(31,221)**	(6,968)	**(332)**
Comprehensive income (loss) attributable to ITOCHU	**¥ 475,819**	¥ 249,983	**$ 5,059**

Note :

ITOCHU adopted ASU 2011-05 "Presentation of Comprehensive Income", which amends ASC 220 "Comprehensive Income" and discloses consolidated statements of comprehensive income as an independent statement which was previously disclosed in consolidated statements of equity.

[Explanation for Consolidated Statements of Income]

(Unit : billion yen)

	2013	2012	Increase (Decrease)	Main reasons for changes:
Revenue	4,579.8	4,197.5	382.2	Higher revenue from the Energy & Chemicals Company, mainly due to the acquisition of U.S. energy-related companies in the fourth quarter of the previous fiscal year, as well as to increased revenue due to the acquisition of automobile-related companies in the second quarter of the current fiscal year in the Machinery Company, which offsets lower revenue from the Metals & Minerals Company, reflecting falls in iron ore and coal prices
Gross trading profit	915.9	956.9	(41.0)	Existing subsidiaries in Metals & Minerals: -44.5, Other existing subsidiaries: +4.2, Increase due to acquisition of subsidiaries: +22.3, Decrease due to de-consolidation of subsidiaries: -29.6, Increase due to foreign currency translation: +6.6 Refer to "(11) Operating Segment Information" on page 38-39
Total of SG & A	(671.3)	(679.4)	8.1	Existing subsidiaries in Metals & Minerals: -1.9, Other existing subsidiaries: +3.9, Increase due to acquisition of subsidiaries: -18.9, Decrease due to de-consolidation of subsidiaries: +27.8, Increase due to foreign currency translation: -2.9
Personnel expenses	(350.3)	(353.4)	3.0	
(Pension cost)	(15.9)	(21.6)	5.7	
Other expenses	(321.0)	(326.0)	5.0	
(Service charge, distribution costs)	(112.4)	(112.1)	(0.4)	
(Rent, depreciation and amortization)	(85.3)	(89.8)	4.5	
(Others)	(123.3)	(124.2)	0.9	
Provision for doubtful receivables	(0.3)	(4.9)	4.6	Improve due to a decrease in allowance for doubtful receivables and collections
Net financial income	20.6	15.2	5.4	Increase in dividends received
Interest income	9.2	10.2	(1.0)	
Interest expense	(23.2)	(23.0)	(0.2)	
Net interest expenses	(14.1)	(12.8)	(1.2)	Deterioration due to an increase in interest-bearing debt, despite lower debt cost
Dividends received	34.6	28.0	6.6	Increase in dividends from oil-and-gas-related investments on Sakhalin
Gain on investments-net	45.9	20.9	24.9	Net gain on sales of investments +28.4 (22.6 → 51.0), Net of impairment gain (loss) and remeasuring gains on investments -4.9 (1.4 → -3.4), Losses on business disposals and others +1.4 (-3.1 → -1.7)
Loss on property and equipment-net	(9.3)	(6.7)	(2.5)	Increase in impairment losses on property and equipment -1.3 (-6.8 → -8.1) , Net gain (loss) on sales of property and equipment and others -1.2 (0.0 → -1.1)
Gain on bargain purchase in acquisition	-	15.9	(15.9)	The gain on bargain purchase in the acquisition of Brazil Japan Iron Ore Corporation was recognized for the previous fiscal year
Other-net	9.7	23.3	(13.5)	Decrease mainly due to the absence of the receipt of insurance related to the Great East Japan Earthquake for the previous fiscal year and decrease in miscellaneous income
Income taxes	(94.3)	(122.0)	27.7	Loss on reversal of deferred tax assets accompanying the change in the effective income tax rate under Japanese taxation reform recorded for the previous year
Equity in earnings of associated companies	85.9	102.7	(16.9)	Equity-method associated companies of ITOCHU Coal Americas Inc. +2.8 (2.5 → 5.3), Equity-method associated companies of ITOCHU FIBRE LIMITED +2.6 (- →2.6), Contribution of other new equity-method associated companies +7.5, FamilyMart Co., Ltd. +2.4 (6.7 → 9.1), ITC NETWORKS CORPORATION +1.1 (- → 1.1), Equity-method associated companies of JD Rockies Resources Limited -30.0 (0.3 → -29.7), Equity-method associated companies of Brazil Japan Iron Ore Corporation -5.2 (21.5→16.3), Equity-method associated companies of ITOCHU Minerals & Energy of Australia Pty Ltd -1.8 (9.8 → 8.1) Refer to "Performance of Group Companies" on page 14-15
Adjusted profit	351.0	395.5	(44.5)	Adjusted profit (-44.5) = Gross trading profit (-41.0) + SG&A expenses (+8.1) + Net financial income (+5.4) + Equity in earnings of associated companies (-16.9) The amount ( ) represents changes from the previous fiscal year

	2013	2012	Variance
JPY TIBOR 3M, average (Apr.-Mar.)	0.317%	0.338%	(0.021%)
USD LIBOR 3M, average (Apr.-Mar.)	0.374%	0.389%	(0.015%)

[Average exchange rate]

[Yen/USD]

2013	2012	Variance
82.20	78.94	+3.26
2012	2011	Variance
78.94	86.54	(7.60)

[Yen/AUD]

2013	2012	Variance
84.98	82.04	+2.94
2012	2011	Variance
82.04	80.98	+1.06

(3) Consolidated Statements of Income-Quarterly [Condensed]
ITOCHU Corporation and Subsidiaries
For the three-month period ended March 31, 2013 and 2012

	Millions of Yen		Millions of U.S. dollars
	Jan.-Mar.2013	Jan.-Mar.2012	**Jan.-Mar.2013**
Revenue:			
Sales revenue	**¥ 1,244,691**	¥ 1,173,660	**$ 13,234**
Trading margins and commissions on trading transactions	**87,812**	101,400	**934**
Total revenue	**1,332,503**	1,275,060	**14,168**
Cost of sales	**(1,084,370)**	(1,016,943)	**(11,530)**
Gross trading profit	**248,133**	258,117	**2,638**
Selling, general and administrative expenses	**(167,542)**	(193,105)	**(1,781)**
Provision for doubtful receivables	**(579)**	(1,177)	**(6)**
Interest income	**2,580**	2,393	**27**
Interest expense	**(5,895)**	(5,918)	**(63)**
Dividends received	**23,097**	11,139	**246**
Gain on investments-net	**25,512**	12,282	**271**
Loss on property and equipment-net	**(5,087)**	(5,972)	**(54)**
Gain on bargain purchase in acquisition	**-**	5,384	**-**
Other-net	**283**	6,694	**3**
Total other-expenses	**(127,631)**	(168,280)	**(1,357)**
Income before income taxes and equity in earnings of associated companies	**120,502**	89,837	**1,281**
Income taxes	**(43,129)**	(23,769)	**(458)**
Income before equity in earnings of associated companies	**77,373**	66,068	**823**
Equity in earnings of associated companies	**1,117**	21,348	**12**
Net income	**78,490**	87,416	**835**
Less: Net income attributable to the noncontrolling interest	**(6,327)**	(5,815)	**(68)**
Net income attributable to ITOCHU	**¥ 72,163**	¥ 81,601	**$ 767**

Note :

1. "Total trading transactions" in accordance with Japanese accounting practice consists of sales with respect to transactions in which the companies act as principal and the total amount of transactions in which the companies act as agent.
   Total trading transactions for the three-month period ended March 31, 2013 and 2012 were 3,277,697 million yen (34,851 million U.S. dollars) and 3,078,864 million yen respectively. Please refer to "(11) Operating Segment Information" on page 40-41.

2. With respect to distribution cost related to the ITOCHU Group's food distribution and marketing business, the ITOCHU Group's portion of operational cost arising at the distribution centers of the ITOCHU Group's customers, such as mass merchandisers, and delivery costs from the distribution centers to the customers' stores was previously included in "Selling, general and administrative expenses". In light of comprehensive consideration of changes in the characteristics of the distribution cost and the accounting practices of the industry, these have been presented as a deduction from "Trading margins and commissions on trading transactions" since the beginning of the fiscal year 2013. Amounts presented for the same period of the previous fiscal year have been reclassified to conform to the current presentation. "Trading margins and commissions on trading transactions" and "Selling, general and administrative expenses" have decreased by 17,393 million yen respectively for the same period of the previous fiscal year.

(4) Consolidated Statements of Comprehensive Income-Quarterly [Condensed]
ITOCHU Corporation and Subsidiaries
For the three-month period ended March 31, 2013 and 2012

	Millions of Yen		Millions of U.S. dollars
	Jan.-Mar.2013	Jan.-Mar.2012	**Jan.-Mar.2013**
Comprehensive income (loss):			
Net income	**¥ 78,490**	¥ 87,416	**$ 835**
Other comprehensive income (loss) (net of tax):			
Foreign currency translation adjustments	**131,297**	70,134	**1,396**
Pension liability adjustments	**7,659**	(7,392)	**81**
Unrealized holding gains on securities	**33,090**	22,937	**352**
Unrealized holding gains on derivative instruments	**2,760**	437	**29**
Total other comprehensive income (loss) (net of tax)	**174,806**	86,116	**1,858**
Comprehensive income (loss)	**253,296**	173,532	**2,693**
Comprehensive income (loss) attributable to the noncontrolling interest	**(20,779)**	(11,228)	**(221)**
Comprehensive income (loss) attributable to ITOCHU	**¥ 232,517**	¥ 162,304	**$ 2,472**

[Explanation for Consolidated Statements of Income -Quarterly]

(Unit : billion yen)

	Jan.-Mar.2013	Jan.-Mar.2012	Increase (Decrease)	Main reasons for changes
Revenue	1,332.5	1,275.1	57.4	Higher revenue from the Metals & Minerals Company, due to an increase in iron ore sales volume, a rise in revenue from the Machinery Company, due to the acquisition of automobile-related companies in the second quarter of the current fiscal year and higher revenue from the Textile Company, due to the acquisition of European apparel manufacturing and wholesale-related companies in the second quarter of the current fiscal year which more than offsets lower revenue from the ICT, General Products & Realty Company, accompanying the conversion of mobile-phone-related subsidiary into equity-method associated company in the third quarter of the current fiscal year
Gross trading profit	248.1	258.1	(10.0)	Existing subsidiaries: -12.3, Increase due to acquisition of subsidiaries: +6.0, Decrease due to de-consolidation of subsidiaries: -12.2, Increase due to foreign currency translation: +8.6 Refer to "(11) Operating Segment Information" on page 40-41
Total of SG & A	(167.5)	(193.1)	25.6	Existing subsidiaries: +23.0, Increase due to acquisition of subsidiaries: -3.9, Decrease due to de-consolidation of subsidiaries: +10.9, Increase due to foreign currency translation: -4.5
Personnel expenses	(88.7)	(101.9)	13.3	
(Pension cost)	(4.4)	(8.7)	4.4	
Other expenses	(78.9)	(91.2)	12.3	
(Service charge, distribution costs)	(27.8)	(29.9)	2.1	
(Rent, depreciation and amortization)	(20.8)	(25.7)	4.9	
(Others)	(30.4)	(35.6)	5.2	
Provision for doubtful receivables	(0.6)	(1.2)	0.6	Improve due to a decrease in allowance for doubtful receivables
Net financial income	19.8	7.6	12.2	Increase in dividends received
Interest income	2.6	2.4	0.2	
Interest expense	(5.9)	(5.9)	0.0	
Net interest expenses	(3.3)	(3.5)	0.2	Improve due to lower debt cost, despite an increase in interest-bearing debt
Dividends received	23.1	11.1	12.0	Increase in dividends from LNG-related investments and oil-and-gas-related investments on Sakhalin
Gain on investments-net	25.5	12.3	13.2	Net gain on sales of investments +10.8 (18.0 → 28.9), Net of impairment losses and remeasuring gains on investments +0.9 (-3.3 → -2.4), Losses on business disposals and others +1.5 (-2.5 → -1.0)
Loss on property and equipment-net	(5.1)	(6.0)	0.9	Improve in impairment losses on property and equipment +0.6 (-4.8 → -4.2), Net loss on sales of property and equipment and others +0.3 (-1.2 → -0.9)
Gain on bargain purchase in acquisition	-	(5.4)	(5.4)	The gain on bargain purchase in the acquisition of Brazil Japan Iron Ore Corporation was recognized for the same period of the previous fiscal year
Other-net	0.3	6.7	(6.4)	Deterioration due to the absence of miscellaneous gain recognized for the same period of the previous fiscal year
Income taxes	(43.1)	(23.8)	(19.4)	Tax effects recognized for the same period of the previous fiscal year stemming from tax reform in Australia
Equity in earnings of associated companies	1.1	21.3	(20.2)	Equity-method associated companies of ITOCHU FIBRE LIMITED +1.2 (- → 1.2), Contribution of other new equity-method associated companies +1.9, Marubeni-Itochu Steel Inc. +1.0 (3.4 → 4.4), Equity-method associated companies of ITOCHU Minerals & Energy of Australia Pty Ltd +0.7 (2.0 → 2.8), Equity-method associated companies of JD Rockies Resources Limited -23.6 (0.3 → -23.3), Equity-method associated companies of Brazil Japan Iron Ore Corporation -1.9 (4.8 → 2.9), Equity-method associated companies of ITOCHU Coal Americas Inc. -1.0 (2.1 → 1.1) Refer to "Performance of Group Companies" on page 16-17
Adjusted profit	101.5	94.0	7.5	Adjusted profit (+7.5) = Gross trading profit (-10.0) + SG&A expenses (+25.6) + Net financial income (+12.2) + Equity in earnings of associated companies (-20.2) The amount ( ) represents changes from the same period of the previous fiscal year

	Jan.-Mar.2013	Jan.-Mar.2012	Variance
JPY TIBOR 3M, average (Jan.-Mar.)	0.278%	0.336%	(0.058%)
USD LIBOR 3M, average (Jan.-Mar.)	0.292%	0.514%	(0.222%)

(5) Consolidated Balance Sheets (Assets) [Condensed]

-Unaudited-

ITOCHU Corporation and Subsidiaries

As of March 31, 2013 and 2012

Assets	Millions of Yen		Millions of U.S. dollars
	Mar. 2013	Mar. 2012	**Mar. 2013**
Current assets:			
Cash and cash equivalents	**¥ 569,716**	¥ 513,489	**$ 6,058**
Time deposits	**7,120**	5,173	**75**
Short-term investments	**3,655**	2,770	**39**
Trade receivables:			
Notes	**160,806**	167,521	**1,710**
Accounts	**1,543,851**	1,496,861	**16,415**
Allowance for doubtful receivables	**(8,242)**	(10,970)	**(88)**
Net trade receivables	**1,696,415**	1,653,412	**18,037**
Due from associated companies	**194,449**	159,348	**2,068**
Inventories	**657,853**	574,345	**6,995**
Advances to suppliers	**70,871**	91,965	**754**
Prepaid expenses	**39,355**	31,981	**418**
Deferred tax assets	**47,810**	48,755	**508**
Other current assets	**268,939**	298,848	**2,860**
Total current assets	**3,556,183**	3,380,086	**37,812**
Investments and non-current receivables:			
Investments in and advances to associated companies	**1,645,568**	1,395,351	**17,497**
Other investments	**530,293**	484,014	**5,638**
Other non-current receivables	**139,790**	137,199	**1,486**
Allowance for doubtful receivables	**(35,929)**	(42,087)	**(382)**
Total investments and net non-current receivables	**2,279,722**	1,974,477	**24,239**
Property and equipment, at cost:			
Land	**140,345**	153,441	**1,492**
Buildings	**457,299**	429,314	**4,862**
Machinery and equipment	**557,423**	475,103	**5,927**
Furniture and fixtures	**84,287**	81,019	**896**
Mineral rights	**93,684**	83,500	**996**
Construction in progress	**57,591**	32,833	**613**
Total property and equipment, at cost	**1,390,629**	1,255,210	**14,786**
Less accumulated depreciation	**586,374**	547,277	**6,235**
Net property and equipment	**804,255**	707,933	**8,551**
Prepaid pension cost	**223**	67	**2**
Deferred tax assets, non-current	**51,447**	80,729	**547**
Other assets	**425,616**	363,981	**4,526**
Total	**¥ 7,117,446**	¥ 6,507,273	**$ 75,677**

(5) Consolidated Balance Sheets (Liabilities and Equity) [Condensed] -Unaudited-

ITOCHU Corporation and Subsidiaries

As of March 31, 2013 and 2012

Liabilities and Equity	Millions of Yen		Millions of U.S. dollars
	Mar. 2013	Mar. 2012	**Mar. 2013**
Current liabilities:			
Short-term debt	**¥ 435,880**	¥ 415,268	**$ 4,635**
Current maturities of long-term debt	**46,664**	35,700	**496**
Trade payables:			
Notes and acceptances	**180,385**	174,118	**1,918**
Accounts	**1,288,770**	1,260,123	**13,703**
Total trade payables	**1,469,155**	1,434,241	**15,621**
Due to associated companies	**42,606**	38,368	**453**
Accrued expenses	**166,714**	156,787	**1,773**
Income taxes payable	**37,758**	48,548	**401**
Advances from customers	**66,689**	95,575	**709**
Deferred tax liabilities	**574**	691	**6**
Other current liabilities	**209,901**	225,896	**2,232**
Total current liabilities	**2,475,941**	2,451,074	**26,326**
Long-term debt, excluding current maturities	**2,447,868**	2,259,717	**26,027**
Accrued retirement and severance benefits	**36,804**	64,304	**391**
Deferred tax liabilities, non-current	**44,214**	36,037	**470**
Total liabilities	**5,004,827**	4,811,132	**53,214**
Equity:			
Common stock:			
Authorized: 3,000,000,000 shares;			
issued: 1,584,889,504 shares	**202,241**	202,241	**2,150**
Capital surplus	**113,408**	112,370	**1,206**
Retained earnings:			
Legal reserve	**29,533**	22,134	**314**
Other retained earnings	**1,471,895**	1,274,131	**15,650**
Total retained earnings	**1,501,428**	1,296,265	**15,964**
Accumulated other comprehensive income (loss) :			
Foreign currency translation adjustments	**(57,605)**	(208,781)	**(612)**
Pension liability adjustments	**(87,373)**	(97,861)	**(929)**
Unrealized holding gains on securities	**99,018**	65,674	**1,053**
Unrealized holding losses on derivative instruments	**(2,979)**	(3,426)	**(32)**
Treasury stock, at cost	**(2,703)**	(2,685)	**(29)**
Total ITOCHU stockholders' equity	**1,765,435**	1,363,797	**18,771**
Noncontrolling interest	**347,184**	332,344	**3,692**
Total equity	**2,112,619**	1,696,141	**22,463**
Total	**¥ 7,117,446**	¥ 6,507,273	**$ 75,677**

[Explanation for Consolidated Balance Sheets]

Assets

(Unit: billion yen)

		Mar. 2013	Mar. 2012	Increase (Decrease)		Main reasons for changes:
Net trade receivables	...	1,696.4	1,653.4	43.0	...	Increase due to higher transaction volume in automobile and chemical sector and the effect of yen depreciation, despite decrease due to the conversion of mobile-phone-related subsidiary into equity-method associated company
Inventories	...	657.9	574.3	83.5	...	Increase due to the accumulation of inventories in the forest products & general merchandise sector and construction & realty sector, and the effect of yen depreciation
Investments in and advances to associated companies	...	1,645.6	1,395.4	250.2	...	Increase due to new investments in pulp business in Europe in the forest products & general merchandise sector and IPP-related and water-supply-related companies in the Machinery Company, earnings of associated companies, and the effect of yen depreciation
Other investments	...	530.3	484.0	46.3	...	Rise in stock prices and the effect of yen depreciation
Net property and equipment	...	804.3	707.9	96.3	...	Increase due to additional capital expenditures in the natural resource development sector and the effect of yen depreciation
Other assets	...	425.6	364.0	61.6	...	Increase due to the acquisition of automobile-related companies and the effect of yen depreciation
Total assets	...	7,117.4	6,507.3	610.2		

Total assets as of March 31, 2013, increased by 9.4%, or 610.2 billion yen, compared with March 31, 2012, to 7,117.4 billion yen (75,677 million U.S. dollars). This rise was attributable to an increase in cash and cash equivalents; new investments in the non-resource sector such as European pulp-related companies, automobile-related companies, IPP-related and water-supply-related companies, European apparel manufacturing and wholesale-related companies; increases in inventories in the ICT, General Products & Realty Company and the Energy & Chemicals Company; and an increase accompanying additional capital expenditures in the natural resource development sector; as well as to the effect of yen depreciation.

Liabilities

(Unit: billion yen)

		Mar. 2013	Mar. 2012	Increase (Decrease)		Main reasons for changes:
Total trade payables	...	1,469.2	1,434.2	34.9	...	Increase due to higher transaction volume in food-distribution-related companies and an increase in inventories' anticipating demand going forward in energy-related companies
[Interest-bearing debt]						
Short-term debt	...	435.9	415.3	20.6		
Current maturities of long-term debt excluding debentures	...	41.1	33.7	7.4		
Current maturities of debentures	...	5.5	2.0	3.5		
Short-term total	...	482.5	451.0	31.6		
Long-term debt	...	1,817.0	1,716.5	100.5		
Debentures	...	462.9	366.1	96.8		
Long-term total	...	2,279.9	2,082.6	197.3		
Total interest-bearing debt	...	2,762.5	2,533.6	228.9		
Cash and cash equivalents, Time deposits	...	576.8	518.7	58.2		
Net interest-bearing debt	...	2,185.6	2,014.9	170.7		
Net debt-to-stockholders' equity ratio [times]	...	1.24	1.48	0.24 Improved		

Interest-bearing debt increased by 9.0 %, or 228.9 billion yen, compared with March 31, 2012, to 2,762.5 billion yen (29,372 million U.S. dollars), due to a rise in debt for new investments. Net interest-bearing debt (Interest-bearing debt after deducting Cash and cash equivalents and Time deposits) increased by 8.5 %, or 170.7 billion yen, compared with March 31, 2012, to 2,185.6 billion yen (23,239 million U.S. dollars).
NET DER (Net Debt-to-stockholders' Equity ratio) was 1.24 times.

Equity

(Unit: billion yen)

		Mar. 2013	Mar. 2012	Increase (Decrease)		Main reasons for changes:
Common stock	...	202.2	202.2	-		
Capital surplus	...	113.4	112.4	1.0		
Retained earnings:	...	1,501.4	1,296.3	205.2	...	Net income attributable to ITOCHU +280.3, Dividends payment -75.1
Accumulated other comprehensive income (loss):	...	(48.9)	(244.4)	195.5	...	Improved due to yen depreciation and rise in stock prices
Treasury stock, at cost	...	(2.7)	(2.7)	(0.0)		
Total ITOCHU stockholders' equity	...	1,765.4	1,363.8	401.6		
Ratio of stockholders' equity to total assets	...	24.8%	21.0%	3.8%		
Noncontrolling interest	...	347.2	332.3	14.8		
Total equity	...	2,112.6	1,696.1	416.5		

Total ITOCHU stockholders' equity rose by 29.5 %, or 401.6 billion yen, compared with March 31, 2012, to 1,765.4 billion yen (18,771 million U.S. dollars), due to an increase in Net income attributable to ITOCHU and an improve in Accumulated other comprehensive income (loss) due to yen depreciation and high stock prices, which more than compensated for a decrease accompanying dividends payment.
As a result, the Ratio of stockholders' equity to total assets rose by 3.8 points to 24.8 % from March 31, 2012.
Total equity, or the sum of Total ITOCHU stockholders' equity and Noncontrolling interest, increased by 24.6 %, or 416.5 billion yen, compared with March 31, 2012, to 2,112.6 billion yen (22,463 million U.S. dollars).

[Current exchange rate]

[Yen/USD]			[Yen/AUD]		
Mar. 2013	Mar. 2012	Variance	Mar. 2013	Mar. 2012	Variance
94.05	82.19	+11.86	97.93	85.45	+12.48
Mar. 2012	Mar. 2011	Variance	Mar. 2012	Mar. 2011	Variance
82.19	83.15	(0.96)	85.45	86.08	(0.63)

[The Nikkei Stock Average (Yen)]

Mar. 2013	Mar. 2012	Variance
12,397	10,083	+2,314

-Unaudited-

(6) Consolidated Statements of Equity [Condensed]

ITOCHU Corporation and Subsidiaries

Years ended March 31, 2013 and 2012

	Millions of Yen		Millions of U.S. dollars
	2013	2012	**2013**
Common stock:			
Balance at beginning of year	**¥ 202,241**	¥ 202,241	**$ 2,150**
Balance at end of year	**¥ 202,241**	¥ 202,241	**$ 2,150**
Capital surplus:			
Balance at beginning of year	**¥ 112,370**	¥ 114,291	**$ 1,195**
Sale (purchase) of subsidiary shares to (from) noncontrolling interest	**1,038**	(1,921)	**11**
Balance at end of year	**¥ 113,408**	¥ 112,370	**$ 1,206**
Retained earnings:			
Legal reserve:			
Balance at beginning of year	**¥ 22,134**	¥ 18,257	**$ 235**
Transfer from other retained earnings	**7,590**	4,086	**81**
Redistribution arising from sale by parent company of common stock of subsidiaries and associated companies	**(191)**	(209)	**(2)**
Balance at end of year	**¥ 29,533**	¥ 22,134	**$ 314**
Other retained earnings:			
Balance at beginning of year	**¥ 1,274,131**	¥ 1,017,838	**$ 13,548**
Net income attributable to ITOCHU	**280,297**	300,505	**2,980**
Cash dividends	**(75,134)**	(40,335)	**(799)**
Transfer to legal reserve	**(7,590)**	(4,086)	**(81)**
Redistribution arising from sale by parent company of common stock of subsidiaries and associated companies	**191**	209	**2**
Balance at end of year	**¥ 1,471,895**	¥ 1,274,131	**$ 15,650**
Accumulated other comprehensive income (loss):			
Balance at beginning of year	**¥ (244,394)**	¥ (193,683)	**$ (2,598)**
Other comprehensive income (loss)	**195,522**	(50,522)	**2,079**
Sale (purchase) of subsidiary shares to (from) noncontrolling interest	**(67)**	(189)	**(1)**
Balance at end of year	**¥ (48,939)**	¥ (244,394)	**$ (520)**
Treasury stock:			
Balance at beginning of year	**¥ (2,685)**	¥ (2,674)	**$ (29)**
Net changes in treasury stock	**(18)**	(11)	**(0)**
Balance at end of year	**¥ (2,703)**	¥ (2,685)	**$ (29)**
Total ITOCHU stockholders' equity	**¥ 1,765,435**	¥ 1,363,797	**$ 18,771**
Noncontrolling interest			
Balance at beginning of year	**¥ 332,344**	¥ 242,684	**$ 3,534**
Net income attributable to the noncontrolling interest	**22,373**	21,388	**238**
Other comprehensive income (loss) attributable to the noncontrolling interest	**8,848**	(14,420)	**94**
Cash dividends to noncontrolling interest	**(6,482)**	(9,515)	**(69)**
Sale (purchase) of subsidiary shares to (from) noncontrolling interest	**(254)**	4,158	**(3)**
Other changes	**(9,645)**	88,049	**(102)**
Balance at end of year	**¥ 347,184**	¥ 332,344	**$ 3,692**
Total equity	**¥ 2,112,619**	¥ 1,696,141	**$ 22,463**

(Unit: billion yen)

Accumulated other comprehensive income (loss)	Mar. 2013	Mar. 2012	Increase (Decrease)
Foreign currency translation adjustments	(57.6)	(208.8)	151.2
Pension liability adjustments	(87.4)	(97.9)	10.5
Unrealized holding gains on securities	99.0	65.7	33.3
Unrealized holding losses on derivative instruments	(3.0)	(3.4)	0.4
Total accumulated other comprehensive income (loss)	(48.9)	(244.4)	195.5

Foreign currency translation adjustments	Foreign exchange differences in exchange rate between at invested to the overseas group companies and at the end of this period, are recognized as "Foreign currency translation adjustments".
Pension liability adjustments	Difference between the projected benefit obligations and the plan assets is amortized according to the defined accounting standard, and the other unamortized balance (net of tax) is recognized as "Pension liability adjustments".
Unrealized holding gains on securities	Available-for-sale securities are recorded at fair value at the end of this period, and differences (net of tax) between carrying amount and fair value are recognized as "Unrealized holding gains on securities".
Unrealized holding losses on derivative instruments	Derivative transactions which are designated and qualified as 'cash flow hedges' are recorded at fair value at the end of this period, and differences (net of tax) between carrying amount and fair value are recognized as "Unrealized holding losses on derivative instruments".

Exchange rate	as of:	Mar 2013	Mar 2012	Variance
	(Yen/USD)	94.05	82.19	+ 11.86
	as of:	Mar 2013	Mar 2012	Variance
	(Yen/AUD)	97.93	85.45	+ 12.48
	as of:	Dec 2012	Dec 2011	Variance
	(Yen/BRL)	42.36	41.47	+ 0.89

(7) Consolidated Statements of Cash Flows -Annual [Condensed]

-Unaudited-

ITOCHU Corporation and Subsidiaries

Years ended March 31, 2013 and 2012

	Millions of Yen		Millions of U.S. dollars
	2013	2012	**2013**
Cash flows from operating activities :			
Net income	**¥ 302,670**	¥ 321,893	**$ 3,218**
Adjustments to reconcile net income to net cash provided by operating activities :			
Depreciation and amortization	**87,169**	77,171	**927**
Provision for doubtful receivables	**341**	4,925	**4**
Gain on investments-net	**(45,856)**	(20,942)	**(488)**
Loss on property and equipment-net	**9,273**	6,747	**99**
Gain on bargain purchase in acquisition	**-**	(15,910)	**-**
Equity in earnings of associated companies, less dividends received	**(33,905)**	(59,001)	**(360)**
Deferred income taxes	**15,912**	32,715	**169**
Changes in assets and liabilities, other-net	**(89,943)**	(134,768)	**(957)**
Net cash provided by operating activities	**245,661**	212,830	**2,612**
Cash flows from investing activities :			
Net purchases of property, equipment and other assets	**(113,387)**	(132,821)	**(1,206)**
Net increase in investments in and advances to associated companies	**(69,719)**	(264,059)	**(741)**
Net purchases of other investments	**(8,697)**	(27,273)	**(92)**
Net (origination) collections of other non-current loan receivables	**(6,863)**	6,766	**(73)**
Net (increase) decrease in time deposits	**(1,324)**	1,072	**(14)**
Net cash used in investing activities	**(199,990)**	(416,315)	**(2,126)**
Cash flows from financing activities :			
Net proceeds (repayments) of long-term debt	**123,362**	(16,987)	**1,312**
Net increase (decrease) in short-term debt	**(41,104)**	165,160	**(437)**
Other	**(93,581)**	(63,469)	**(995)**
Net cash provided by (used in) financing activities	**(11,323)**	84,704	**(120)**
Effect of exchange rate changes on cash and cash equivalents	**21,879**	(1,486)	**232**
Net increase (decrease) in cash and cash equivalents	**56,227**	(120,267)	**598**
Cash and cash equivalents at beginning of year	**513,489**	633,756	**5,460**
Cash and cash equivalents at end of year	**¥ 569,716**	¥ 513,489	**$ 6,058**

[Explanation for Consolidated Statements of Cash Flows]

Note :
Explanation for indication

Cash-inflow : " + "
Cash-outflow : " - "

"Decrease in assets" or "Increase in liabilities" : Cash-inflow
"Increase in assets" or "Decrease in liabilities" : Cash-outflow

Cash flows from operating activities

(Unit: billion yen)

	2013		2012		Variance	Major items
Net income	302.7		321.9		(19.2)	
Non-cash charges of P/L	32.9		25.7		7.2	
Changes in assets and liabilities, other-net	(89.9)	a	(134.8)	b	44.8	a : Trade receivables / payables +1.5, Inventories -50.3 Other -41.1 b : Trade receivables / payables -37.7, Inventories -57.2 Other -39.9
Net cash provided by operating activities	245.7		212.8		32.8	

Cash flows from investing activities

(Unit: billion yen)

	2013		2012		Variance	Major items
Net purchases of property, equipment and other assets	(113.4)	a	(132.8)	b	19.4	a : Additional capital expenditures in natural resource development sector -56.5 Purchase by energy-related subsidiary -12.7 Purchase by ship-related subsidiaries -10.7 b : Additional capital expenditures and purchase of interests in natural resource development sector -65.0 Purchase by ship-related subsidiaries -16.7 Purchase by food subsidiaries -12.9 Purchase by ITOCHU Corporation -8.4
Net increase in investments in and advances to associated companies	(69.7)	a	(264.1)	b	194.3	a : Investment in pulp business in Europe -50.9 b : Investment in Colombian coal mining company -131.1 Investment in U.S. oil & gas development company -82.1 Investment in IPP in North America and investment in leasing business -24.7
Net purchases of other investments	(8.7)	a	(27.3)	b	18.6	a : Investment in automobile-related companies, net of cash acquired -19.8 Investment in natural resource development sector -13.7 Investment by energy-related subsidiary -8.7 Sales of listed securities by ITOCHU Corporation +30.8 b : Purchase of additional shares of Brazil Japan Iron Ore Corporation, net of cash acquired -39.7 Investment in natural resource development sector -34.4 Sales of investment securities in natural resource development sector +23.5 Sales of bonds by ITOCHU Corporation +10.3
Net (origination) collections of other non-current loan receivables	(6.9)	a	6.8	b	(13.6)	a : Origination -38.7, collections +31.9 b : Origination -37.1, collections +43.9
Net (increase) decrease in time deposits	(1.3)		1.1		(2.4)	
Net cash used in investing activities	(200.0)		(416.3)		216.3	

Cash flows from financing activities

(Unit: billion yen)

	2013		2012		Variance	Major items
Net proceeds (repayments) of long-term debt	123.4	a	(17.0)	b	140.3	a : Proceeds +471.4, repayments -348.0 b : Proceeds +408.6, repayments -425.6
Net increase (decrease) in short-term debt	(41.1)	a	165.2	b	(206.3)	a : Net decrease by ITOCHU Corporation -47.7 Net increase by subsidiaries +6.6 b : Net increase by ITOCHU Corporation +23.3 Net increase by subsidiaries +141.9
Other	(93.6)	a	(63.5)	b	(30.1)	a : Cash dividends -75.1, Cash dividends to noncontrolling interests -6.5 Net payments (proceeds) for (from) equity transactions with noncontrolling interests -12.0 b : Cash dividends -40.3, Cash dividends to noncontrolling interests -15.7
Net cash provided by financing activities	(11.3)		84.7		(96.0)	

(Note) Repayments of current maturities of long-term debt are included in "Net proceeds (repayments) of long-term debt".

(8) Consolidated Statements of Cash Flows-Quarterly [Condensed]

-Unaudited-

ITOCHU Corporation and Subsidiaries

For the three-month period ended March 31, 2013 and 2012

	Millions of Yen		Millions of U.S. dollars
	Jan.-Mar.2013	Jan.-Mar.2012	**Jan.-Mar.2013**
Cash flows from operating activities :			
Net income	**¥ 78,490**	¥ 87,416	**$ 835**
Adjustments to reconcile net income to net cash provided by operating activities :			
Depreciation and amortization	**24,846**	19,313	**264**
Provision for doubtful receivables	**579**	1,177	**6**
Gain on investments-net	**(25,512)**	(12,282)	**(271)**
Loss on property and equipment-net	**5,087**	5,972	**54**
Gain on bargain purchase in acquisition	**-**	(5,384)	**-**
Equity in earnings of associated companies, less dividends received	**17,157**	(15,542)	**182**
Deferred income taxes	**26,857**	(3,482)	**286**
Changes in assets and liabilities, other-net	**4,304**	41,549	**45**
Net cash provided by operating activities	**131,808**	118,737	**1,401**
Cash flows from investing activities :			
Net purchases of property, equipment and other assets	**(29,928)**	(29,814)	**(318)**
Net increase in investments in and advances to associated companies	**(3,607)**	(5,628)	**(38)**
Net sales of other investments	**5,635**	36,188	**60**
Net (originations) collections of other non-current loan receivables	**(1,666)**	3,535	**(18)**
Net (increase) decrease in time deposits	**16,729**	(354)	**178**
Net cash provided by (used in) investing activities	**(12,837)**	3,927	**(136)**
Cash flows from financing activities :			
Net proceeds of long-term debt	**45,882**	112,758	**488**
Net decrease in short-term debt	**(132,985)**	(127,852)	**(1,414)**
Other	**(714)**	(4,496)	**(8)**
Net cash used in financing activities	**(87,817)**	(19,590)	**(934)**
Effect of exchange rate changes on cash and cash equivalents	**14,098**	5,452	**151**
Net increase in cash and cash equivalents	**45,252**	108,526	**482**
Cash and cash equivalents at beginning of period	**524,464**	404,963	**5,576**
Cash and cash equivalents at end of period	**¥ 569,716**	¥ 513,489	**$ 6,058**

[Explanation for Consolidated Statements of Cash Flows]

Note :
Explanation for indication

Cash-inflow : " + "
Cash-outflow : " - "

"Decrease in assets" or "Increase in liabilities" : Cash-inflow
"Increase in assets" or "Decrease in liabilities" : Cash-outflow

Cash flows from operating activities

(Unit: billion yen)

	Jan.-Mar. 2013		Jan.-Mar. 2012		Variance	Major items
Net income	78.5		87.4		(8.9)	
Non-cash charges of P/L	49.0		(10.2)		59.2	
Changes in assets and liabilities, other-net	4.3	a	41.5	b	(37.2)	a : Trade receivables / payables -74.5, Inventories +49.6 Other +29.2 b : Trade receivables / payables -42.6, Inventories +75.2 Other +8.9
Net cash provided by operating activities	131.8		118.7		13.1	

Cash flows from investing activities

(Unit: billion yen)

	Jan.-Mar. 2013		Jan.-Mar. 2012		Variance	Major items
Net purchases of property, equipment and other assets	(29.9)	a	(29.8)	b	(0.1)	a : Additional capital expenditures in natural resource development sector -15.7 Purchase by energy-related subsidiary -6.0 Purchase by ship-related subsidiaries -3.8 b : Additional capital expenditures in natural resource development sector -9.8 Purchase by food subsidiaries -2.4 Purchase by ship-related subsidiaries -2.2 Purchase by ITOCHU Corporation -2.0
Net increase in investments in and advances to associated companies	(3.6)	a	(5.6)	b	2.0	a : Investment in chemical business -4.2 b : Investment in IPP in North America -6.7
Net sales of other investments	5.6	a	36.2	b	(30.6)	a : Sales of listed securities by ITOCHU Corporation +17.4 Investment in ICT-related sector -8.0 Investment in natural resource development sector -3.9 b : Sales of investment securities in natural resource development sector +23.5
Net (originations) collections of other non-current loan receivables	(1.7)	a	3.5	b	(5.2)	a : Origination -9.2, collections +7.5 b : Origination -9.7, collections +13.3
Net (increase) decrease in time deposits	16.7	a	(0.4)		17.1	a : Net decrease by subsidiaries +16.7
Net cash provided by (used in) investing activities	(12.8)		3.9		(16.8)	

Cash flows from financing activities

(Unit: billion yen)

	Jan.-Mar. 2013		Jan.-Mar. 2012		Variance	Major items
Net proceeds of long-term debt	45.9	a	112.8	b	(66.9)	a : Proceeds +107.8, repayments -61.9 b : Proceeds +172.7, repayments -59.9

(Note) Repayments of current maturities of long-term debt are included in "Net proceeds of long-term debt".

	Jan.-Mar. 2013		Jan.-Mar. 2012		Variance	Major items
Net decrease in short-term debt	(133.0)	a	(127.9)	b	(5.1)	a : Net decrease by ITOCHU Corporation -93.1 Net decrease by subsidiaries -39.9 b : Net decrease by ITOCHU Corporation -69.8 Net decrease by subsidiaries -58.0
Other	(0.7)	a	(4.5)	b	3.8	a : Cash dividends to noncontrolling interests -0.8 b : Cash dividends to noncontrolling interests -1.6
Net cash used in financing activities	(87.8)		(19.6)		(68.2)	

(9) Assumption for Going Concern N/A

(10) Basis of the Consolidated Financial Statements

i) Consolidated Subsidiaries and Equity-Method Associated Companies

[Major Group Companies]

Consolidated Subsidiaries

(Domestic: 79 entities)	JOI'X CORPORATION, SANKEI CO., LTD., JAPAN AEROSPACE CORPORATION, ITOCHU CONSTRUCTION MACHINERY CO., LTD., ITOCHU MACHINE-TECHNOS CORPORATION, Century Medical, Inc., ITOCHU Metals Corporation, Brazil Japan Iron Ore Corporation, ITOCHU ENEX CO., LTD., ITOCHU CHEMICAL FRONTIER Corporation, ITOCHU PLASTICS INC., C.I.Kasei Co., Ltd., ITOCHU SHOKUHIN Co., Ltd., NIPPON ACCESS, INC., China Foods Investment Corp., ITOCHU Kenzai Corp., ITOCHU Pulp & Paper Corp., ITOCHU Techno-Solutions Corporation, Excite Japan Co.,Ltd., ITOCHU LOGISTICS CORP., ITOCHU Property Development, Ltd.
(Overseas: 138 entities)	ITOCHU Textile Prominent (ASIA) Ltd., ITOCHU TEXTILE (CHINA) CO., LTD., ITOCHU Minerals & Energy of Australia Pty Ltd, ITOCHU Coal Americas Inc., ITOCHU Oil Exploration (Azerbaijan) Inc., ITOCHU PETROLEUM CO., (SINGAPORE) PTE. LTD., ITOCHU International Inc., ITOCHU Europe PLC, ITOCHU Hong Kong Ltd., ITOCHU (China) Holding Co., Ltd., ITOCHU Australia Ltd.

(*) Consolidated subsidiaries listed on the stock exchange markets in Japan

TSE 1st Section : ITOCHU Techno-Solutions Corporation, ITOCHU ENEX CO., LTD., ITOCHU SHOKUHIN Co., Ltd.

JASDAQ : Excite Japan Co., Ltd.

Equity-Method Associated Companies

(Domestic: 66 entities)	JAMCO Corporation, Century Tokyo Leasing Corporation, SUNCALL CORPORATION, Marubeni-Itochu Steel Inc., TAKIRON Co., Ltd., Japan Foods Co., Ltd., Fuji Oil Co., Ltd., FamilyMart Co., Ltd., Prima Meat Packers, Ltd., DAIKEN CORPORATION, Ltd., ITC NETWORKS CORPORATION, SPACE SHOWER NETWORKS INC., eGuarantee, Inc., Orient Corporation
(Overseas: 73 entities)	CGB ENTERPRISES, INC. [U.S.A.], "SUZUKI MOTOR RUS" LLC [Russia]

(**) Investment companies which are directly invested by ITOCHU and its Overseas trading subsidiaries are included in the above-mentioned number of companies. Investment companies which are considered as part of parent company are not included.

ii) Accounting Policies

The Consolidated Financial Statements have been prepared in conformity with accounting principles generally accepted in the United States of America. The summary of differences between the accounting policies adopted in the consolidated financial statements and accounting practice generally accepted in Japan is as follows.

Additionally, the following each representation of referred standards is basically depends on the hierarchy of the standard regulated by ASC.

a) Evaluation of investments

For evaluation of investments, other-than-temporary impairments are recognized by applying ASC Topic320 "Investments-Debt and Equity Securities."

b) Share-to-share exchange without cash payment for cost-method equity securities

Exchange gain or losses on newly acquired cost-method equity securities by share-to-share transfer without cash payment are recognized at the time of the exchange according to ASC Topic 325 "Investments-Other."

c) Value reduction of fixed assets for Japanese tax purposes

The whole balance is reversed for preparation of the consolidated financial statements.

d) Retirement and severance benefits

The costs of the employees' retirement and severance benefits are recognized based on the actuarial computation according to ASC Topic715 "Compensation-Retirement Benefits."

In addition, according to ASC Topic 715 "Compensation-Retirement Benefits", the funded status of a defined benefit pension plan, which is measured as the difference between plan assets at fair value and the projected benefit obligation, is recognized as an asset or a liability in the consolidated balance sheets. The net actuarial gain or losses (net of tax) and prior service cost (net of tax) are recorded in Accumulated other comprehensive income (loss).

e) Costs for issuance of new shares

In accordance with ASC Topic 505 "Equity," Costs for issuance of new shares are recognized as deductions from Capital surplus.

f) Deferred income on installment sales

In accordance with ASC Topic 605 "Revenue Recognition," the whole income on installment sales is recognized at the time of sales.

g) Recognition and Measurement of noncontrolling interest on acquisition

In accordance with ASC Topic 805 "Business Combinations," the noncontrolling interest in the acquirer is measured and recognized as the fair value at the acquisition date.

h) Change in a parent's ownership interest rate in a subsidiary

In accordance with ASC Topic 810 "Consolidation," changes in a parent's ownership interest, while the parent retains its controlling financial interest in its subsidiary, are accounted for as equity transactions, instead of recognizing gain or losses in consolidated net income or Accumulated other comprehensive income.

i) Deconsolidation of a subsidiary

In accordance with ASC Topic 810 "Consolidation," in the case where parent deconsolidates a subsidiary, the gain or loss measured as the aggregate of the fair value of any consideration received, the fair value of any retained noncontrolling investment and the carrying amount of any noncontrolling interest in former subsidiary less the carrying amount of the former subsidiary's assets and liabilities is recognized.

j) Goodwill

Goodwill and non-amortized intangible assets with indefinite useful lives which are recognized due to business combinations are not amortized, but are instead tested for impairment at the reporting unit level at least on annual basis or circumstances change that is more likely than not that the fair value is below the carrying amount in accordance with ASC Topic 350 "Intangibles-Goodwill and other."

In addition, equity-method goodwill which is the portion of the difference between the cost of an investment and the amount of underlying equity in net assets of an investee is also not amortized, but equity-method investments shall continue to be reviewed for impairment in accordance with ASC Topic 323 "Investments-Equity Method and Joint Ventures".

k) Derivative instruments

According to ASC Topic 815 "Derivatives and Hedging," every derivative instruments is measured and presented at its fair value as of the end of the period in the consolidated balance sheets, and the changes in fair value from the end of the previous period are recognized as gain or losses of the current period or Accumulated other comprehensive income (loss) (net of tax), judging existence of the hedging purpose and the type of hedging activities.

(11) Operating Segment Information

ITOCHU Corporation and Subsidiaries

Years ended March 31, 2013 and 2012

Information concerning operations in different operating segments for the years ended March 31, 2013 and 2012 is as follows:

For the year ended March 31, 2013 (April 1, 2012 -March 31, 2013)

Millions of Yen

	Textile	Machinery	Metals & Minerals	Energy & Chemicals	Food	ICT, General Products & Realty	Others, Adjustments & Eliminations	Consolidated
Total trading transactions:								
Unaffiliated customers and associated companies	**¥ 608,883**	**¥ 1,086,275**	**¥ 602,714**	**¥ 5,357,548**	**¥ 3,344,116**	**¥ 1,495,363**	**¥ 56,658**	**¥ 12,551,557**
Transfers between operating segments	**746**	**998**	**96**	**22,713**	**5,538**	**21,952**	**(52,043)**	**-**
Total trading transactions	**609,629**	**1,087,273**	**602,810**	**5,380,261**	**3,349,654**	**1,517,315**	**4,615**	**12,551,557**
Gross trading profit	**128,921**	**89,416**	**79,456**	**165,027**	**202,686**	**236,557**	**13,816**	**915,879**
Net income attributable to ITOCHU	**¥ 31,230**	**¥ 32,120**	**¥ 82,466**	**¥ 23,112**	**¥ 45,700**	**¥ 52,108**	**¥ 13,561**	**¥ 280,297**
[Equity in earnings of associated companies]	**[12,582]**	**[13,352]**	**[42,056]**	**[(28,271)]**	**[22,890]**	**[24,537]**	**[(1,255)]**	**[85,891]**
Total assets at March 31, 2013	**¥ 486,849**	**¥ 890,890**	**¥ 1,175,200**	**¥ 1,335,207**	**¥ 1,370,199**	**¥ 1,363,449**	**¥ 495,652**	**¥ 7,117,446**

For the year ended March 31, 2012 (April 1, 2011 -March 31, 2012)

Millions of Yen

	Textile	Machinery	Metals & Minerals	Energy & Chemicals	Food	ICT, General Products & Realty	Others, Adjustments & Eliminations	Consolidated
Total trading transactions:								
Unaffiliated customers and associated companies	¥ 600,290	¥ 992,200	¥ 651,906	¥ 4,774,497	¥ 3,194,215	¥ 1,633,417	¥ 58,224	¥ 11,904,749
Transfers between operating segments	766	852	113	23,697	4,303	24,078	(53,809)	-
Total trading transactions	601,056	993,052	652,019	4,798,194	3,198,518	1,657,495	4,415	11,904,749
Gross trading profit	127,616	85,903	122,551	155,570	201,166	244,641	19,473	956,920
Net income attributable to ITOCHU	¥ 24,356	¥ 23,134	¥ 142,056	¥ 37,800	¥ 43,818	¥ 37,598	¥ (8,257)	¥ 300,505
[Equity in earnings of associated companies]	[5,896]	[12,472]	[44,334]	[2,377]	[20,129]	[17,388]	[152]	[102,748]
Total assets at March 31, 2012	¥ 433,372	¥ 800,145	¥ 1,015,650	¥ 1,287,060	¥ 1,298,362	¥ 1,188,694	¥ 483,990	¥ 6,507,273

For the year ended March 31, 2013 (April 1, 2012 -March 31, 2013)

Millions of U.S. dollars

	Textile	Machinery	Metals & Minerals	Energy & Chemicals	Food	ICT, General Products & Realty	Others, Adjustments & Eliminations	Consolidated
Total trading transactions:								
Unaffiliated customers and associated companies	**$ 6,474**	**$ 11,550**	**$ 6,408**	**$ 56,965**	**$ 35,557**	**$ 15,900**	**$ 602**	**$ 133,456**
Transfers between operating segments	**8**	**11**	**1**	**241**	**59**	**233**	**(553)**	**-**
Total trading transactions	**6,482**	**11,561**	**6,409**	**57,206**	**35,616**	**16,133**	**49**	**133,456**
Gross trading profit	**1,371**	**951**	**845**	**1,754**	**2,155**	**2,515**	**147**	**9,738**
Net income attributable to ITOCHU	**$ 332**	**$ 341**	**$ 877**	**$ 246**	**$ 486**	**$ 554**	**$ 144**	**$ 2,980**
[Equity in earnings of associated companies]	**[134]**	**[142]**	**[447]**	**[(301)]**	**[243]**	**[261]**	**[(13)]**	**[913]**
Total assets at March 31, 2013	**$ 5,176**	**$ 9,473**	**$ 12,495**	**$ 14,197**	**$ 14,569**	**$ 14,497**	**$ 5,270**	**$ 75,677**

Note :

1. "Equity in earnings of associated companies" is included in Net income attributable to ITOCHU.
2. "Total trading transactions" is presented in accordance with Japanese accounting practice. Total trading transactions consist of sales with respect to transactions in which the companies act as principal and the total amount of transactions in which the companies act as agent.
3. As of April 1, 2012, ITOCHU reorganized its five Division Companies into six Division Companies. As a result of this reorganization, the former ICT & Machinery Company, the former Energy, Metals & Minerals Company and the former Chemicals, Forest Products & General Merchandise Company have been reorganized into Machinery Company, Metals & Minerals Company, Energy & Chemicals Company and ICT, General Products & Realty Company. Further, the Construction & Realty Division, the Financial & Insurance Services Department and the Logistics Services Department, which did not belong to a Division Company, have been reorganized into ICT, General Products & Realty Company. In addition, the figures for the previous fiscal year and the previous fiscal year-end have been adjusted in the same manner.
4. With respect to distribution cost related to the ITOCHU Group's food distribution and marketing business, ITOCHU has made a change in presentation in the financial statements related to the ITOCHU Group's portion of operational cost arising at the distribution centers of the ITOCHU Group's customers, such as mass merchandisers, and delivery costs from the distribution centers to the customers' stores since the beginning of the fiscal year 2013. The aforementioned distribution cost for the previous fiscal year has been reclassified in the same manner in "Food" and "Consolidated". (Refer to "Note2" in 4. (1), on page 23.)

[Explanation for Operating Segment Information]

Trading transactions for unaffiliated customers and associated companies

(Unit : billion yen)	2013	2012	Increase (Decrease)	Main reasons for changes
Textile	608.9	600.3	8.6	Increase due to rise accompanying the acquisition of European apparel manufacturing and wholesale-related companies in the second quarter of the current fiscal year, and the rise in apparel products transactions in Japan
Machinery	1,086.3	992.2	94.1	Increase due to higher automobile transactions for Europe and increase in ship transactions, as well as rise due to acquisition of automobile-related companies in the second quarter of the current fiscal year
Metals & Minerals	602.7	651.9	(49.2)	Decrease due to falls in prices of iron ore, coal, and scrap iron, despite increase in sales volume of iron ore and coal
Energy & Chemicals	5,357.5	4,774.5	583.1	Significant increase due to the acquisition of U.S. energy-related companies as consolidated subsidiaries in the fourth quarter of the previous fiscal year, and rise in transactions for crude oil, fuel oil and petroleum products in the energy sector, despite decline resulting from slump in China’s chemicals market in the chemical sector
Food	3,344.1	3,194.2	149.9	Increase due to rise in transaction volumes in food-distribution-related companies, and rise in transactions for fresh food and food materials
ICT, General Products & Realty	1,495.4	1,633.4	(138.1)	Decrease due to slumping market prices for natural rubber, lower sales of condominiums, conversion of mobile-phone-related subsidiary into equity-method associated company in the third quarter of the current fiscal year, and sales of consolidated subsidiaries in the previous fiscal year, despite acquisition of Kwik-Fit Group for the previous fiscal year and higher transactions in domestic ICT-related companies
Others, Adjustments & Eliminations	56.7	58.2	(1.6)	Decrease due to sales of consolidated subsidiaries in the current fiscal year
Total	**12,551.6**	**11,904.7**	**646.8**	

Gross trading profit

(Unit : billion yen)	2013	2012	Increase (Decrease)	Main reasons for changes
Textile	128.9	127.6	1.3	Increase due to rise accompanying the acquisition of European apparel manufacturing and wholesale-related companies in the second quarter of the current fiscal year, and rise in apparel products transactions in Japan
Machinery	89.4	85.9	3.5	Increase mainly due to rise accompanying the acquisition of automobile-related companies in the second quarter of the current fiscal year, and increase in ship transactions
Metals & Minerals	79.5	122.6	(43.1)	Significant decrease due to falls in prices of iron ore and coal, despite increase in sales volume
Energy & Chemicals	165.0	155.6	9.5	Increase due to rise accompanying the acquisition of domestic energy-related companies in the second quarter of the current fiscal year and rise in transactions for crude oil, fuel oil and petroleum products in the energy sector, despite decline resulting from slump in China’s chemicals market in the chemical sector
Food	202.7	201.2	1.5	Increase due to rise in transactions for frozen foods and daily-delivery foods in food-distribution-related business, despite decline in fresh-food-and-food-materials-related business due to the conversion of frozen-foods-related subsidiary into equity-method associated company in the first quarter of the current fiscal year
ICT, General Products & Realty	236.6	244.6	(8.1)	Decrease due to lower sales of condominiums, conversion of mobile-phone-related consolidated subsidiary into equity-method associated company in the third quarter of the current fiscal year and sales of consolidated subsidiaries in the previous fiscal year, despite increase due to acquisition of Kwik-Fit Group for the previous fiscal year and higher transaction volume in domestic ICT-related companies
Others, Adjustments & Eliminations	13.8	19.5	(5.7)	Decrease due to sales of consolidated subsidiaries in the current fiscal year and increase in adjustments and eliminations
Total	**915.9**	**956.9**	**(41.0)**	

Net income attributable to ITOCHU

(Unit : billion yen)	2013	2012	Increase (Decrease)	Main reasons for changes
Textile	31.2	24.4	6.9	Increase in gross trading profit, absence of unordinary expense for the previous fiscal year and decrease in provision for doubtful receivables, as well as increase due to the contribution of equity-method associated companies including new companies
Machinery	32.1	23.1	9.0	Increase due to rise accompanying the acquisition of automobile-related companies in the second quarter of the current fiscal year, rise in earnings of IPP-related and water-supply-related companies, recognition of gain on sales of investments, and absence of impairment losses on investments recognized for the previous fiscal year
Metals & Minerals	82.5	142.1	(59.6)	Significant decrease due to substantial decline in gross trading profit, absence of improvement in tax effect accompanying tax reform in Australia and absence of unordinary gain recognized in the acquisition of Brazil Japan Iron Ore Corporation for the previous fiscal year
Energy & Chemicals	23.1	37.8	(14.7)	Decrease due to decline in equity in earnings of associated companies arising from impairment loss on U.S. oil-and-gas-development-related company, despite rise in gross trading profit in the energy sector, higher dividends received from oil-and-gas-related investments on Sakhalin and recognition of gain on sales of investments
Food	45.7	43.8	1.9	Increase due to rise in gross trading profit, recognition of gain on sales of investments and increase in equity in earnings of associated companies, despite absence of gain on sales of property and equipment and receipt of insurance for the previous fiscal year
ICT, General Products & Realty	52.1	37.6	14.5	Increase due to rise in gain on investments, significant rise in earnings of associated companies and the absence of a loss on reversal of deferred tax assets accompanying change in effective income tax rate for the previous fiscal year, despite lower gross trading profit
Others, Adjustments & Eliminations	13.6	(8.3)	21.8	Improved significantly due to improvement of income tax expense resulting from increase in foreign tax credit and realization of losses in tax basis, absence of a loss on reversal of deferred tax assets accompanying change in effective income tax rate and absence of impairment losses on investment securities recognized for the previous fiscal year, as well as recognition of gain on sales of investments
Total	**280.3**	**300.5**	**(20.2)**	

Total assets

(Unit : billion yen)	Mar. 2013	Mar. 2012	Increase (Decrease)	Main reasons for changes
Textile	486.8	433.4	53.5	Increase due to rise in trade receivables accompanying growth in textile material transactions for China, the acquisition of European apparel manufacturing and wholesale-related companies in the second quarter of the current fiscal year, and new investments
Machinery	890.9	800.1	90.7	Increase due to rise in trade receivables in automobile-related business, acquisition of IPP-related and water-supply-related companies, acquisition of automobile-related companies, despite decrease of advances to suppliers accompanying ship delivery
Metals & Minerals	1,175.2	1,015.7	159.6	Increase due to additional capital expenditures in mineral-resource-related subsidiaries and effect of yen depreciation
Energy & Chemicals	1,335.2	1,287.1	48.1	Increase due to rise in trade receivables accompanying recovery in market prices for chemicals toward the fiscal year-end, acquisition of domestic energy-related companies and effect of yen depreciation
Food	1,370.2	1,298.4	71.8	Increase due to rise in trade receivables resulting from higher transaction volumes in food-distribution-related business, due to rise in stock prices and effect of yen depreciation
ICT, General Products & Realty	1,363.4	1,188.7	174.8	Increase due to rise in inventories of general merchandise and real-estate-related business, obtain of property and equipment, acquisition of METSA FIBRE and effect of yen depreciation
Others, Adjustments & Eliminations	495.7	484.0	11.7	Increase due to rise in cash and cash equivalents, despite decrease due to sales of consolidated subsidiaries in the current fiscal year
Total	**7,117.4**	**6,507.3**	**610.2**	

ITOCHU Corporation and Subsidiaries

For the three-month period ended March 31, 2013 and 2012 (Fourth quarter of fiscal year 2013 and 2012)

Information concerning operations in different operating segments for the three-month period ended March 31, 2013 and 2012 is as follows:

For the three-month period ended March 31, 2013 (January 1, 2013 -March 31, 2013)

Millions of Yen

	Textile	Machinery	Metals & Minerals	Energy & Chemicals	Food	ICT, General Products & Realty	Others, Adjustments & Eliminations	Consolidated
Total trading transactions:								
Unaffiliated customers								
and associated companies	**¥ 167,586**	**¥ 320,408**	**¥ 173,768**	**¥ 1,411,741**	**¥ 789,287**	**¥ 400,594**	**¥ 14,313**	**¥ 3,277,697**
Transfers between operating segments	**154**	**457**	**(315)**	**5,682**	**1,248**	**5,510**	**(12,736)**	**-**
Total trading transactions	**167,740**	**320,865**	**173,453**	**1,417,423**	**790,535**	**406,104**	**1,577**	**3,277,697**
Gross trading profit	**33,995**	**25,006**	**23,226**	**48,661**	**48,354**	**64,438**	**4,453**	**248,133**
Net income attributable to ITOCHU..........	**¥ 6,620**	**¥ 9,732**	**¥ 23,335**	**¥ 9,502**	**¥ 7,379**	**¥ 15,874**	**¥ (279)**	**¥ 72,163**
[Equity in earnings								
of associated companies]..........................	**[1,936]**	**[3,284]**	**[11,439]**	**[(22,821)]**	**[3,151]**	**[4,207]**	**[(79)]**	**[1,117]**
Total assets at March 31, 2013...................	**¥ 486,849**	**¥ 890,890**	**¥ 1,175,200**	**¥ 1,335,207**	**¥ 1,370,199**	**¥ 1,363,449**	**¥ 495,652**	**¥ 7,117,446**

For the three-month period ended March 31, 2012 (January 1, 2012-March 31, 2012)

Millions of Yen

	Textile	Machinery	Metals & Minerals	Energy & Chemicals	Food	ICT, General Products & Realty	Others, Adjustments & Eliminations	Consolidated
Total trading transactions:								
Unaffiliated customers								
and associated companies	¥ 156,861	¥ 256,720	¥ 161,143	¥ 1,261,355	¥ 749,200	¥ 488,373	¥ 5,212	¥ 3,078,864
Transfers between operating segments	165	107	12	5,757	1,097	6,930	(14,068)	-
Total trading transactions	157,026	256,827	161,155	1,267,112	750,297	495,303	(8,856)	3,078,864
Gross trading profit	34,892	23,359	22,698	44,426	47,449	82,441	2,852	258,117
Net income attributable to ITOCHU..........	¥ 7,326	¥ 6,617	¥ 38,056	¥ 12,856	¥ 8,344	¥ 16,556	¥ (8,154)	¥ 81,601
[Equity in earnings								
of associated companies]..........................	[1,253]	[894]	[11,726]	[(2,049)]	[4,033]	[5,422]	[69]	[21,348]
Total assets at March 31, 2012...................	¥ 433,372	¥ 800,145	¥ 1,015,650	¥ 1,287,060	¥ 1,298,362	¥ 1,188,694	¥ 483,990	¥ 6,507,273

For the three-month period ended March 31, 2013 (January 1, 2013 -March 31, 2013)

Millions of U.S. dollars

	Textile	Machinery	Metals & Minerals	Energy & Chemicals	Food	ICT, General Products & Realty	Others, Adjustments & Eliminations	Consolidated
Total trading transactions:								
Unaffiliated customers								
and associated companies	**$ 1,782**	**$ 3,407**	**$ 1,848**	**$ 15,011**	**$ 8,392**	**$ 4,259**	**$ 152**	**$ 34,851**
Transfers between operating segments	**2**	**5**	**(3)**	**60**	**13**	**58**	**(135)**	**-**
Total trading transactions	**1,784**	**3,412**	**1,845**	**15,071**	**8,405**	**4,317**	**17**	**34,851**
Gross trading profit	**362**	**266**	**247**	**517**	**514**	**685**	**47**	**2,638**
Net income attributable to ITOCHU..........	**$ 70**	**$ 104**	**$ 248**	**$ 101**	**$ 78**	**$ 169**	**$ (3)**	**$ 767**
[Equity in earnings								
of associated companies]..........................	**[21]**	**[35]**	**[122]**	**[(243)]**	**[33]**	**[45]**	**[(1)]**	**[12]**
Total assets at March 31, 2013...................	**$ 5,176**	**$ 9,473**	**$ 12,495**	**$ 14,197**	**$ 14,569**	**$ 14,497**	**$ 5,270**	**$ 75,677**

Note :

Refer to "Note" on page 38.

[Explanation for Operating Segment Information]

Trading transactions for unaffiliated customers and associated companies

(Unit : billion yen)	Jan.-Mar. 2013	Jan.-Mar. 2012	Increase (Decrease)	Main reasons for changes
Textile	167.6	156.9	10.7	Increase due to rise accompanying the acquisition of European apparel manufacturing and wholesale-related companies in the second quarter of the current fiscal year and rise in textile material transactions for China, despite decrease resulting from conversion of fashion e-commerce-related subsidiary into equity-method associated company in the fourth quarter of the current fiscal year
Machinery	320.4	256.7	63.7	Increase due to higher automobile transactions for Europe and increase in ship transactions, as well as rise due to acquisition of automobile-related companies in the second quarter of the current fiscal year
Metals & Minerals	173.8	161.1	12.6	Increase due to rise in sales volume of iron ore and coal
Energy & Chemicals	1,411.7	1,261.4	150.4	Increase due to rise in transactions for crude oil, fuel oil and petroleum products
Food	789.3	749.2	40.1	Increase due to rises in transaction volume in food-distribution-related companies and rises in transactions for fats-and-oils-related business and feed-and-grain-related business
ICT, General Products & Realty	400.6	488.4	(87.8)	Decrease due to lower condominium sales and tire-related transactions in Europe, as well as the conversion of mobile-phone-related subsidiary into equity-method associated company in the third quarter of the current fiscal year, despite higher transactions in domestic ICT-related companies
Others, Adjustments & Eliminations	14.3	5.2	9.1	Decrease in adjustments and eliminations
Total	**3,277.7**	**3,078.9**	**198.8**	

Gross trading profit

(Unit : billion yen)	Jan.-Mar. 2013	Jan.-Mar. 2012	Increase (Decrease)	Main reasons for changes
Textile	34.0	34.9	(0.9)	Decrease mainly due to the conversion of fashion e-commerce-related subsidiary into equity-method associated company in the fourth quarter of the current fiscal year
Machinery	25.0	23.4	1.6	Increase mainly due to rises in ship transactions and the acquisition of automobile-related companies in the second quarter of the current fiscal year
Metals & Minerals	23.2	22.7	0.5	Increase due to higher sales volume of iron ore, despite decrease due to the conversion of solar-power-generation-related subsidiary into equity-method associated company in the fourth quarter of the current fiscal year
Energy & Chemicals	48.7	44.4	4.2	Increase due to rise in transactions for crude oil, fuel oil and petroleum products
Food	48.4	47.4	0.9	Increase due to rise in transactions for feed and grain in provisions-related business, despite decline in fresh-food-and-food-materials-related business due to the conversion of frozen-foods-related subsidiary into equity-method associated company in the first quarter of the current fiscal year
ICT, General Products & Realty	64.4	82.4	(18.0)	Decrease due to lower condominium sales and tire-related transactions in Europe, as well as the conversion of mobile-phone-related subsidiary into equity-method associated company in the third quarter of the current fiscal year, despite higher transaction volume in domestic ICT-related companies
Others, Adjustments & Eliminations	4.5	2.9	1.6	Decrease in adjustments and eliminations
Total	**248.1**	**258.1**	**(10.0)**	

Net income attributable to ITOCHU

(Unit : billion yen)	Jan.-Mar. 2013	Jan.-Mar. 2012	Increase (Decrease)	Main reasons for changes
Textile	6.6	7.3	(0.7)	Decrease due to the absence of improvement in tax expense for the previous fiscal year, despite absence of unordinary expense in the previous fiscal year, decrease in allowance for doubtful receivables and increase in equity in earnings of associated companies
Machinery	9.7	6.6	3.1	Increase due to higher gross trading profit, recognition of gain on sales of investments and increase in equity in earnings of associated companies
Metals & Minerals	23.3	38.1	(14.7)	Decrease due to the absence of unordinary gain recognized in the acquisition of Brazil Japan Iron Ore Corporation, absence of gain on sales of investments and improvement in tax effect accompanying tax reform in Australia for the previous fiscal year, despite increase in gross trading profit
Energy & Chemicals	9.5	12.9	(3.4)	Decrease due to significant decline in equity in earnings of associated companies arising from impairment loss on U.S. oil-and-gas-development-related company, despite rise in gross trading profit in the energy sector, higher dividends received from oil-and-gas-related investments on Sakhalin and recognition of gain on sales of investments
Food	7.4	8.3	(1.0)	Decrease due to lower equity in earnings of associated companies and absence of improvement in tax expense for the previous fiscal year, despite rise in gross trading profit
ICT, General Products & Realty	15.9	16.6	(0.7)	Decrease due to lower equity in earnings of associated companies, despite decrease in expenses accompanying decrease in gross trading profit
Others, Adjustments & Eliminations	(0.3)	(8.2)	7.9	Improvement due to decrease in adjustments and eliminations, as well as recognition of gain on sales of investments
Total	**72.2**	**81.6**	**(9.4)**	

(12) Per share Information

The following is the information on the ITOCHU stockholders' equity per share and net income attributable to ITOCHU per share for the years ended March 31, 2013 and 2012.

(Unit:Yen)

	2013	2012
ITOCHU stockholders' equity per share	1,117.01	862.88
Net income attributable to ITOCHU per share (basic)	177.35	190.13
Net income attributable to ITOCHU per share (diluted)	—	—

Net income attributable to ITOCHU per share (diluted) for fiscal year 2013 and 2012 are not presented since antidiluted effect by the convertible preference stocks issued by associated company outstanding.

The base data to compute the basic and diluted net income attributable to ITOCHU per share computations for the years ended March 31, 2013 and 2012 are as follows:

(Numerator) (Unit:Millions of yen)

	2013	2012
Net income attributable to ITOCHU	280,297	300,505
Effect of dilutive securities: Convertible preferred stock	—	—
Net income attributable to ITOCHU (diluted)	280,297	300,505

(Denominator)

	2013	2012
Average number of common shares outstanding	1,580,515,991	1,580,528,221

(13) Subsequent Events

On April 1, 2013, via ITOCHU subsidiary Dole International Holdings Inc., ITOCHU acquired from Dole Food Company, Inc., its shares in Dole Asia Holdings Pte. Ltd., which is developing the fruit and vegetables business in Asia and global processed foods businesses other than those in the United States and its shares in Dole Packaged Foods, LLC, which is developing the processed foods business in the United States. These acquisitions, for a total of 1,685 million U.S. dollars (156,924 million yen), give ITOCHU 100% of voting rights in the two subsidiaries.

(14) Quarterly Information on Consolidated Operating Results

Consolidated Statements of Income

(Unit: billion yen)

	Fiscal Year 2012 ended March 31, 2012					Fiscal Year 2013 ended March 31, 2013				
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total
Revenue	884.5	1,000.8	1,037.2	1,275.1	4,197.5	1,036.2	1,135.9	1,075.2	1,332.5	4,579.8
Gross trading profit	213.8	243.6	241.4	258.1	956.9	219.6	229.9	218.3	248.1	915.9
Selling, general and administrative expenses	(156.3)	(159.8)	(170.2)	(193.1)	(679.4)	(167.0)	(171.5)	(165.3)	(167.5)	(671.3)
Provision for doubtful receivables	(1.1)	(1.3)	(1.3)	(1.2)	(4.9)	1.9	(0.9)	(0.8)	(0.6)	(0.3)
Interest income	2.2	3.3	2.2	2.4	10.2	2.2	2.2	2.2	2.6	9.2
Interest expense	(5.5)	(6.0)	(5.6)	(5.9)	(23.0)	(5.9)	(5.8)	(5.6)	(5.9)	(23.2)
Dividends received	7.3	6.4	3.1	11.1	28.0	5.6	2.0	4.0	23.1	34.6
Gain (loss) on investments-net	20.0	(6.6)	(4.7)	12.3	20.9	9.7	2.4	8.3	25.5	45.9
Gain (loss) on property and equipment-net	0.0	0.8	(1.7)	(6.0)	(6.7)	(0.4)	(2.2)	(1.5)	(5.1)	(9.3)
Gain on bargain purchase in acquisition	10.5	-	-	5.4	15.9	-	-	-	-	-
Other-net	9.3	6.5	0.8	6.7	23.3	1.3	3.4	4.7	0.3	9.7
Income before income taxes and equity in earnings of associated companies	100.3	87.0	64.1	89.8	341.2	67.0	59.5	64.1	120.5	311.1
Income taxes	(30.0)	(40.3)	(28.0)	(23.8)	(122.0)	(24.0)	(12.5)	(14.7)	(43.1)	(94.3)
Income before equity in earnings of associated companies	70.3	46.8	36.1	66.1	219.1	43.0	47.0	49.4	77.4	216.8
Equity in earnings of associated companies	25.8	25.9	29.7	21.3	102.7	30.5	32.0	22.3	1.1	85.9
Net income	96.1	72.6	65.8	87.4	321.9	73.5	79.0	71.7	78.5	302.7
Net income attributable to the noncontrolling interest	(3.1)	(6.6)	(5.9)	(5.8)	(21.4)	(2.9)	(7.4)	(5.8)	(6.3)	(22.4)
Net income attributable to ITOCHU	93.0	66.0	59.9	81.6	300.5	70.7	71.6	65.9	72.2	280.3
[Adjusted Profit]	[87.3]	[113.5]	[100.7]	[94.0]	[395.5]	[85.0]	[88.7]	[75.8]	[101.5]	[351.0]

Segment Information

(Unit: billion yen)

	Fiscal Year 2012 ended March 31, 2012					Fiscal Year 2013 ended March 31, 2013				
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total
Textile										
Gross trading profit	27.9	31.7	33.1	34.9	127.6	28.5	32.7	33.7	34.0	128.9
Net income attributable to ITOCHU	4.0	5.4	7.7	7.3	24.4	8.5	9.5	6.6	6.6	31.2
Machinery										
Gross trading profit	18.4	21.7	22.5	23.4	85.9	19.7	23.1	21.6	25.0	89.4
Net income attributable to ITOCHU	9.4	3.2	3.9	6.6	23.1	5.9	8.8	7.6	9.7	32.1
Metals & Minerals										
Gross trading profit	31.5	39.9	28.4	22.7	122.6	23.9	15.2	17.2	23.2	79.5
Net income attributable to ITOCHU	45.1	32.4	26.5	38.1	142.1	24.6	18.4	16.1	23.3	82.5
Energy & Chemicals										
Gross trading profit	33.9	41.2	36.0	44.4	155.6	40.5	39.1	36.8	48.7	165.0
Net income attributable to ITOCHU	9.0	10.7	5.2	12.9	37.8	8.3	6.7	(1.4)	9.5	23.1
Energy										
Gross trading profit	17.9	25.3	20.7	28.3	92.2	25.0	23.6	21.6	32.7	102.9
Net income attributable to ITOCHU	2.8	7.0	1.4	9.0	20.1	5.1	2.8	(5.2)	3.2	5.8
Chemicals										
Gross trading profit	16.0	15.9	15.3	16.1	63.4	15.5	15.5	15.2	16.0	62.1
Net income attributable to ITOCHU	6.2	3.8	3.9	3.9	17.7	3.2	3.9	3.9	6.3	17.3
Food										
Gross trading profit	47.4	53.9	52.4	47.4	201.2	47.9	54.4	52.0	48.4	202.7
Net income attributable to ITOCHU	12.4	14.4	8.7	8.3	43.8	10.9	14.4	13.0	7.4	45.7
ICT, General Products & Realty										
Gross trading profit	46.6	53.2	62.4	82.4	244.6	56.5	62.9	52.7	64.4	236.6
Net income attributable to ITOCHU	9.0	7.3	4.7	16.6	37.6	8.4	15.0	12.8	15.9	52.1
Forest Products & General Merchandise										
Gross trading profit	15.1	15.7	24.1	31.8	86.7	24.4	21.5	23.3	24.6	93.8
Net income attributable to ITOCHU	4.4	3.8	4.5	4.1	16.8	3.2	4.4	4.3	5.1	17.0
ICT, Insurance & Logistics										
Gross trading profit	27.3	33.4	31.6	39.9	132.2	27.2	33.9	24.0	32.5	117.5
Net income attributable to ITOCHU	4.9	2.9	2.8	7.1	17.7	3.1	5.3	6.0	6.5	20.9
Construction, Realty & Financial Business										
Gross trading profit	4.2	4.2	6.6	10.7	25.7	4.9	7.6	5.4	7.3	25.3
Net income attributable to ITOCHU	(0.4)	0.6	(2.5)	5.3	3.1	2.1	5.3	2.6	4.4	14.3
Others, Adjustments & Eliminations										
Gross trading profit	8.0	2.0	6.5	2.9	19.5	2.6	2.4	4.3	4.5	13.8
Net income attributable to ITOCHU	4.2	(7.5)	3.2	(8.2)	(8.3)	4.0	(1.2)	11.1	(0.3)	13.6

Note: 1. As of April 1, 2012, ITOCHU reorganized its five Division Companies into six Division Companies. Further, the figures of the same period of the previous fiscal year and the previous fiscal year have been adjusted in the same manner.

2. With respect to distribution cost related to the ITOCHU Group's food distribution and marketing business, ITOCHU has made a change in presentation in the financial statements related to the ITOCHU Group's portion of operational cost arising at the distribution centers of the ITOCHU Group's customers, such as mass merchandisers, and delivery costs from the distribution centers to the customers' stores since the beginning of the fiscal year 2013. The aforementioned distribution cost for the same period of the previous fiscal year and the previous fiscal year has been reclassified in the same manner. (Refer to "Note2" in 4. (1), on page 23.)

5. Financial Highlights

[Consolidated]

(Unit: Billion Yen)

	2009	2010	2011	2012	2013
Total trading transactions (*1)	12,065.1	10,308.6	11,323.8	11,904.7	12,551.6
Gross trading profit (*1)	1,060.5	860.2	906.6	956.9	915.9
Income before income taxes and equity in earnings of associated companies	208.3	156.3	182.3	341.2	311.1
Net income attributable to ITOCHU	165.4	128.9	161.1	300.5	280.3

	Mar. 2009	Mar. 2010	Mar. 2011	Mar. 2012	Mar. 2013
Total assets	5,192.1	5,478.9	5,676.7	6,507.3	7,117.4
Interest-bearing debt	2,389.3	2,209.6	2,268.9	2,533.6	2,762.5
(Cash and cash equivalents, Time deposits)	(632.6)	(488.1)	(638.2)	(518.7)	(576.8)
Net interest-bearing debt	1,756.8	1,721.5	1,630.8	2,014.9	2,185.6

ITOCHU stockholders' equity	849.4	1,099.6	1,156.3	1,363.8	1,765.4
ITOCHU stockholders' equity per share (Yen)	537.43	695.75	731.57	862.88	1,117.01

R O A (Return on assets)	3.2%	2.4%	2.9%	4.9%	4.1%
R O E (Return on equity)	18.1%	13.2%	14.3%	23.8%	17.9%
Net debt-to-stockholders' equity ratio (times)	2.1	1.6	1.4	1.5	1.2

[Stock price information]

(Unit: Yen)

	2009	2010	2011	2012	2013
Stock price (Highest)	1,337	821	930	966	1,241
(Lowest)	380	486	659	676	755
(Closing)	478	819	871	903	1,131
(Reference) Nikkei Stock Average index (*2)	8,109	11,089	9,755	10,083	12,397

(*1) With respect to distribution cost related to the ITOCHU Group's food distribution and marketing business, ITOCHU has made a change in presentation in the financial statements related to the ITOCHU Group's portion of operational cost arising at the distribution centers of the ITOCHU Group's customers, such as mass merchandisers, and delivery costs from the distribution centers to the customers' stores since the beginning of the fiscal year 2013.
The aforementioned distribution cost for fiscal year 2011 and fiscal year 2012 has been reclassified in the same manner.
(Refer to "Note2" in 4. (1), on page 23.)

(*2) Nikkei Stock Average index: Year-end price of each fiscal year