

Collaborative Projects Briefing

ITOCHU Corporation

December 12, 2023



I am One with Infinite Missions



(Forward-Looking Statements)

Data and projections contained in these materials are based on the information available at the time of publication, and various factors may cause the 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 has no obligation to update any forward-looking statements as a result of new information, future events or other developments.

Collaborative Projects Briefing Program



Time	Contents	Speaker
9:00~9:05	Opening and Speaker Introduction	Suguru Amano General Manager, Investor Relations Division
	President and COO Address	Keita Ishii Member of the Board, President & Chief Operating Officer
9:05 ~ 9:45	ITOCHU Techno-Solutions Corporation (CTC)	Hiroshi Kajiwara Executive Officer, Chief Operating Officer, ICT Division Kiyoshi Sekikawa General Manager, Information Technology Business Department
9:50~ 10:25	DAIKEN CORPORATION	Yusuke Takasaka Junior Executive Officer, Chief Operating Officer, Construction & Real Estate Division Takashi Ozawa General Manager, Construction & Building Material Department
10:30~ 11:05	Hitachi Construction Machinery	Hiroshi Ushijima Executive Officer, Chief Operating Officer, Automobile, Construction Machinery & Industrial Machinery Division Masahiko Yoshikawa General Manager, Construction Machinery & Industrial Machinery Department
11:10~ 11:25	ITOCHU SDGs STUDIO	Tokuko Metani General Manager, Corporate Brand Initiative
11:25~11:30	Closing	Suguru Amano General Manager, Investor Relations Division

- Presentation and dialogue on **the growth strategy for large-scale investment projects** in non-resource sectors, which is our strength, and **ITOCHU SDGs STUDIO**, which is our non-financial initiative.
- Presentation emphasizing primarily **the increase in the "Growth Rate" (large-scale investment projects)** and the lowering the **"Cost of Capital" (ITOCHU SDGs STUDIO)** in the **"Corporate Value Calculation Formula."**





ITOCHU Techno- Solutions Corporation (CTC)

Hiroshi Kajiwara
Executive Officer,
Chief Operating Officer, ICT Division

Kiyoshi Sekikawa
General Manager,
Information Technology Business Department



Overview of CTC



■ CTC is a major system integrator in Japan and one of the most important Group companies in the ITOCHU Group.



Challenging Tomorrow's Changes

Vendor Partners

300+
Companies

Customers in Various Industries

10,000+

Service Bases in Japan

Approx. **100**

40+ years

R&D Track Record in Silicon Valley

Number of Engineers (Total Employees)

16,829

Vendor Certifications Held by Engineers

12,000+

*As of April 1, 2023

Company name

ITOCHU Techno-Solutions Corporation (CTC)

Founded

1972

Total employees

20,925 (Numbers of consolidated employees : 10,120)

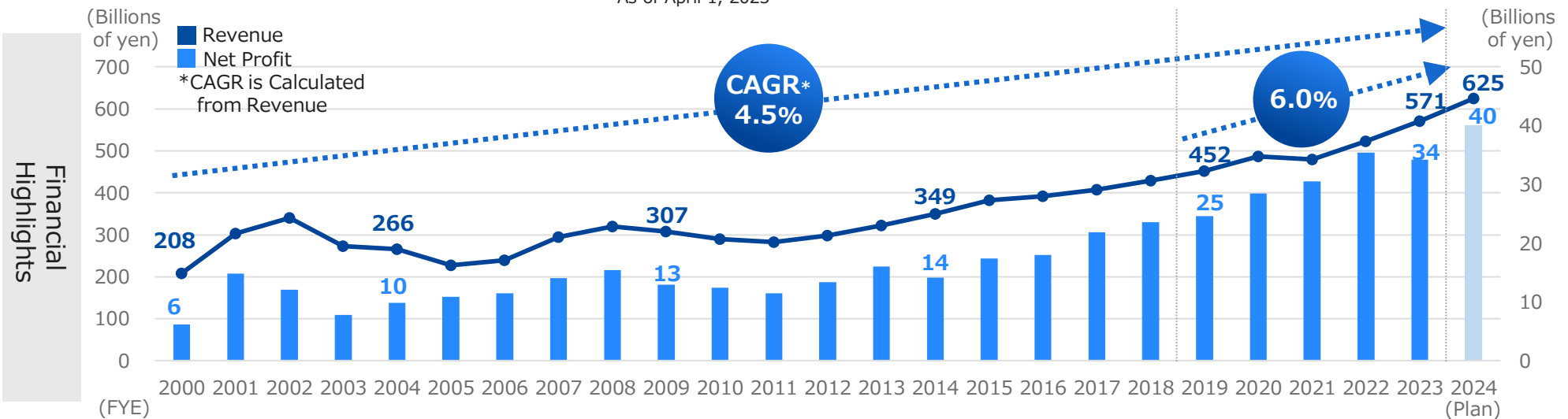
*As of April 1, 2023, including temporary and outsourced employees

Revenue

FYE2023 ¥571 Billions

Business lines

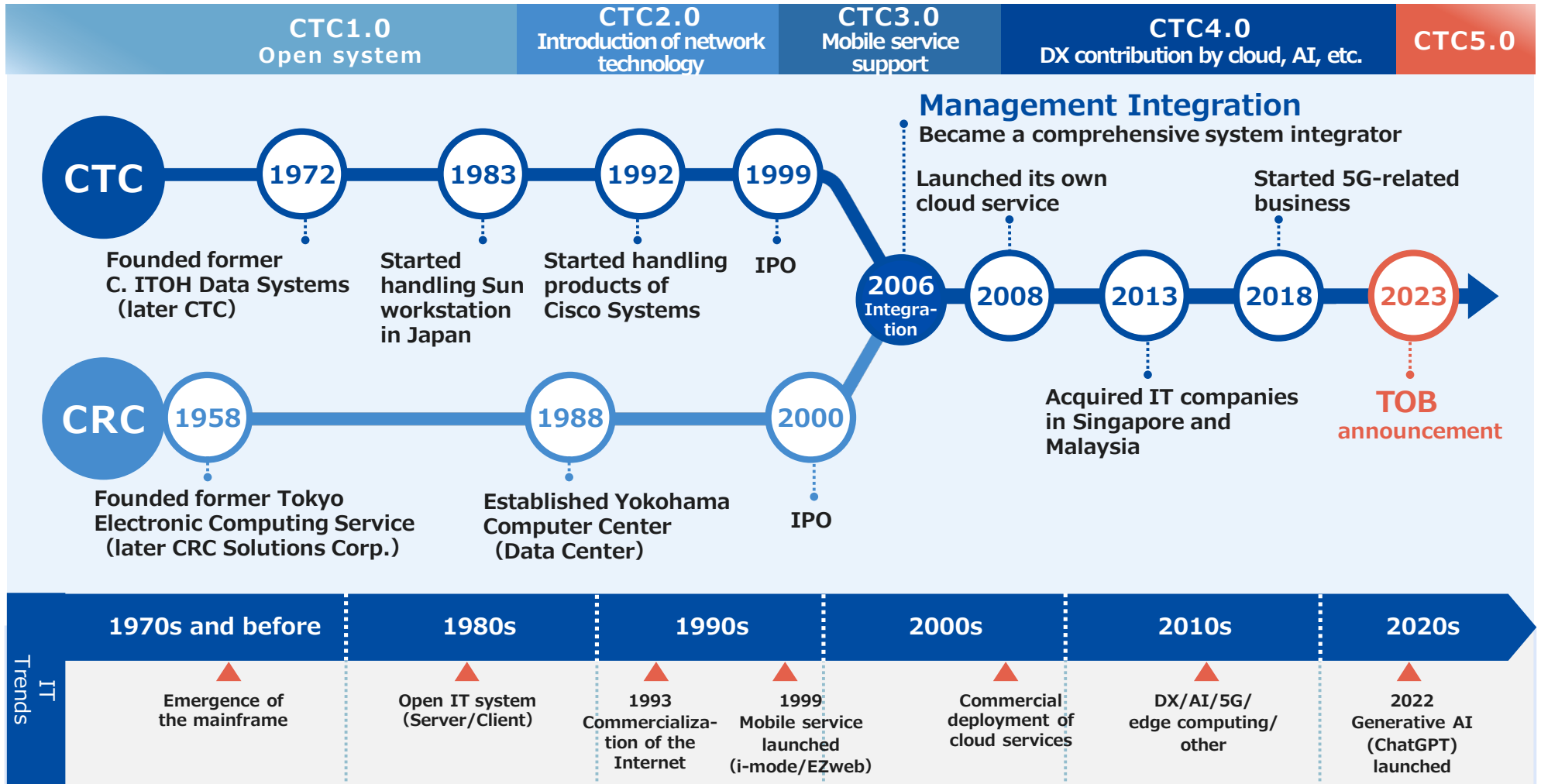
Sales, integration of computers and network systems; commissioned software development; maintenance and support; etc.



History of CTC



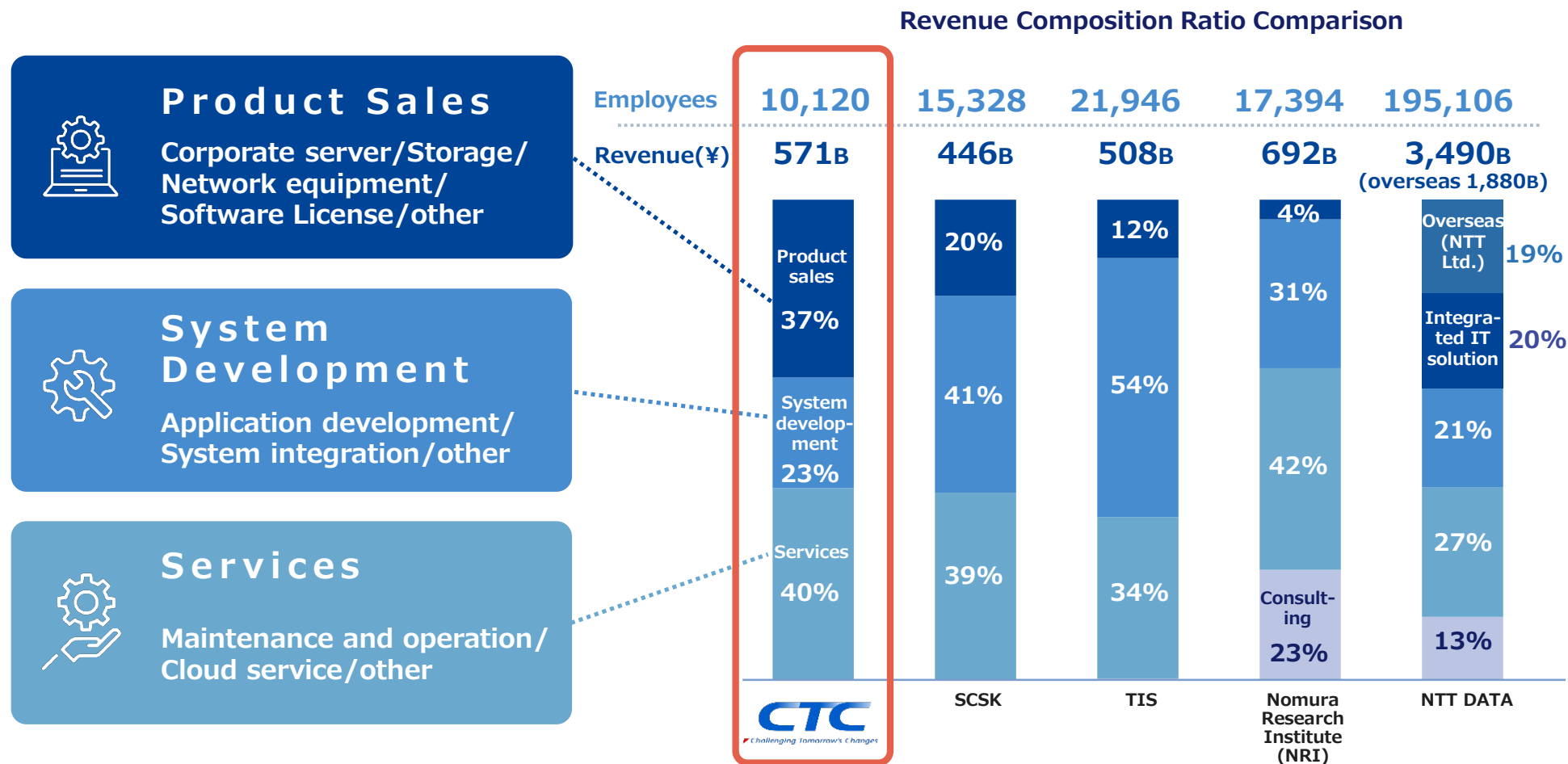
- CTC has grown by leveraging ITOCHU's network in North America and introducing advanced products and technologies to Japan since the 1980s.
- Through integration with CRC, CTC has grown into a comprehensive system integrator that consistently provides total functions including product sales, system development and maintenance and operations.



CTC Business Model



- CTC consistently provides product sales, system development and maintenance and operation.
- CTC's strength is in advanced infrastructure integration involving the integration and operation of large-scale systems, with a high proportion of product sales.



*Prepared based on information in each company's annual securities report, financial results presentation materials, and information posted on their websites for the fiscal year ended March 31, 2023.

Features and Strengths of CTC



- CTC is the largest IT reseller in Japan that implements advanced products and technologies from North America and other countries to Japan as a forerunner.
- CTC hires many engineers who handle a wide range of advanced products and technologies, and provides optimal solutions from a market-oriented perspective.



1. Products and Technologies Portfolio advanced and extensive

Vendor Partners
300+
Companies

- Utilizing ITOCHU's startup network in North America and 40+ years of R&D experience in Silicon Valley
- Be the first to identify and implement advanced products and technologies in Japan

Japan's largest IT reseller
offering and supporting
advanced and diverse products



2. IT Human Resources supporting a wide range of products and technologies

Number of Engineers
(Total Employees)
16,829

- Many highly skilled engineers to meet the advanced IT needs of client companies
- 12,000+ vendor certifications for products, etc.

Providing optimal solutions to
customers by combining diverse
technologies



3. Customer Base centered on companies utilizing advanced IT

Client Companies
10,000+

- Continuous business with communication carriers, financial institutions, and other companies utilizing advanced IT
- Involved in the development of mobile services since the early days, and leveraging its knowledge to expand its customer base

Strong relationships with
companies developing
advanced IT use and
business applications

Customer Base Built by Strengths



- CTC has established a dominant position in infrastructure integration for communication carriers and has an advantage in Telecommunication segment compared to other companies in the industry.

Excellent and diverse customer base



Financial Services

- Mizuho Financial Group, Inc.
- Mitsubishi UFJ Financial Group, Inc.
- The Norinchukin Bank

etc.

Distribution

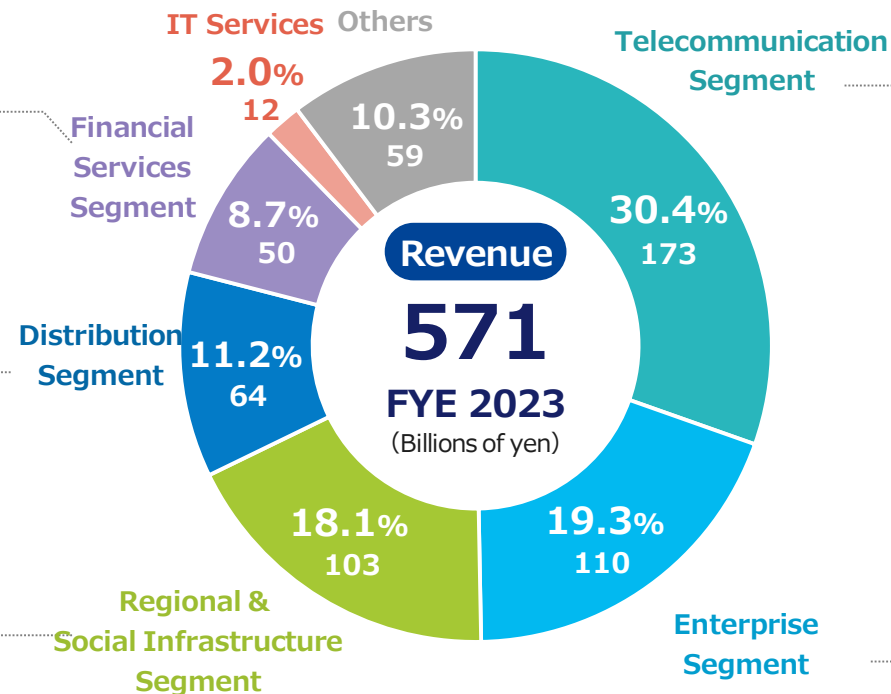
- ITOCHU Corporation, ITOCHU Group
- Idemitsu Kosan Co., Ltd.
- Asahi Group(group companies)

etc.

Regional & Social Infrastructure

- JAPAN POST Group(group companies)
- TOYOTA MOTOR CORPORATION
- Central Government Ministries and Agencies
- Local Government

etc.



Telecommunication

- NTT DOCOMO, INC.
- KDDI CORPORATION
- SoftBank Corp.

etc.

Enterprise

- Canon Inc.
- ANA HOLDINGS INC.
- CHUGAI PHARMACEUTICAL CO., LTD.

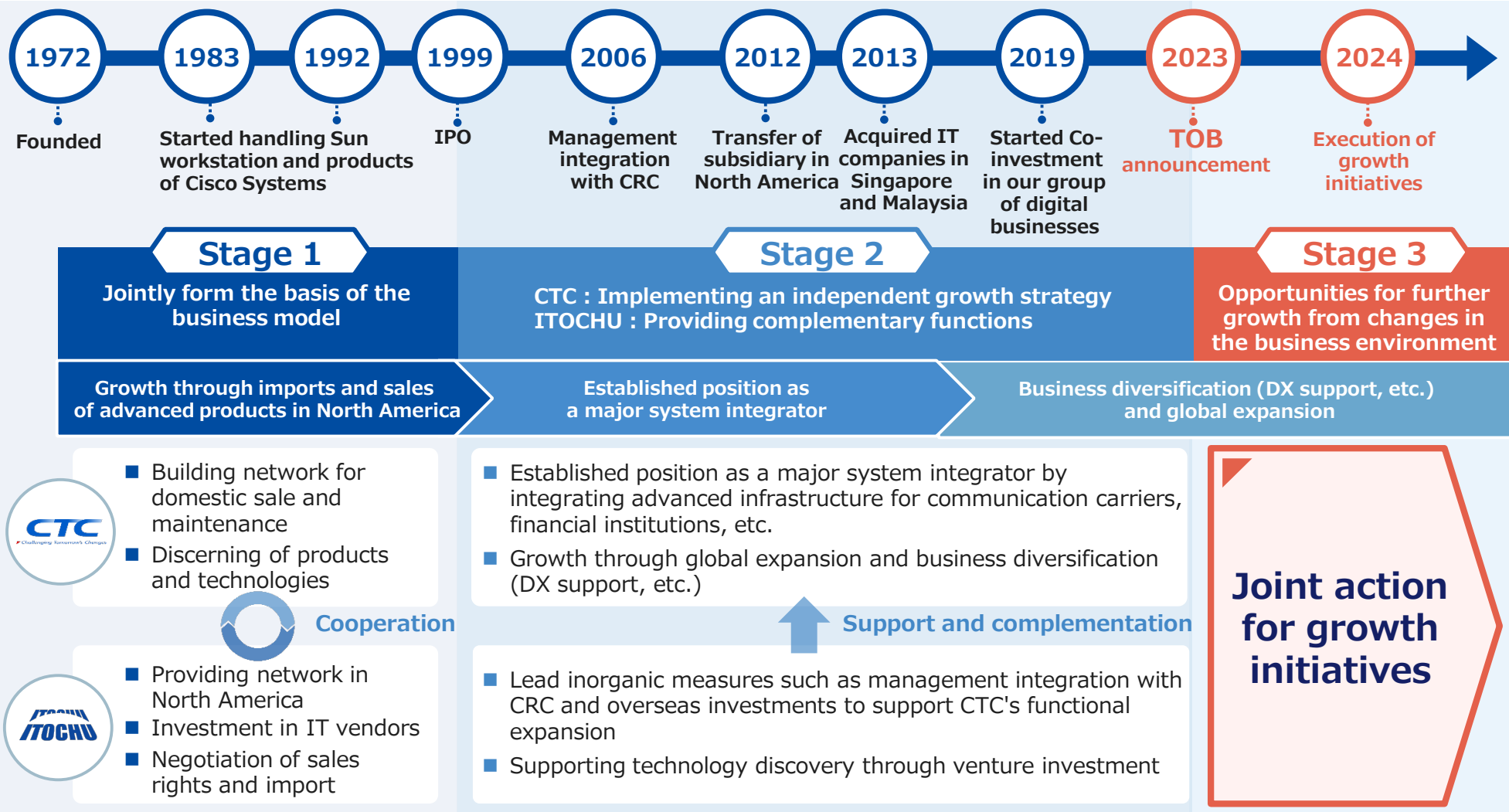
etc.

Strong customer base of **10,000+** companies

Growth Progress of ITOCHU and CTC

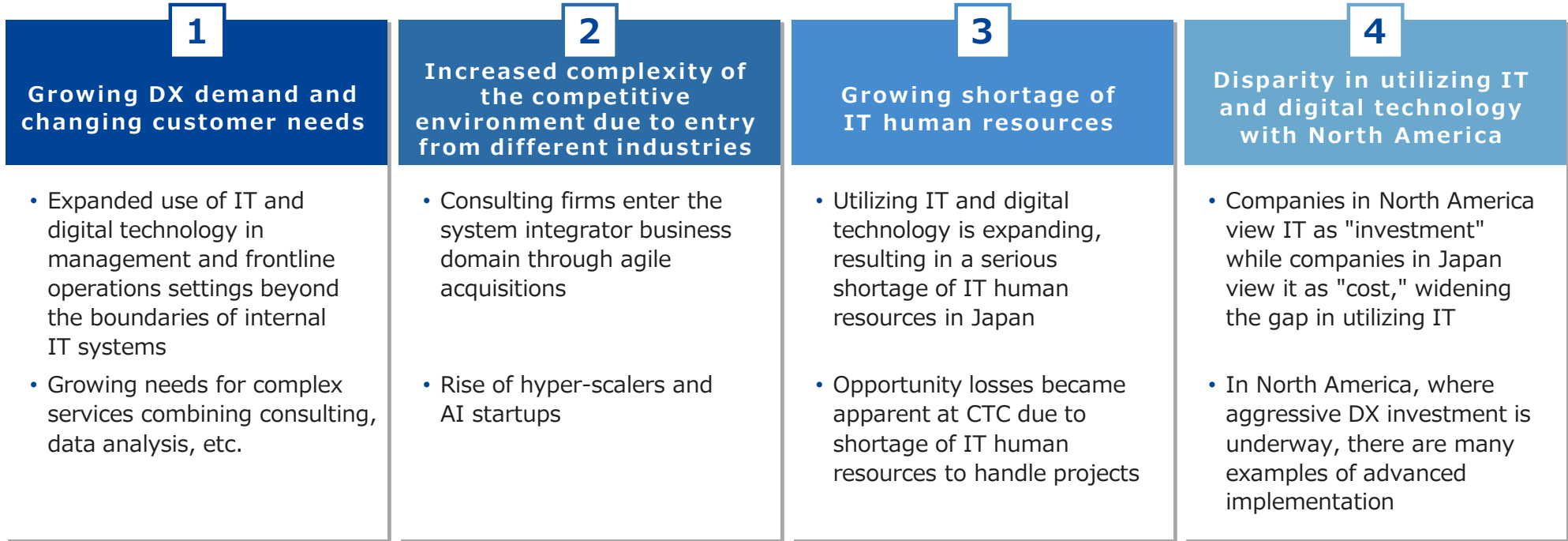


- ITOCHU and CTC jointly formed the basis of the business model for the implementation of North American advanced products(Stage1).
- After listing, ITOCHU supported growth strategy by leading CTC's functional expansion and global expansion(Stage2).



Background of TOB (1)

- ITOCHU decided to execute TOB in order to maximize the benefits of growth opportunity by responding to market environment and structural changes.



ITOCHU will respond to these changes and implement inorganic growth initiatives for CTC

Growth initiatives

01

Enrichment of upstream functions

02

Ensuring engineer resources

03

Expansion of business base in North America

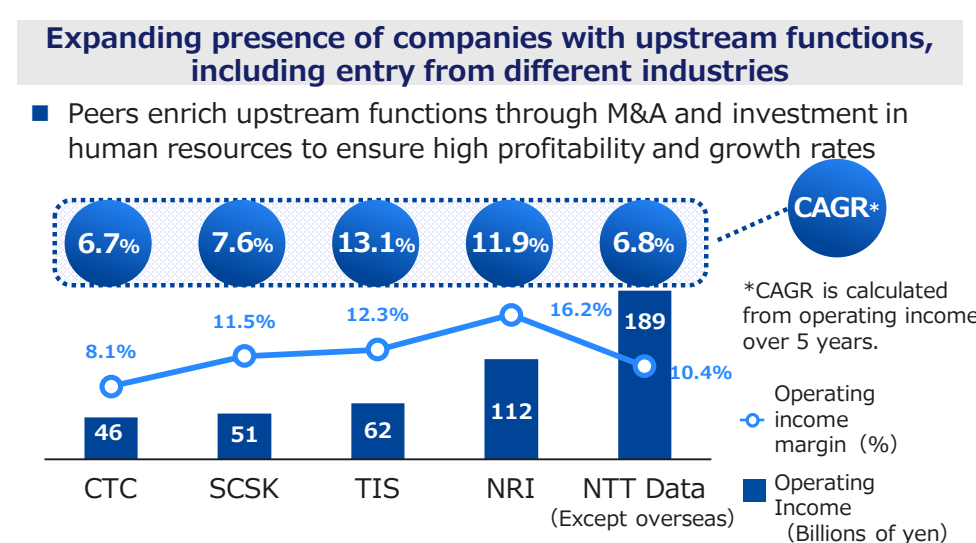
Background of TOB (2)

1 Growing DX demand and changing customer needs

	Existing market	New market Rapid Growth
Customer	<p>Back-office-centered internal system use</p> <p>Customers are mainly IT departments</p>	<p>Utilizing IT for Business Growth and Competitiveness</p> <p>Customer touchpoints expanded to all departments of the company</p>
IT Company	<p>Contract-based IT infrastructure integration and application development</p> <p>System integration and provision of solutions in line with customer requirements</p>	<p>Complex IT offerings based on client business understanding</p> <p>Increased importance of upstream functions (consulting, data analysis, business design and marketing)</p>

To meet complex IT offering needs, upstream functions need to be strengthened

2 Increased complexity of the competitive environment due to entry from different industries



Rise of hyper-scalers and AI startups

- Cloud, generative AI and other factors are transforming IT infrastructure and system development.

As more diverse and more complex functions are required, enrichment of capability is important

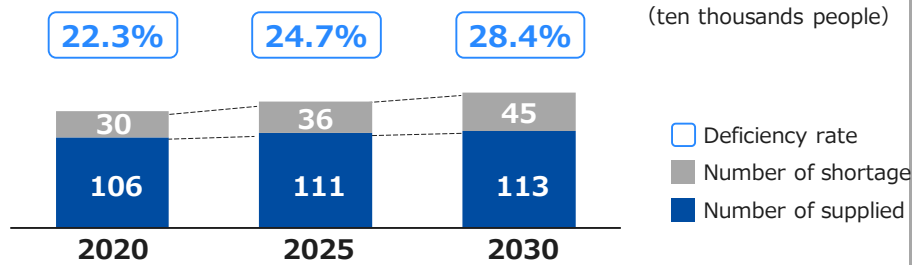
01 Enrichment of upstream functions Accelerate growth and add value by promoting M&A, etc. that contribute to strengthening functions such as consulting and data analysis

*Prepared based on information provided in each company's annual securities reports and financial results presentation materials for the fiscal years ended March 31, 2023 and 2019.

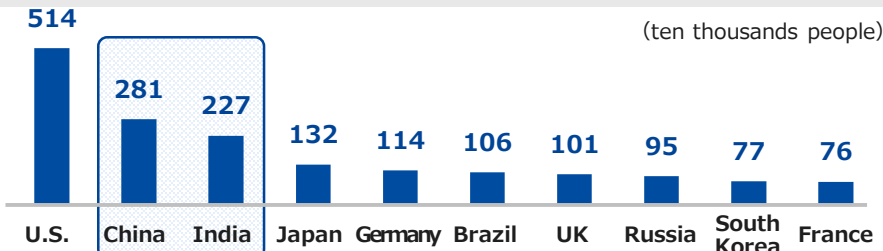
Background of TOB (3)

3 Growing shortage of IT human resources

Number of shortage of IT human resources*1



Number of IT human resources by Country in 2022*2



Demand of utilizing IT and digital technology is growing, but there is a shortage of IT human resources, and ensuring engineer resources is essential for capturing market growth

02 Ensuring engineer resources

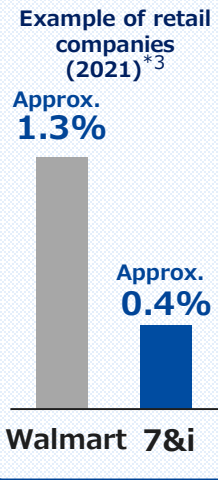
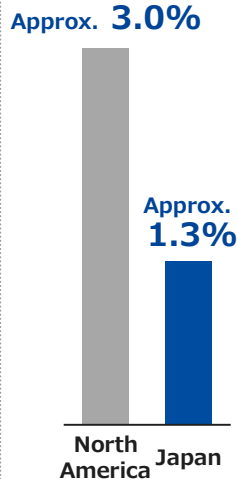
Ensuring partners in Asia to strengthen development resources

*1 From Survey on IT Human Resource Supply and Demand (Ministry of Economy, Trade and Industry/Mizuho Information & Research Institute, Inc.)

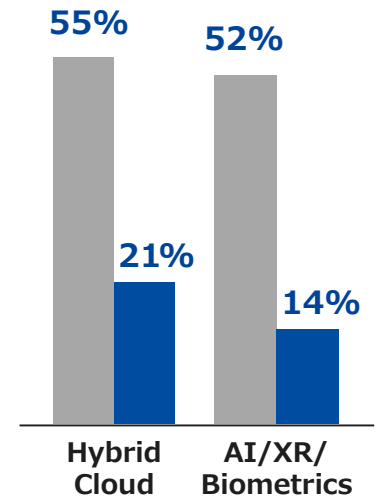
*2 From FYE2023 edition: World IT Engineer Report vol.5 in data (Human Resocia)

4 Disparity in utilizing IT and digital technology with North America

Ratio of DX investment to company sales(2021)*1



Percentage of advanced technology used(2022)*2



In addition to implementing advanced IT products and technologies, which is one of CTC's strengths, it is important to accumulate advanced case studies and knowledge

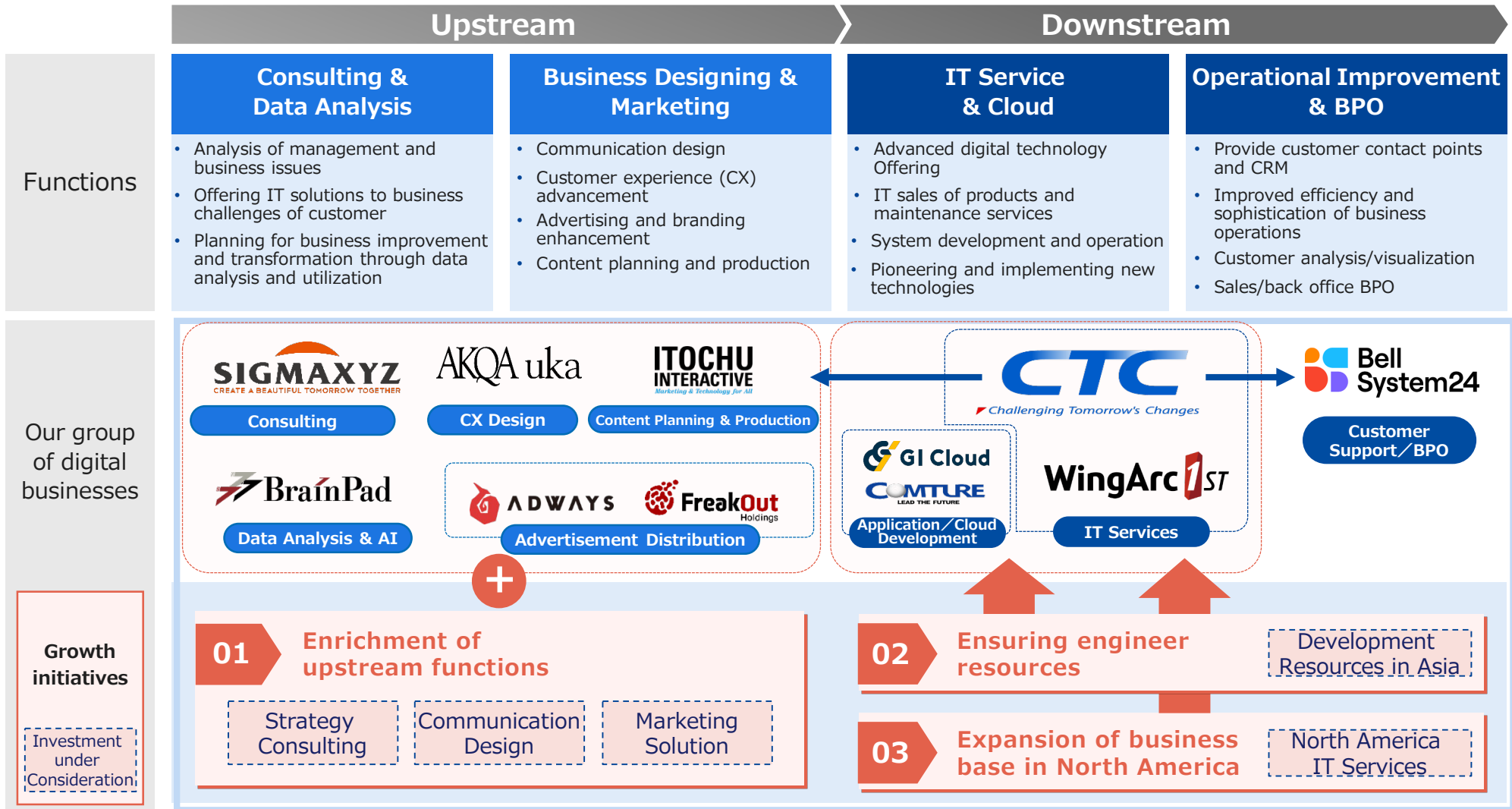
03 Expansion of business base in North America

Accumulate advanced case studies and knowledge from North American companies for the Japanese market

*1. From Nikkei Newspaper(November 4, 2022) *2. From DX White Paper 2023 (Japan: n=543, U.S.: n=386) *3. Walmart: our estimate based on "eCommerce, technology, supply chain and other" investment / 7&i: our estimate based on DX investment after April 2020

Digital Value Chain Strategy : CTC Growth Acceleration and Business Expansion

- By maximizing the use of ITOCHU's management resources, including its network and investment know-how, and by strengthening the digital value chain, CTC will accelerate its growth strategy and further expand earnings.



- Accelerate CTC's growth strategy by agile enrichment of the digital value chain.

	Aims and Measures	Sensitivity (approx.)	New Initiatives under Discussion
<p>01 Enrichment of upstream functions</p>	<p>Accelerating Growth and Higher Value Addition</p> <ul style="list-style-type: none"> Accelerate collaboration between existing our group of digital businesses with upstream functions and CTC to add value to projects New alliances with companies with upstream functions 	<p>Operating income margin Improve 1%</p> <p>Operating income Approx. +¥5 Billions</p>	<ul style="list-style-type: none"> Alliance with a leading consulting firm Alliance with marketing companies
<p>02 Ensuring engineer resources</p>	<p>Minimizing Opportunity Losses</p> <ul style="list-style-type: none"> Accelerate collaboration between existing our group of digital businesses with expertise in the application and cloud domain to expand development resources Ensure development resources in Asia 	<p>Engineers Ensure 500 engineers</p> <p>Revenue Approx. +¥5 Billions</p>	<ul style="list-style-type: none"> Alliance with IT human resource provider in Asia
<p>03 Expansion of business base in North America</p>	<p>Accumulating Knowledge in Cutting-Edge Digital Utilization</p> <ul style="list-style-type: none"> Accumulate knowledge of increasingly important utilizing IT and digital technology in addition to advanced product knowledge Acquire new technologies in areas that contribute to CTC's competitive advantage through investment in venture capital funds 	<p>Operating income margin Improve 1%</p> <p>Operating income Approx. +¥5 Billions</p>	<ul style="list-style-type: none"> Alliance with IT service providers in North America

Future Collaboration and Growth Vision (Summary)



- ITOCHU aims to maximize corporate value by responding to changes in the business environment and expanding functions, scale, and competitive advantage together with CTC through agile inorganic initiatives and strengthened collaboration with our group of digital businesses.

Collaboration Field	Collaboration and Growth Vision	Timelines			Expected Returns		
		Short	Mid	Long	Low	Medium	High
1. Enrichment of upstream functions	<ul style="list-style-type: none"> ■ Increase in high-value project acquisitions through accelerated collaboration between our group of digital businesses and CTC ■ New alliances in consulting, marketing, and other areas 						
2. Ensuring engineer resources	<ul style="list-style-type: none"> ■ Maximize development resource utilization of our group of digital businesses in the application and cloud domains ■ New alliances to ensure development resources in Asia 						
3. Expansion of business base in North America	<ul style="list-style-type: none"> ■ Discover new technologies in cutting-edge areas through venture investment ■ Accumulate knowledge of utilizing IT and digital technology through alliance with IT service providers in North America 						

In addition to CTC's growth, ITOCHU will enhance corporate value through achieving Digital Transformation by integrating "Trading company" with "IT"



DAIKEN CORPORATION

Yusuke Takasaka

Junior Executive Officer,
Chief Operating Officer,
Construction & Real Estate Division

Takashi Ozawa

General Manager,
Construction & Building Material Department

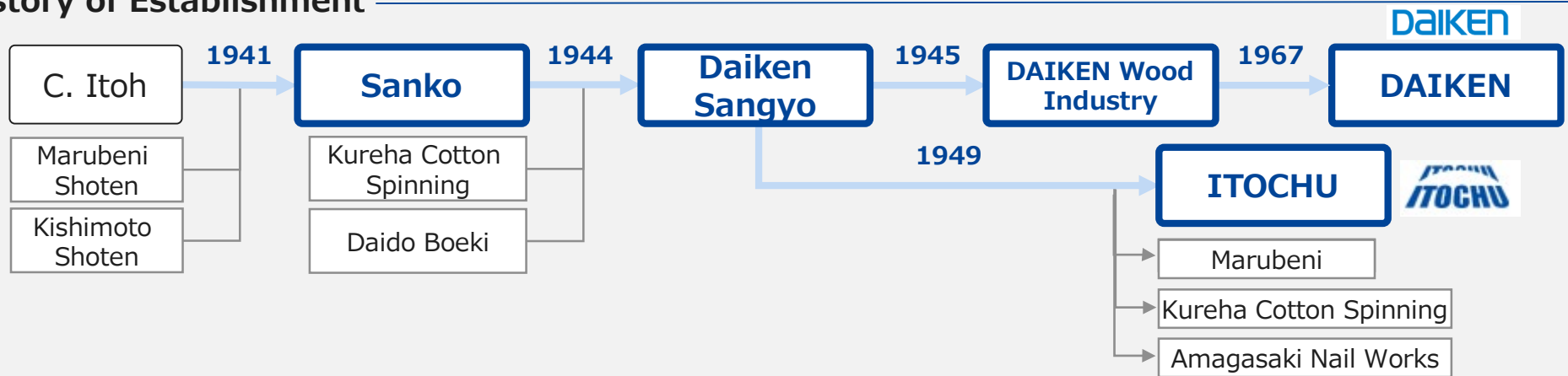


History of DAIKEN CORPORATION



- Both DAIKEN and ITOCHU, though experiencing post-war mergers and divisions, share the same origin as sibling companies.
- With a shared history, the two companies have cultivated a longstanding business and capital relationship, establishing a close bond.

History of Establishment



Business Relationships

1957	1964	1994	2019	2022
Jointly launched the insulation board (soft fiberboard) business	Participated in the housing business	Jointly launched the MDF (Medium Density Fiberboard) business	Started JVs with CIPA and Pacific Woodtech (PWT)	Acquired the north American engineered wood products business through PWT

Capital Relationships

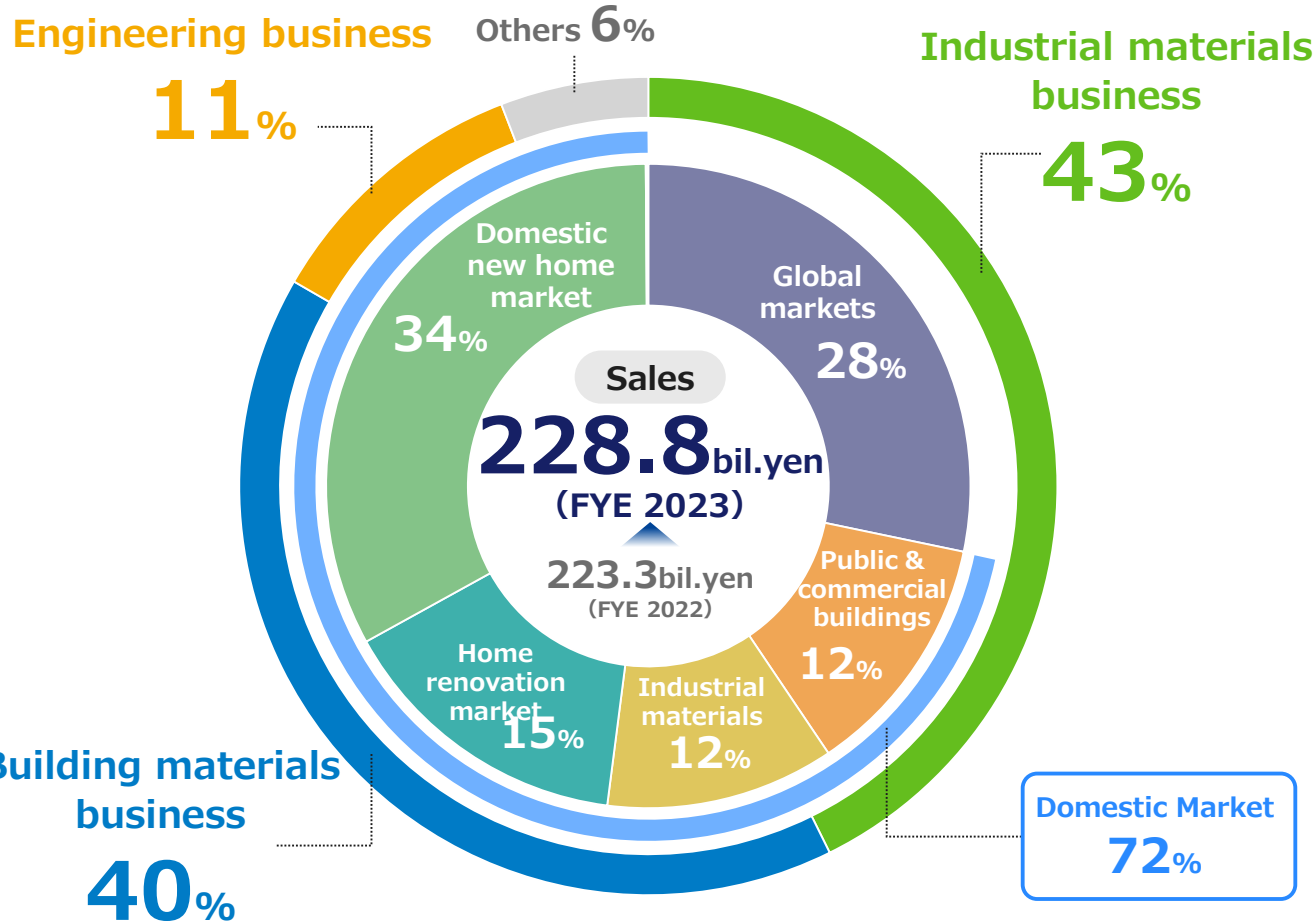
1953	2002	2018	2020	2023
Became the largest shareholder (approx. 8%)	Associated company integration (20%)	Capital and business alliance (33.4%)	Acquisition more shares in market (36.3%)	Consolidated subsidiarization (TOB) (Planned to reach 100%)

Overview of DAIKEN



- A wood interior building materials manufacturer with four main factories in Japan and seven main factories overseas. (Numbers of consolidated employees: 3,500+)
- A top market leader in wood board and flooring in Japan, leveraging strong research and development and manufacturing expertise.

Sales Composition by Business/Market



Factories	Japan
	Toyama, Okayama (also serves as a R&D center), Ibaraki, Mie
	Overseas
	New Zealand (2 factories), Malaysia (2 factories), Indonesia, China, Canada (CIPA)



Inami Factory (Toyama)

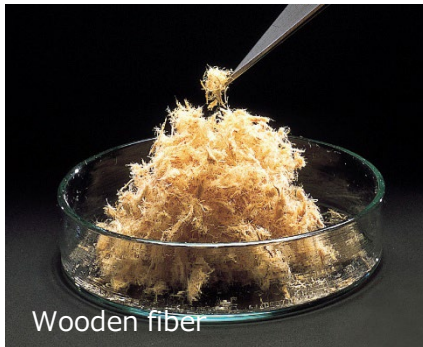


R&D Center (Okayama)

MDF (Medium Density Fiberboard)

DAIKEN holds the top domestic market share

- Wooden fiberboard using residual wood offcuts for main raw material and molded into a board
- DAIKEN's greatest strength lies in its advanced processing technology for wooden fiberboards.

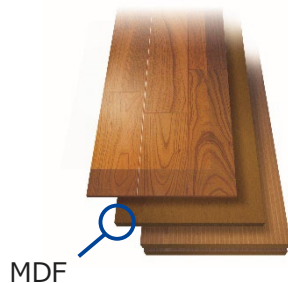


Wooden fiber

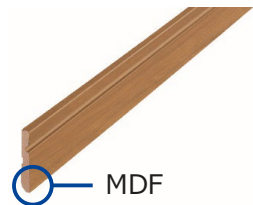


Materials for flooring

Base materials for building and furniture
(Substrate of door, storage, and window frame)



MDF



MDF

Insulation board (Soft Fiberboard)



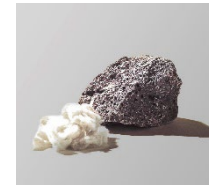
Wood chips



- Wooden fiberboard using construction demolition timber for main raw material and molded into a board
- **DAIKEN holds the top domestic market share**

DAILOTONE (Mineral fiberboard)

- Mineral fiberboard molded into a board using slag wool as a byproduct of steel



Slag wool



Ceiling materials



For houses



For offices

DAILITE (Inorganic material)

- An inorganic material molded into a board using an unused Shirasu (volcanic ash), and slag wool



Slag wool and Shirasu



Wall base materials



Base materials for house external walls

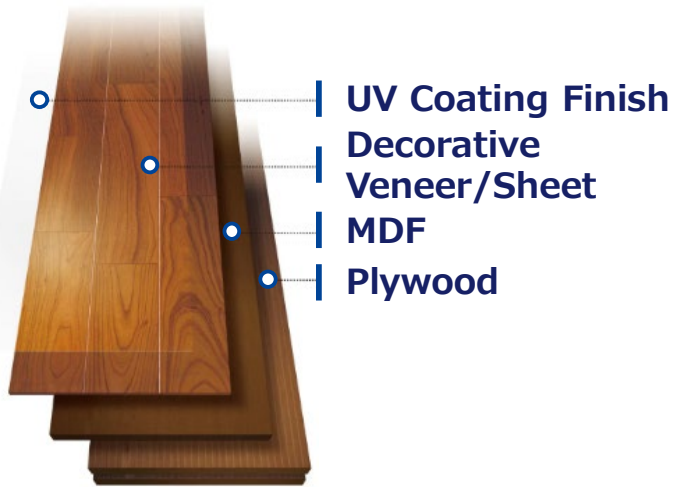
Wall materials



Non-combustible wall materials

Flooring

DAIKEN holds the top domestic market share



Door, Cabinet, Stairs, Construction materials, etc.



DAIKEN's Challenges



- The domestic new housing market is trending downward. Streamlining management is crucial for DAIKEN's main business, domestic housing, to survive in this shrinking market.
- DAIKEN is exploring next strategies in domestic non-housing market (commercial / public sectors) and overseas market (especially in North America) as focusing markets.
- ITOCHU and DAIKEN are implementing management reforms and growth strategies, utilizing ITOCHU Group's resources to address challenges.

Current Situation Assessment						Approaches to Challenges
Market	Products	Market Share	Market Growth Potential	Profit Margin		
1. Domestic Housing	Industrial / Building materials	✓✓✓	✓	✓	➔	Management efficiency optimization (Enhancing profitability and operational efficiency)
2. Domestic Non-Housing	Industrial / Building materials	✓	✓✓	✓✓	➔	Expanding sales channels Diversifying product lineup Enhancing proposal capabilities
3. Overseas	Industrial materials	✓	✓✓✓	✓✓	➔	Strengthening managerial resources overseas for business expansion

Domestic Housing

"Residual Profits"
in the "Shrinking Market"

Allocate
Acquired Cash

Domestic Non-Housing & Overseas

"Securing New Revenue Streams"
in the "Growth Market"

1. Domestic Housing [Thorough Implementation of a Survival Strategy]

Strengthening Business Foundation

- Earn:** Shifting to profit-oriented management through effective data utilization
- Cut:** Cost reduction through waste elimination
- Prevent:** Thorough enhancing risk management

&

Enhancing Capabilities

Enhance DAIKEN's capabilities such as "Product Development," "Manufacturing Strength," and "Sales Capability"

Considering consolidation of weakened competitors to capture residual profits in the shrinking market

2. Domestic Non-Housing [Expansion of Value-Added Services]

Promoting integrated material and construction solutions business for ITOCHU's developer and general contractor network

Creating a setup for integrated material and construction solutions to drive value-added business in response to customer needs

3. Overseas [Strengthening North American Business]

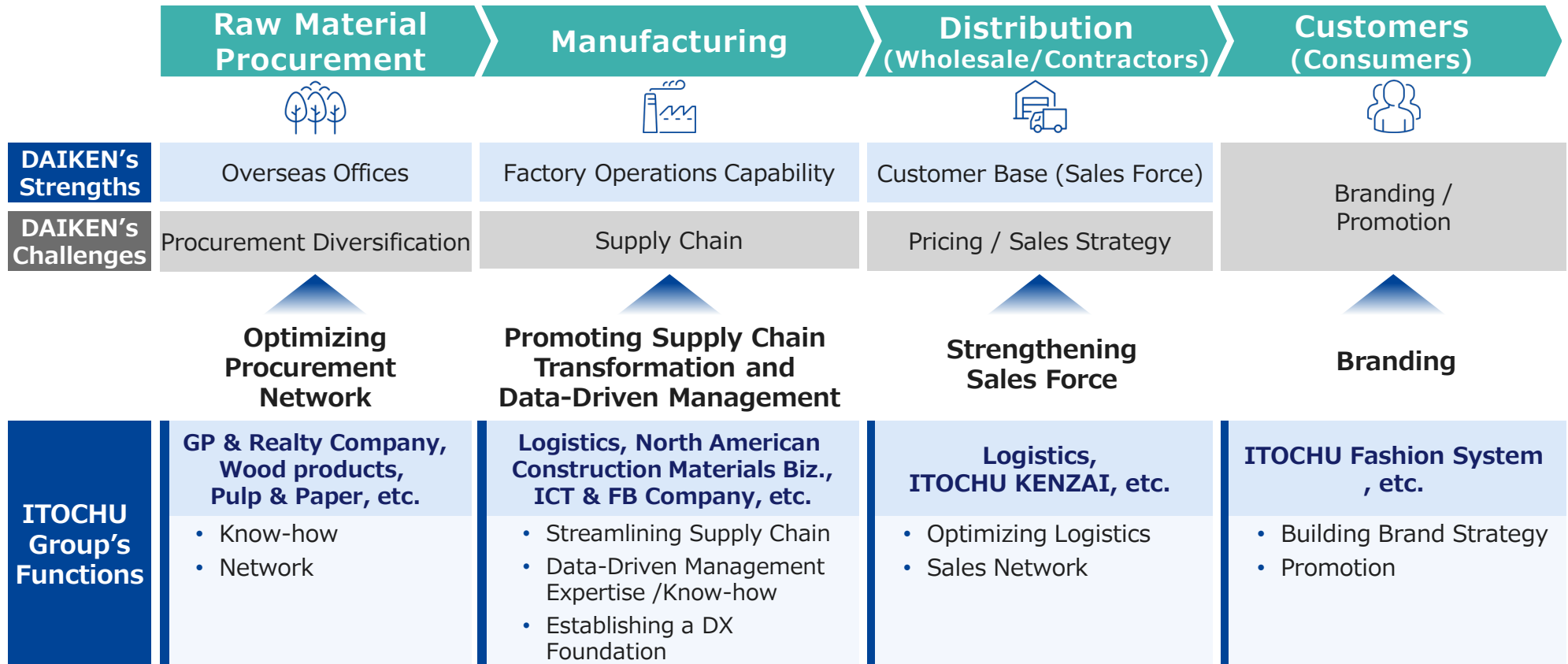
Leveraging DAIKEN's technical expertise and ITOCHU's business promotion capabilities to expand business in North America

Enhancing the value chain through entry into the wood interior materials business in North American, etc.

Thorough Hands-On Management (Increase in Dispatched Employees)

1. Domestic Housing

- Enhancing management foundation by thoroughly implementing the "Earn, Cut, Prevent" principles and enhancing capabilities leveraging ITOCHU Group's comprehensive strength.
- Exploring opportunities to capture residual profits, considering consolidation of competitors in the mature market with potential industry restructuring.



Thorough Implementation of the "Earn, Cut, Prevent" Principles / Enhancement of Capabilities

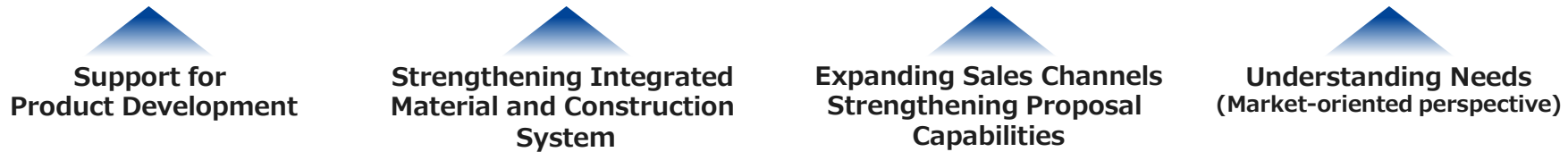
2. Domestic Non-Housing



- Utilizing ITOCHU's network of general contractors, centered on Nishimatsu Construction to understand market needs and expand sales channels.
- Strengthening the integrated system of material supply and construction through the acquisition of construction companies.



DAIKEN'S Strengths	Product Development Capability	Factory Operations Capability	Insufficient Integrated Material and Construction Capabilities	<ul style="list-style-type: none"> • Limited Sales Channels to General Contractors • Insufficient Integrated Material Supply and Construction Proposal Capabilities 	Lack of Contact Points with Customers (Deeply Understanding of Market Needs)
	Insufficient Product Lineup				
DAIKEN'S Challenges	Insufficient Product Lineup				



ITOCHU Group's Functions	Providing Information on market needs, Nishimatsu Construction's expertise and insight	Acquisition of construction companies	Network of general contractors, centered on Nishimatsu Construction	Network with developers and local governments / Understanding market needs (commercial facilities, offices, hotels, and public facilities)

3. Overseas



- Collaborating with North American construction materials businesses to jointly expand wood board business, a strength of DAIKEN.
- Leveraging DAIKEN's unique wood board products to capture demand for alternatives such as lauan plywood due to concerns for supply and price increases.



DAIKEN'S Strengths

Product Development Capability

Factory Operations Capability in Wood Board Manufacturing.

Lack of Contact Points with Customers (Deeply Understanding of Market Needs)

DAIKEN'S Challenges

Insufficient Expertise in Overseas Expansion

Insufficient Expertise in Business Management

Support for Product Development

Business Investment Know-how

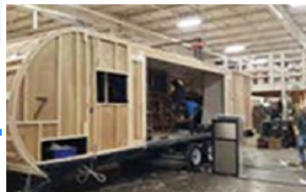
Expanding Business Domains / Sales Channels

ITOCHU Group's Functions

Providing information on market needs, Insight of North American construction materials businesses (engineered wood products)

Project sourcing, Business management (including PMI)

Network with home improvement retailers / house maker Understanding market needs



Future Collaboration and Growth Vision (Summary)



- Taking the opportunity of privatization, promoting management reforms and growth strategies by fully utilizing ITOCHU Group’s resources. Aiming to position DAIKEN as one of the key group companies in the Construction & Real Estate Division.
- Previously, profit from investees of DAIKEN was around 2 billion yen. By implementing the following measures after privatization, aiming to increase to approximately 7-8 billion yen.

Collaboration Field	Collaboration and Growth Vision	Timelines			Expected Returns		
		Short	Mid	Long	Low	Medium	High
1. Domestic Housing	<ul style="list-style-type: none"> ■ Thoroughly implementing the "Earn, Cut, Prevent" principles (especially "Cut, Prevent") and enhancing capabilities leveraging ITOCHU Group’s comprehensive strength, to capture residual profits, in the mature market 						
2. Domestic Non-Housing	<ul style="list-style-type: none"> ■ Utilizing ITOCHU’s network of general contractors, centered on Nishimatsu Construction to understand market needs and expand sales channels ■ Strengthening the integrated system of material supply and construction through the acquisition of construction companies 						
3. Overseas	<ul style="list-style-type: none"> ■ Collaborating with North American construction materials businesses to jointly expand wood board business, a strength of DAIKEN 						



Hitachi Construction Machinery

Hiroshi Ushijima

Executive Officer,
Chief Operating Officer, Automobile, Construction Machinery &
Industrial Machinery Division

Masahiko Yoshikawa

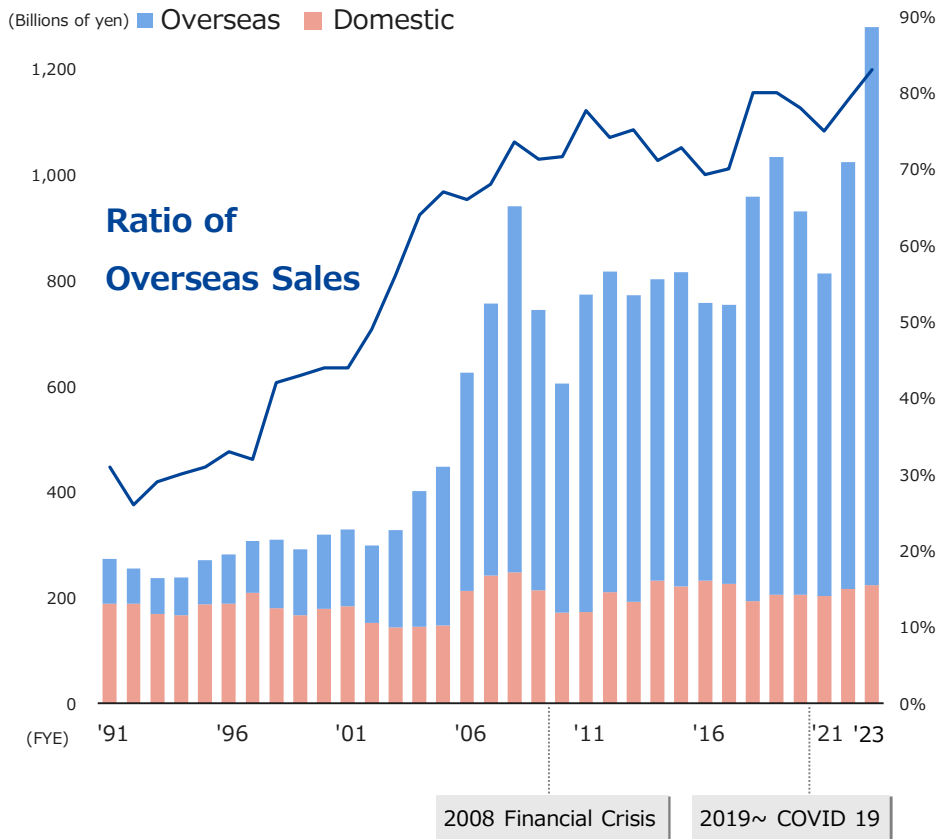
General Manager, Construction Machinery &
Industrial Machinery Department



Overview of Hitachi Construction Machinery (Strength and Growth Strategy)

- Hitachi Construction Machinery has been executing their strategies for global expansion leveraging brand strength with its world's top-class market such as hydraulic excavators.
- In addition to strengthening its mining and value chain business, Hitachi Construction Machinery now focus on Americas (North, Central and South America) regions where they aim for potentials for further growth.
- In FYE 2024, the sales is expected to ¥ 1.36 trillion and the consolidated net profit is expected to a record high of ¥ 98 billion.

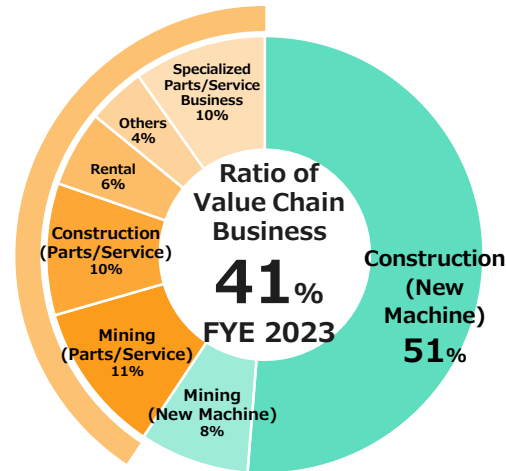
Domestic/Overseas Sales Ratio



Sales Portfolio

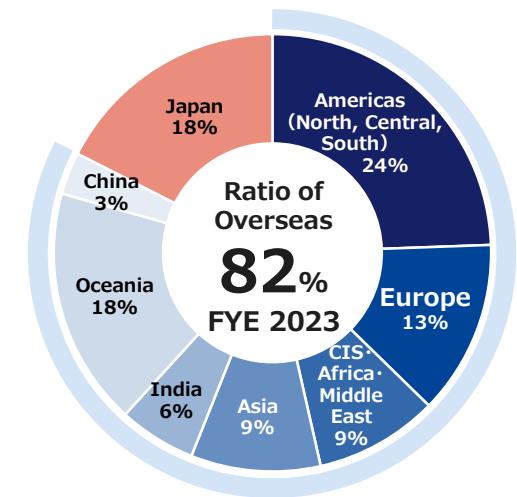
By Segment

Ratio of Value Chain Business



By Regions

Ratio of Overseas



Ratio of Value Chain Business

FYE 2026 Target:
over 50%

Purpose of the Capital Alliance / Collaboration Policy

- A rise in downstream businesses, in collaboration with Hitachi Construction Machinery which has a policy of enhancing its value chain businesses.
- Besides the conventional approach as a dealer, ITOCHU provides various functions as a “business partner.” (Expansion of downstream business including financing, used equipment sales, and repair/maintenance etc.)
- Not only collaboration in North America which is the most important market, but also accelerate collaboration in other markets like Central and South America or Africa, which have significant potential.

Business Portfolio

New Machinery Sales

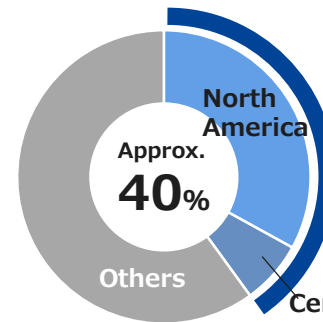


Value Chain Business

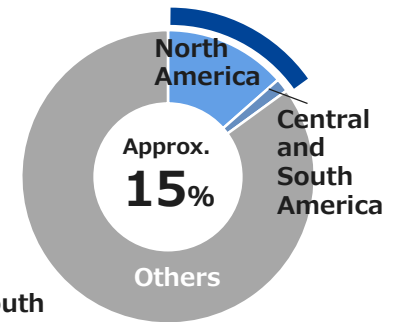


Opportunity in American Market (FYE 2023) (North America, Central and South America)

Global Construction Machinery Market



Hitachi Construction Machinery Sales by Regions



Comparison of Hitachi Construction Machinery with Komatsu Sales in North, Central and South America

(Billions of yen)

1,000

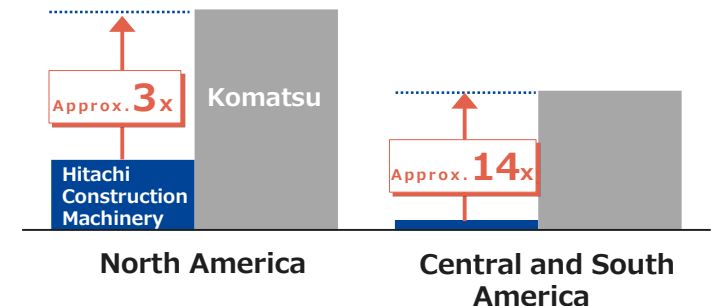
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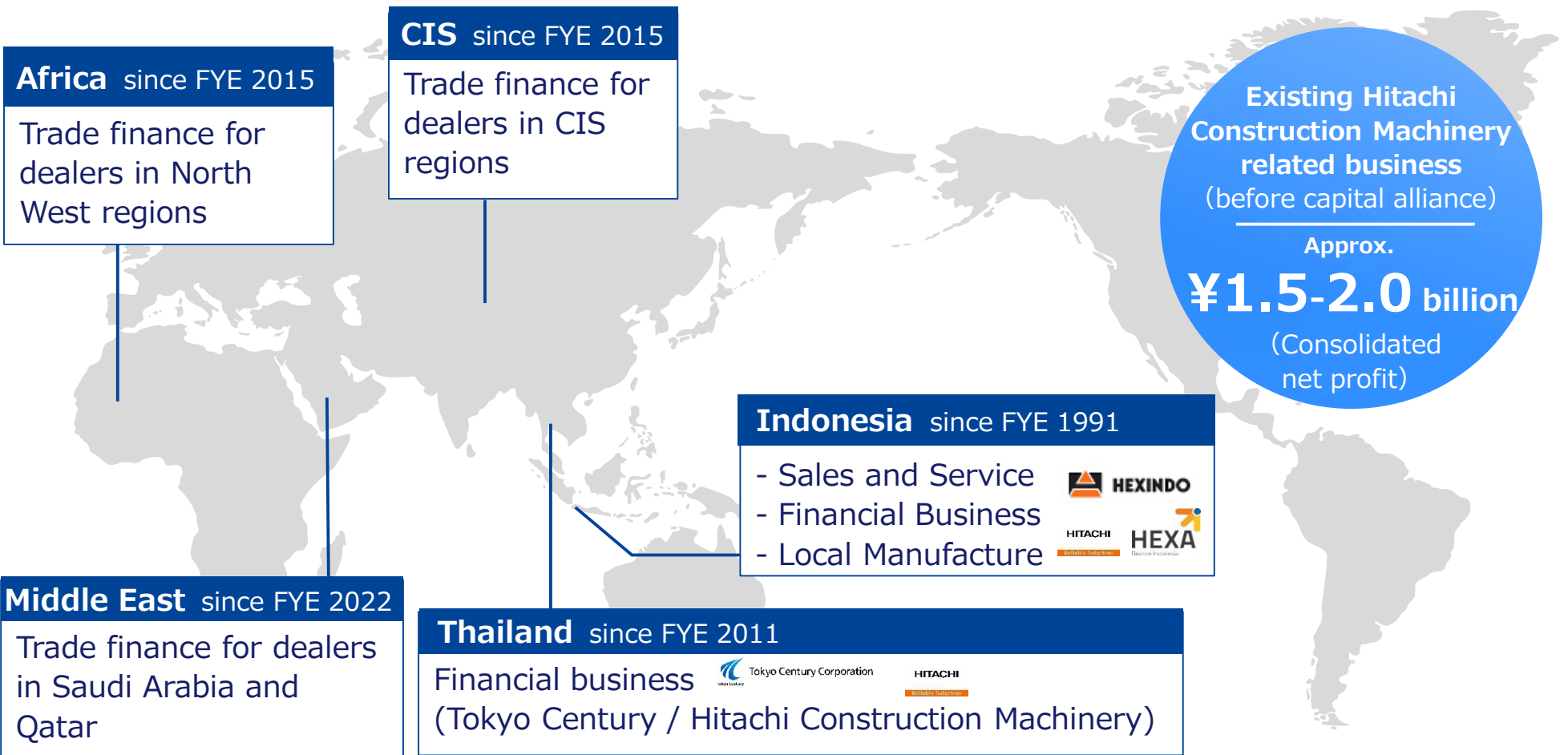
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History of Collaboration with Hitachi Construction Machinery and ITOCHU Group

- Expanded businesses with Hitachi Construction Machinery through trade business and establishment of joint ventures since 1990s.
- 30 years of collaboration in the fields of manufacturing, sales, and finance in Indonesia.
- Established achievement of trade business for Africa, Middle east, and CIS regions.



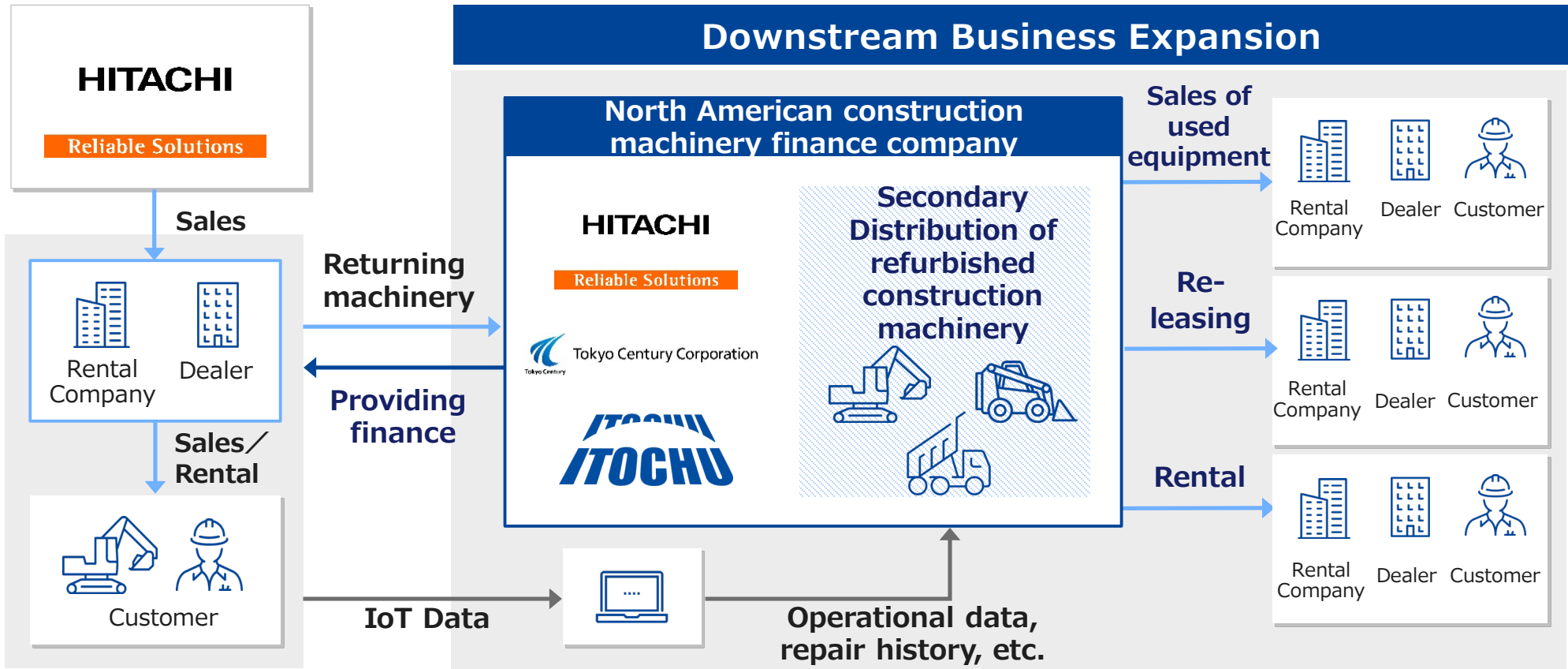
Major Projects after Capital Alliance



Collaboration Field	Overview
<p>1. Finance</p>	<ul style="list-style-type: none"> As a first round of collaboration after capital alliance, Hitachi Construction Machinery, Tokyo Century, and ITOCHU established North American construction machinery finance company which accelerated more collaborations in North American business. (since August 2023) <div data-bbox="1514 332 2018 615" data-label="Image"> </div>
<p>2. Logistics & Sales channel expansion</p>	<ul style="list-style-type: none"> Utilize customer network and logistics function of ITOCHU group to support building sales channels. Plan to share the customer network and the service system, and also utilize the online sales channel of Multiquip, which covers more than 5,000 rental companies in North America. <div data-bbox="1541 691 2001 982" data-label="Image"> </div>
<p>3. Electrification</p>	<ul style="list-style-type: none"> Starting from European Market, collaborate on constructing the surrounding environment for development and spread of electric construction machinery, which contributes to decarbonization of the entire construction machinery industry. <div data-bbox="1514 1082 2001 1332" data-label="Image"> </div>

1. Finance (A First Round of Collaboration with ITOCHU Group)

- In the North American market, approximately 90% of the customers use financing menus to purchase construction machinery from dealers. A captive finance company with rapid financing investigations and competitive financing is essential.
- Aiming for acquiring secondary profit including resale or re-lease the used equipment once returned from customer in the value chain business.



2. Logistics & Sales Channel Expansion - Expected Roles of ITOCHU Group

- Leverage ITOCHU's diverse customer contacts to contribute to increased sales of products of Hitachi Construction Machinery, including general construction machinery and mining machinery.
- Expand sales channels using ITOCHU's network. Expand sales of light construction equipment by utilizing Multiquip's sales channels for rental companies, support sales of mining machinery to interests owned by the Metals & Minerals Company, etc.
- In the future, develop successful cases in sales and financing fields in North Americas and Indonesia to other regions.

An Idea of Collaboration with Multiquip

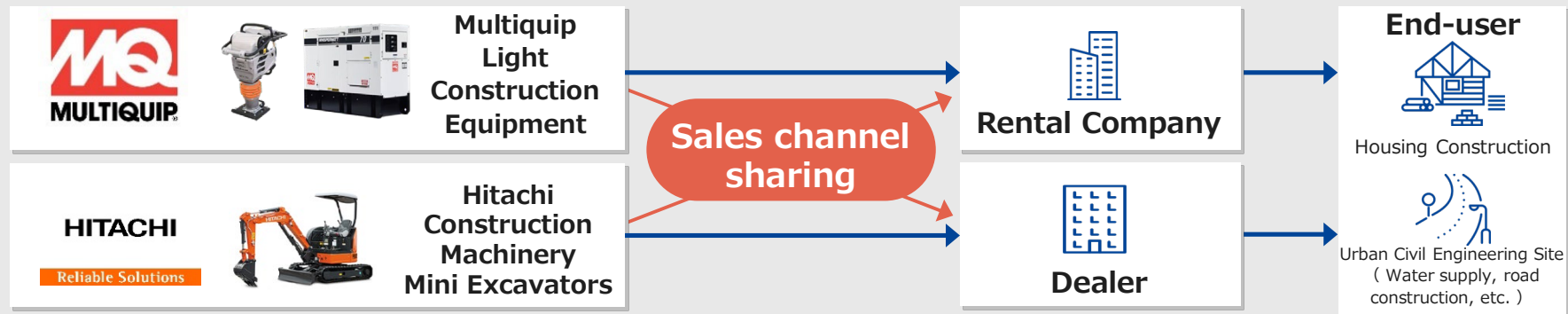
Multiquip's strengths, with a market share of over 40% in the North American light construction equipment sector

Sales channel for rental companies
(Worked with almost all rental companies)

Manufacturing function along with sales
(Strengths in maintenance and other services)

Next-generation services using IoT
(Preventive maintenance)

Expansion of sales of Hitachi Construction Machinery's mini excavators by utilizing Multiquip's sales channels and sharing maintenance functions



3. Electrification - Expected Roles of ITOCHU Group

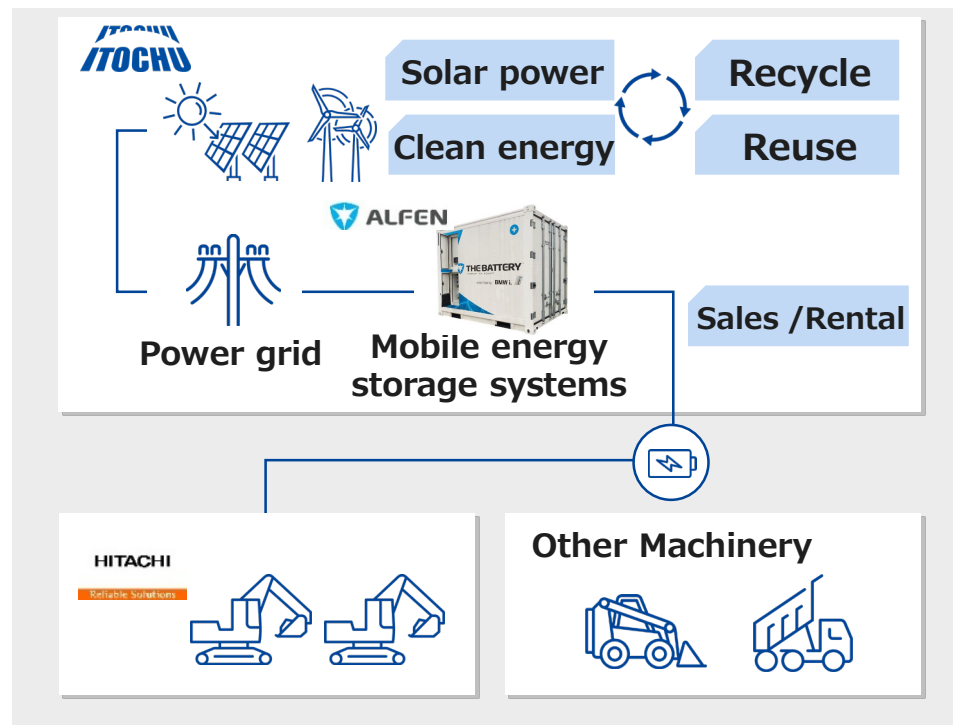


- Started sales and rentals of mobile energy storage manufactured by Alfen (Netherlands). Provide energy storage system which is a key for widespread adoption in the European market, where demand for electric construction machinery is high.
- Plan to collaborate with the Energy & Chemicals Company on the use of renewable energy and battery recycle/reuse.
- Plan to expand into the North American and Japanese markets, etc., in the future utilizing our know-how in the European market.

■ Mobile energy storage systems supplying power to battery-powered excavators



■ Operations at sites where electric construction machinery is used



Future Collaboration and Growth Vision (Summary)



- Focus on creating more strategic collaboration projects with Hitachi Construction Machinery besides the conventional approaches as a dealer.
- Aim for expansion of business and profit increase of each other as a business partner. (win-win relationship)
- Consolidated net profit of construction machinery-related business for FYE 2024 is expected to achieve over ¥15 billion, aiming for over ¥20 billion in the future.

Collaboration Field	Collaboration and Growth Vision	Timelines			Expected Returns		
		Short	Mid	Long	Low	Medium	High
1. Finance	<ul style="list-style-type: none"> ■ Expand finance and rental businesses in North America ■ Provide financial services in Central and South America etc. 						
2. Logistics & Sales channel expansion	<ul style="list-style-type: none"> ■ Share Multiquip's customer network and service system ■ Optimize and reduce the cost of logistics between Japan and North America, and land logistics within the United States 						
3. Electrification	<ul style="list-style-type: none"> ■ Propose solutions for electrification ■ Plan to expand into the North American and Japanese markets, etc., in the future utilizing our know-how in the European market 						



ITOCHU SDGs STUDIO

Tokuko Metani

General Manager, Corporate Brand Initiative



Background of ITOCHU SDGs STUDIO Establishment



ITOCHU Group
Corporate Mission



In our medium-term management plan "Brand-new Deal 2023", we set forth a basic policy to enhance our contribution to and engagement with the SDGs through business activities. We opened ITOCHU SDGs STUDIO in April 2021 as an information sharing hub to communicate and raise public awareness of various SDGs initiatives.



World's top model Ai Tominaga serves as an evangelist in an effort to bolster our communication capability to various audience.



The gallery space is lent out free of charge to organizations and individuals engaged in activities related to SDGs.



Established a permanent recording booth for radio shows and social media platforms as an information hub for SDGs activities.

Contribute to a sustainable society by supporting various SDGs initiatives of not only our own but of other efforts around the world as well.

Main Exhibitions and Events

- “World Food Day” related exhibition
- “World Oceans Day” related exhibition
- “CHILD FOR A DAY” exhibition
- “International Women's Day” related online events
- “World Children's Day” related exhibitions and classes
- Online classes for junior high school students
- J-WAVE Radio Program
“ITOCHU DEAR LIFE, DEAR FUTURE”

Host Organizations etc.

Ministry of Agriculture, Forestry and Fisheries

WWF Japan

Kodomo no Shiten Labo

JOICFP (Japan-based international NGO)

Children Without Borders / Euglena Co., Ltd.

Save the Children Japan

Various famous guests invited each month

“CHILD FOR A DAY” exhibition



A long waiting line of exhibition visitors

Temporary exhibition at the Children and Families Agency

Three location online recording hosted by J-WAVE



An online interaction was held with attendance of elementary school students from Shiga Prefecture, Aoyama (Tokyo), and London (SDGs education program)



GALLERY



RADIO STATION



DOME

Evolved into an integrated facility that attracts an estimate of 180,000 visitors annually, providing opportunities to educate and raise awareness of the next generation, in addition to promoting ITOCHU Group products.

Hoshi no Kitchen restaurant / KIDS PARK / Project Exhibition / Radio show etc., it provides opportunities to encounter SDGs through people's daily lives.



**Hoshi no Kitchen
restaurant**



**"CHILD FOR A DAY"
Cafe**



**KIDS PARK
(indoor playground)**

Visitors and Media Exposure of ITOCHU SDGs STUDIO



ITOCHU SDGs STUDIO opening **Expanding touchpoints with consumers**

Apr/2021

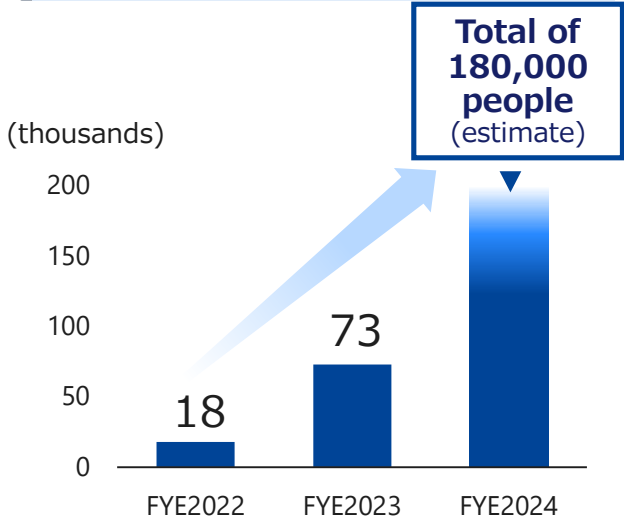
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Apr/2023

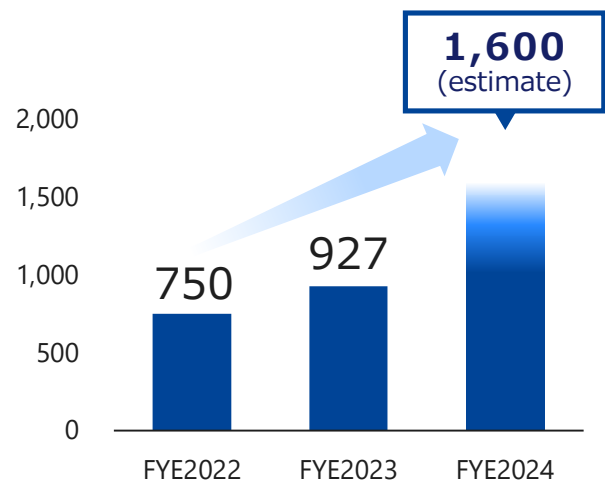
Jul/2023



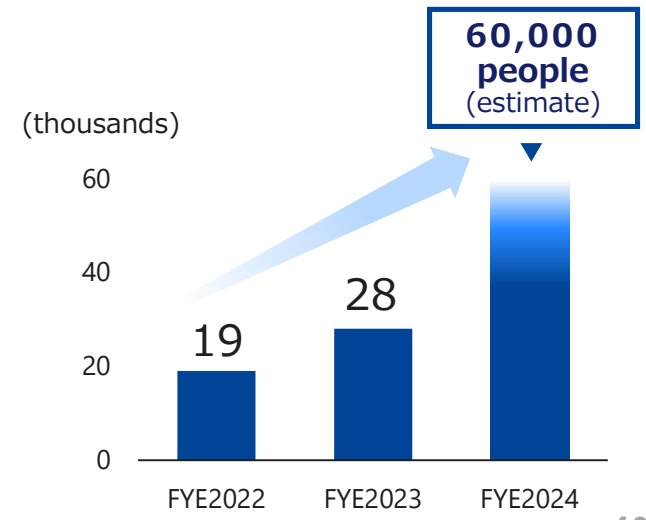
Visitors



Instances of media exposure



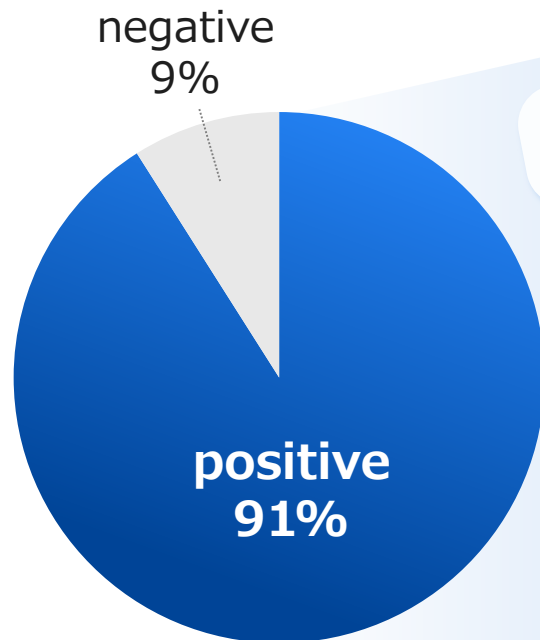
Official social media account followers



Summary of Social Media Response

- Over 90% of the comments regarding our social media posts about ITOCHU SDGs STUDIO have been positive for the past two years.
- Influencers and media accounts have posted about our facility of their own volition. It spreads through social media and other platforms, transforming into a popular facility.

Data for the past 2 years



A post by the media account with approximately 470,000 followers

A post by the media Account with approximately 140,000 followers

Example of posts



fashionsnapcom

*English translation of the original post:
[New Spot] ITOCHU Corporation has opened the "ITOCHU SDGs STUDIO," a communication hub for SDGs, within the ITOCHU Garden on their Tokyo headquarters premises. In the "Ethical Convenience Store" established inside the facility, various products related to SDGs, ranging from apparel to cosmetics, food, and miscellaneous goods, are being proposed under the direction of Ash Bé France. The exhibition and photography space is available for free to organizations engaged in SDGs. The interior design was handled by Joe Nagasaka of Schemata Architects.



ふらいと(今西洋介)@小児科医・新生児科医
@doctor_nw

*English translation of the original post:
The "CHILD FOR A DAY Cafe" in Minato-ku, Tokyo, which opened in April, is gaining attention. The impact of the 21kg head and the 19kg school bag, calculated based on an adult's weight, is quite remarkable. Some parents are even adjusting their approach to their children's behavior after experiencing the "child's eye view" and trying not to get angry too often.

Collaboration in Multifaceted Branding



Mass marketing
(Late 30s and over)

Newspaper ads



TV commercials



influx

Owned media
(All ages)

Shonin of the Earth
(corporate PR magazine)
Approx. 150,000 copies/year



Corporate branding website

Approx. 8 million views/year



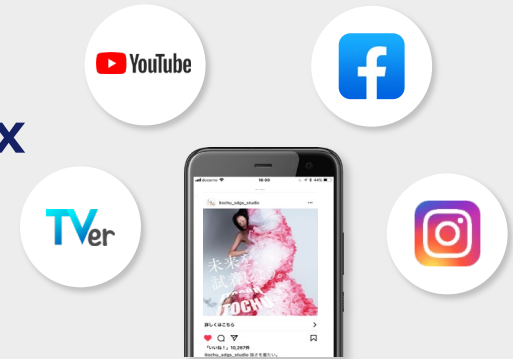
Official Instagram account

Approx. 40,000 followers
*As of Sep. 2023



influx

Online/social media advertisement
(20s-early 30s)



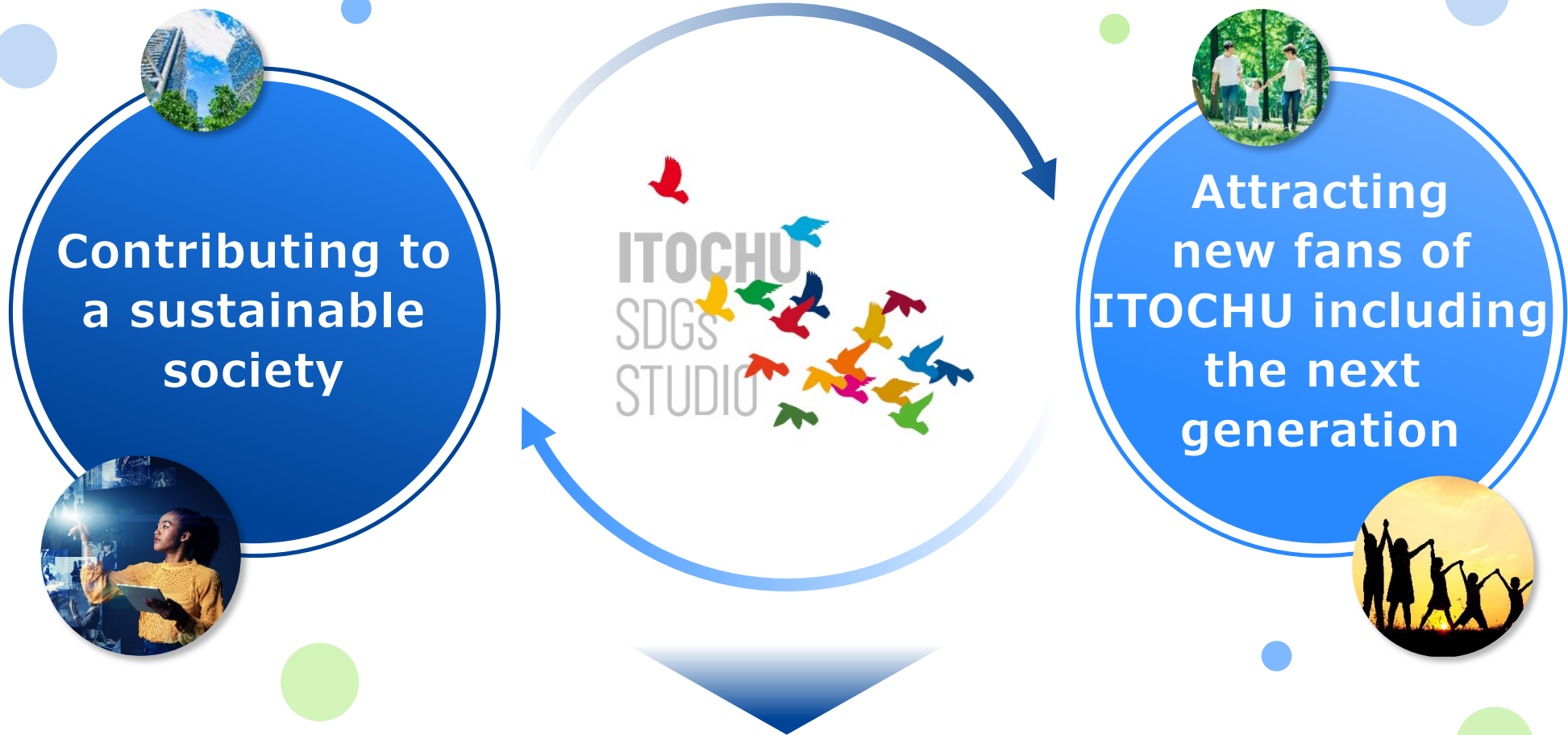
influx

Recruitment PR

Jobseekers who are interested in ITOCHU

Combining the use of media and facility for consumer touchpoints

ITOCHU SDGs STUDIO
(Total of 180,000 visitors/year)



Contributing to enhance corporate value with a focus on the next generation

I am One with Infinite Missions



www.itochu.co.jp/