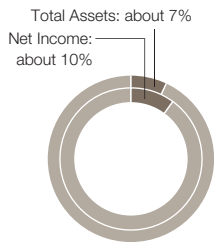


Textile Company

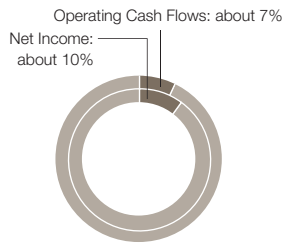
Pursuing value-added propositions for our customers is a reason for our competitiveness.
We will continue to strengthen strategic alliances with leading partners and create new businesses.

Overview

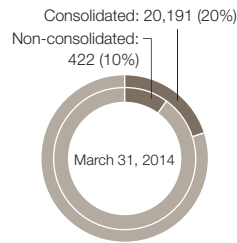
Percentage of Total Consolidated Assets and Total Net Income Attributable to ITOCHU (image)



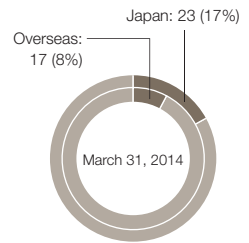
Percentage of Total Consolidated Operating Cash Flows and Total Net Income Attributable to ITOCHU (image)



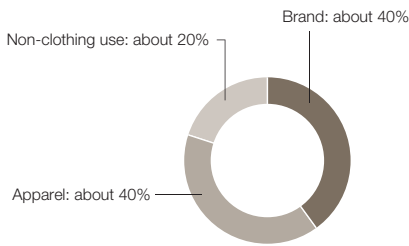
Percentage of Total Employees



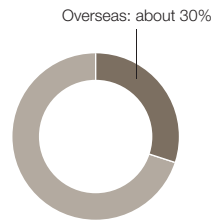
Percentage of Total Number of Subsidiaries and Affiliated Companies



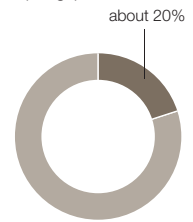
Composition of Company Earnings by Consolidated Segment (image)



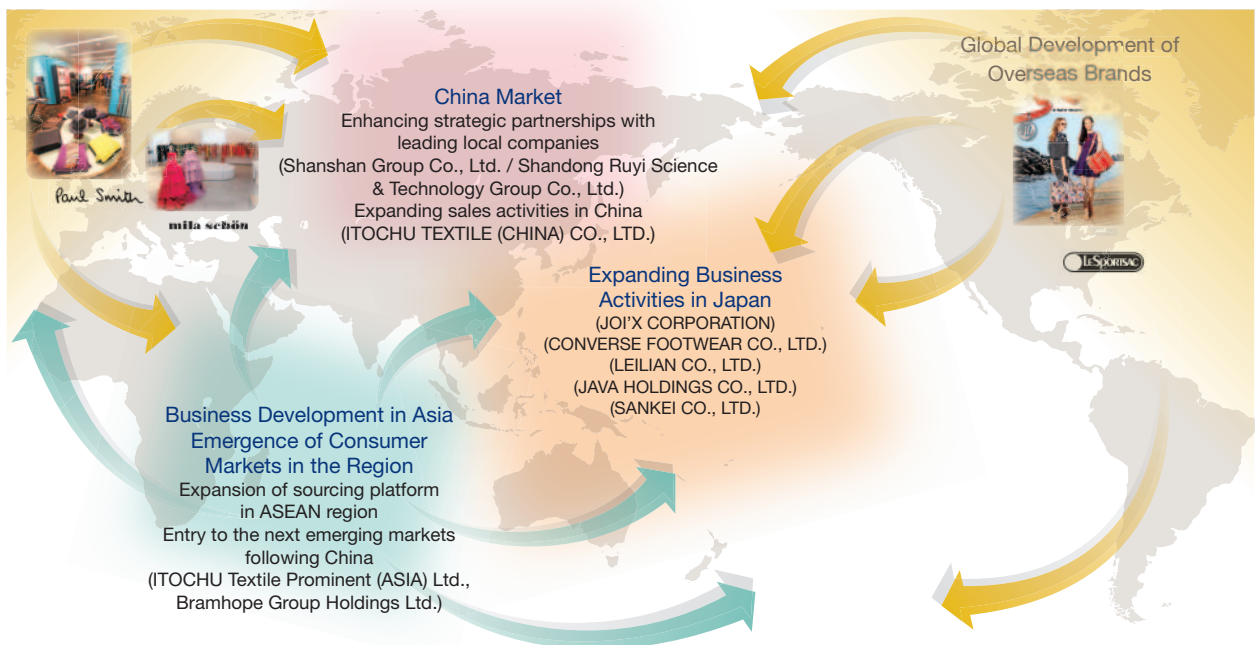
Company Percentage of Earnings from Overseas Businesses (image)



Percentage Contribution of Non-consolidated Trade Earnings to Net Income Attributable to ITOCHU (image)



Business Portfolio



Organization



President, Textile Company

Hitoshi Okamoto



Overview of Fiscal 2014

Trading income decreased by 12.3%, to ¥29.2 billion, due to the absence of an extraordinary gain on reversal of expenses in the previous fiscal year, although contribution from the European apparel manufacturing and wholesaling business we acquired in the previous fiscal year increased transaction

volume involving textile raw materials for China. Net income attributable to ITOCHU expanded 3.9%, to ¥32.5 billion, as the positive impact of higher dividends received and a rise in net gain on investments—net despite a decrease in trading income.

Business Results

	Billions of Yen				
Years ended March 31	10	11	12	13	14
Trading income	¥ 21.2	¥ 21.6	¥ 25.2	¥ 33.3	¥ 29.2
Equity in earnings of associated companies	8.0	5.9	5.9	12.6	11.7
Net income attributable to ITOCHU	22.4	15.3	24.4	31.2	32.5
Total assets	417.4	406.4	433.4	486.8	504.5
ROA (%)	5.8	3.7	5.8	6.8	6.5

Net Income (Loss) from Major Group Companies

	Billions of Yen				
Years ended March 31	10	11	12	13	14
ITOCHU Textile Prominent (ASIA) Ltd.*	¥0.5	¥0.0	¥ 1.0	¥1.1	¥2.0
ITOCHU TEXTILE (CHINA) CO., LTD.	0.9	0.8	1.1	1.3	1.2
JOI'X CORPORATION	0.1	0.5	(0.3)	1.3	1.3

* 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 the former Textile Material & Fabric Division. As a result, profit for the period of the fiscal years ended March 31, 2013 and 2012 includes these companies' profit.

MESSAGE FROM THE DIVISION COMPANY PRESIDENT

We will pursue further earnings growth by continuously accelerating our pursuit of downstream strategies and accumulating superior assets.

Focuses for Fiscal 2015

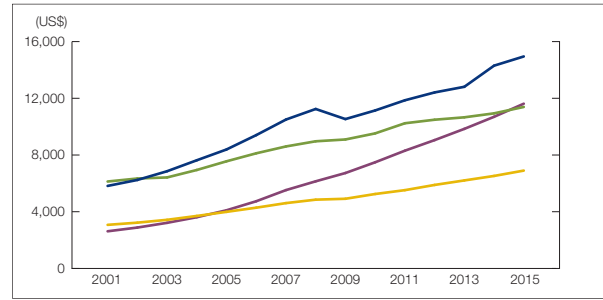
In fiscal 2015, the second year of "Brand-new Deal 2014," we will cultivate high-value-added business in the Japanese market. At the same time, we will work to expand business with global customers by reinforcing production systems that link China and other parts of Asia, as well as stepping up overseas brand development in Asia and other regions. As a result, we will integrate units, domestic and overseas operating companies, and overseas subsidiaries on hybrid initiatives that organically link multiple functions, such as raw materials, planned production, branding, and distribution,

thereby promoting downstream strategies globally. Furthermore, through moves such as the sponsorship agreement we have concluded with the Edwin Group, we will make an aggressive approach to accumulate new superior assets that will enable us to expand our business portfolio both domestically and internationally. Through steady progress on these measures, we will reinforce our industry presence as a leading customer-oriented marketing company and firm up the Textile Company's earnings platform, playing a key role in the consumer-related sector.

Growth Opportunities and Risks for the Textile Company

The Japanese consumer market, which has continued to shrink in recent years, has regained its momentum thanks to an economic recovery. Whereas yen depreciation is weighing down the textile industry's import earnings, the improvement of consumer sentiment is expected to lift overall apparel demand. Overseas, rising living standards in China and other Asian countries are increasing their attractiveness as consumer markets. In other emerging countries, too, with resurgent economic growth swelling the purchasing power of a growing middle class, we expect consumption to grow more diverse and anticipate increasing sales opportunities for high-value-added products.

Per-Capita GDP in Key Emerging Market Regions (Purchasing Power Parity Conversion)



Source: International Monetary Fund, World Economic Outlook Database, April 2014
 * Indonesia, Malaysia, the Philippines, Thailand, and Vietnam

Strengths for Leveraging Opportunities

- A firm position in the textiles industry, only Japanese general trading company to maintain the textile business as an independent segment
- Operations covering all aspects of textile industries, from raw materials / fabrics to garment manufacturing, brands, and industrial materials
- A highly efficient management foundation achieved by proactively replacing our asset portfolio



Medium- to Long-Term Growth Strategies

Rapport and Reach

The Textile Company has inherited the original business of ITOCHU.

Our scope of business covers the entire area of lifestyle categories, and, as a customer-oriented marketing company, we have developed businesses that cover the entire textile industries, from raw materials / fabrics to garment manufacturing, brands, and industrial materials.

In Japan, we are continuously improving our high-value-added production in order to meet consumers' needs. In the retail area, we are also focusing on expanding our business domain, as well as strengthening life & healthcare businesses.

We are also concentrating on brand development in China, countries in the ASEAN region, the Middle East, and Latin America, where consumer markets are expected to expand. Furthermore, we will enhance our production capabilities across Asia to meet our global customers' needs.

CSR at the Textile Company

A marketing company that adopts a social perspective

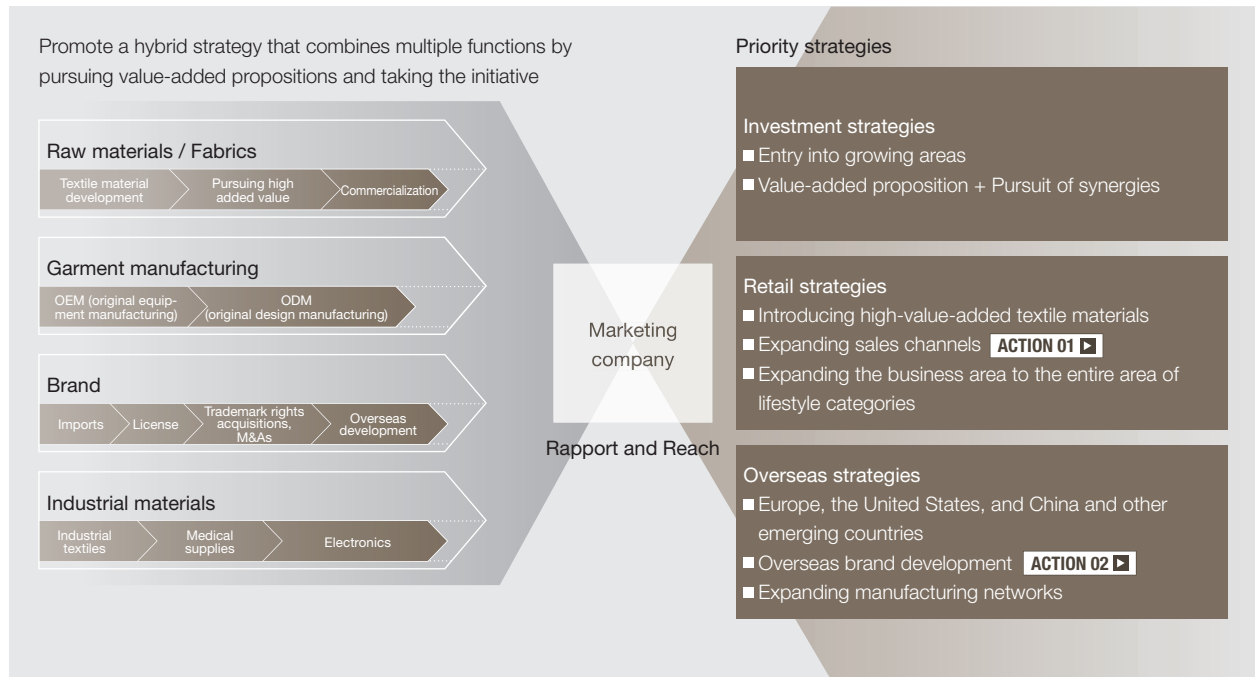
The Textile Company places a high priority on further improving the safety of its products and services as well as customer satisfaction. It is promoting sustainable manufacturing that takes full account of labor customs in the supply chain and the environment in its global setup for production at the most suitable sites worldwide, which supports the manufacturing at the heart of the Textile Company.

CSR Initiatives through Our Business Activities

Pre Organic Cotton Program	
Company value	Social value
Create added value by branded textile materials and establishment of traceability	Reduce environmental damage, health hazards, and economic burdens on farmers caused by agrochemicals and chemical fertilizers
Supporting Biodiversity Preservation Initiatives at HUNTING WORLD	
Company value	Social value
Develop environmentally savvy customers through an environment-conscious brand business	Protect endangered species and biodiversity preservation activities

For details on CSR activities at the Textile Company, please visit our website
<http://www.itochu.co.jp/en/csr/activities/textile/>

Medium- to Long-Term Growth Strategies

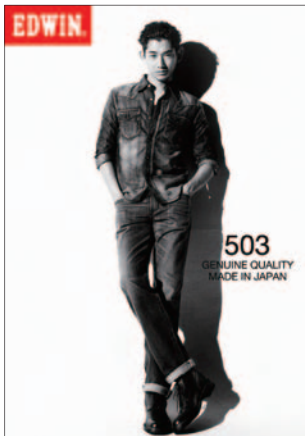


ACTIONS

Initiatives to Implement Our Growth Strategies

ACTION 01

ITOCHU Concludes a Sponsorship Agreement with the Edwin Group



"EDWIN"

ITOCHU has concluded a sponsorship agreement to acquire the Edwin Group (hereinafter "the Group"), Japan's largest manufacturer and distributor of jeans, as a subsidiary. The Group is well known for manufacturing and distributing its own EDWIN and SOMETHING labels, for which it enjoys strong nationwide recognition. It also holds licensing rights to the leading North American jeans

brands Lee and Wrangler. The Group has established a strong position as the market leader by building a unique business model which integrates the entire process from planning and manufacturing to distribution, backed by advanced product development capabilities. Through its long-term business relationships, ITOCHU has contributed to the Group's development in various ways, leading up to this agreement. While respecting the Group's traditions and distinctiveness, we will work to reinforce its mainstay jeans business, further strengthen relationships with existing customers, and cultivate new markets including overseas. As a result, we intend to enhance the Group's corporate value and expand its business.

ACTION 02

ITOCHU Invests in ASF LIMITED, an Affiliate of Hong Kong's Fenix Group Holdings

Rising living standards in the emerging countries of Asia and the Middle East are prompting greater demand for branded products. Against this backdrop, we have acquired a 30% stake in ASF LIMITED, an affiliate of Hong Kong's Fenix Group Holdings, a holding company that operates various businesses including the Italian luxury women's fashion brand ANTEPRIMA in various countries, and the retail operations of brand products in countries such as Hong Kong and China. By taking advantage of the experience and expertise cultivated in the brand business over many years, ITOCHU will manage to expand the ANTEPRIMA licensing business in Japan. Also, by combining the pan-Asian network operated by ITOCHU and ITOCHU Textile Prominent (ASIA) Ltd. with Fenix's sales channels and retail know-how in China and other Asian countries, we will strive to expand existing brands into Asia. We also look forward to generating various synergies, such as jointly introducing new brands throughout Asia.



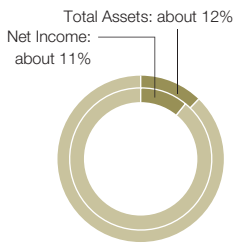
"ANTEPRIMA"

Machinery Company

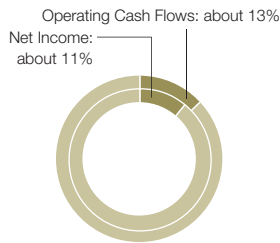
We will work to reinforce earnings by promoting aggressive investments in superior projects and further expanding the trade business.

Overview

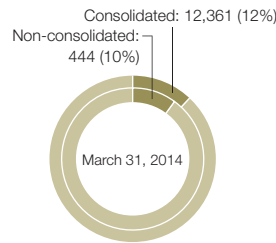
Percentage of Total Consolidated Assets and Total Net Income Attributable to ITOCHU (image)



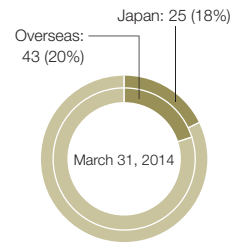
Percentage of Total Consolidated Operating Cash Flows and Total Net Income Attributable to ITOCHU (image)



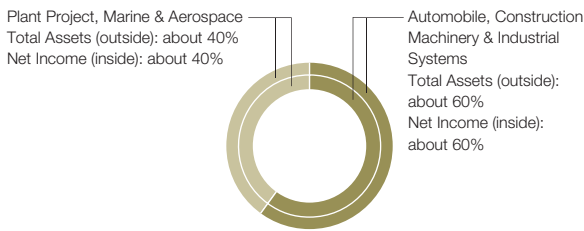
Percentage of Total Employees



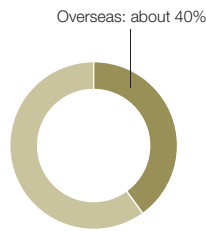
Percentage of Total Number of Subsidiaries and Affiliated Companies



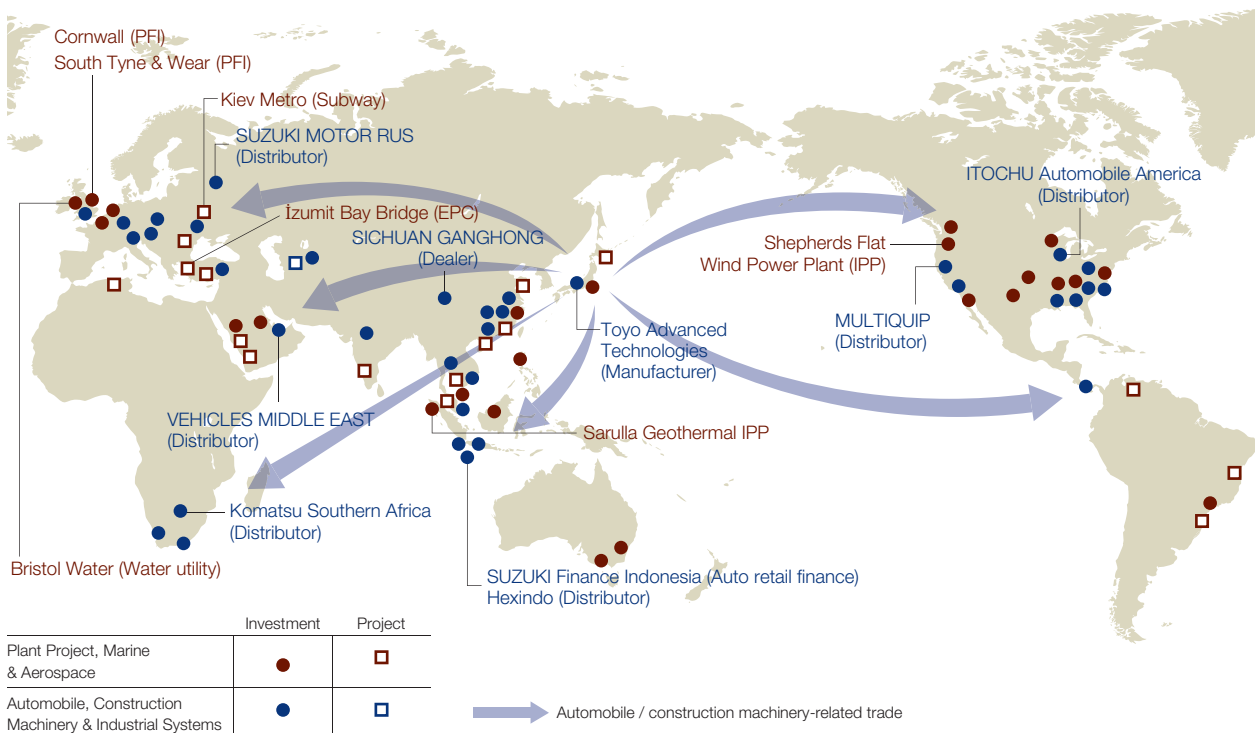
Company Composition by Consolidated Segment (image)



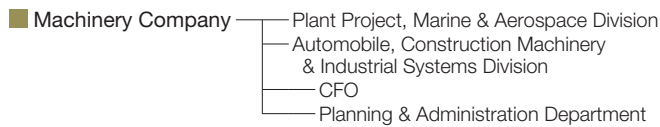
Company Percentage of Earnings from Overseas Businesses (image)



Business Portfolio



Organization



President, Machinery Company

Takao Shiomi



Overview of Fiscal 2014

Despite the absence of unordinary gain on reversal of allowance for doubtful receivables in the previous fiscal year, the Machinery Company posted an 18.9% rise in trading income, to ¥22.9 billion, thanks to increased automobile, construction machinery, and plant-related transactions.

Net income attributable to ITOCHU surged 35.1%, to ¥43.4 billion. In addition to the rise in trading income, the company benefited from increases in dividends received, net gain on investments, and equity in earnings of associated companies.

Business Results

	Billions of Yen				
Years ended March 31	10	11	12	13	14
Trading income (loss)	¥ (2.2)	¥ 8.9	¥ 15.2	¥ 19.3	¥ 22.9
Equity in earnings of associated companies	12.9	9.8	12.5	13.4	19.0
Net income attributable to ITOCHU	3.9	10.3	23.1	32.1	43.4
Total assets	694.4	672.4	800.1	890.9	953.8
ROA (%)	0.5	1.5	3.1	3.8	4.7

Net Income (Loss) from Major Group Companies

	Billions of Yen				
Years ended March 31	10	11	12	13	14
JAPAN AEROSPACE CORPORATION	¥0.2	¥0.6	¥ 0.6	¥0.7	¥1.0
JAMCO Corporation	0.0	0.0	(1.2)	0.6	0.9
ITOCHU CONSTRUCTION MACHINERY CO., LTD.	0.5	0.6	0.6	0.9	1.3
Century Tokyo Leasing Corporation	6.8	4.0	6.2	6.2	8.4
Century Medical, Inc.	0.6	0.8	0.9	1.0	1.1

MESSAGE FROM THE DIVISION COMPANY PRESIDENT

We aim to achieve growth by taking progress to the next level.

Focuses for Fiscal 2015

During fiscal 2014, the first year of “Brand-new Deal 2014,” earnings growth from existing businesses contributed substantially to company performance, with gross trading profit and income reaching historic highs for the third consecutive fiscal year. As part of the non-resource sector of the leading general trading company, we aim to be a robust company that contributes solidly to performance in the machinery-related segment.

The Machinery Company’s wide-ranging business areas include plant projects, marine, aerospace, automobiles, construction machinery, industrial machinery, and healthcare and constituting a structure including numerous operating companies. Each of our organizations and individuals aims to

advance from the present, taking progress to the next level. By business area, we are concentrating our management resources, expanding our superior assets in independent power producer (IPP), water-related, and environment-related businesses; pursuing strategic involvement in fields where demand is growing, such as the infrastructure, marine, and aerospace businesses; boosting trade in the automobile, construction machinery, and industrial machinery businesses, which have broad value chains; and stepping up healthcare-related businesses in Japan and other Asian markets. Through these initiatives, we are rapidly building a stable earnings platform and targeting net income attributable to ITOCHU of ¥50.0 billion (IFRS).

Growth Opportunities and Risks for the Machinery Company

Infrastructure Industry: Demand for infrastructure investment and maintenance is expanding on a global basis, with infrastructure projects growing rapidly in emerging countries, particularly in the ASEAN region. From a trading company standpoint, infrastructure investment opportunities are increasing in industrialized countries, as well, as the operating environment changes due to factors such as the shale gas revolution, environmental considerations, and the privatization of public-sector businesses. Putting to work our extensive experience in infrastructure investment, we will continue to develop superior projects, while minimizing risks in regions where various systems remain to be put in place.

Shipping (LNG Carriers): From 2014, demand for LNG carriers is expected to rise sharply, centering on U.S. shale gas

projects. As the scale of investment in LNG carriers is typically large, we will collaborate with partners in Japan and overseas to uncover superior projects, building up assets that will generate stable earnings and profits over the long term.

Automobile Industry: In addition to growth in emerging markets, the overall automobile market is expanding thanks to recovery in the European and Chinese markets. The outlook for the Japanese automobile industry is also improving, benefiting from the correction to yen appreciation since 2013. The industry's structure is changing as a result of environmental regulation and mounting competition in electric vehicles and other areas of new technology. Amid these conditions, we plan to enhance a firm industry position by steadily adding value through the long automobile business value chain.

Strengths for Leveraging Opportunities

- Solid, long-term relationships with excellent partners in various industries
- In infrastructure-related business, the capacity to develop superior projects through global human resource and information networks
- In the broad-based automobile industry, the ability to create and promote industrywide value chains



Medium- to Long-Term Growth Strategies

In IPP, water supply, environmental, energy, and other infrastructure businesses, we will give consideration to environmental impact. At the same time, we will strive to promote a balance between the accumulation of superior assets in industrialized countries and highly profitable development projects in developing countries. We will endeavor to expand trade in line with improvements in the external environment such as foreign exchange in fields of conventional strength, including marine, aerospace, automobile, construction machinery, and industrial machinery. We will also strive to generate stable earnings through stringently selected investments in peripheral sectors. Furthermore, we will promote the construction of a medical value chain to meet anticipated future growth in this sector, aiming to further enhance business investment and trade in Japan and other parts of Asia. Through these approaches, we will maximize earnings from existing investments and promote the accumulation of superior assets and ongoing, large-scale asset replacement, maximizing earnings as we also conduct trade in related and ancillary fields.

CSR at the Machinery Company

Delivering enrichment to the next generation

Through its business, which provides wide-ranging support for social infrastructure, the Machinery Company aspires for the advancement of communities by providing a more affluent lifestyle. We strive for contribution to the resolution of global problems such as climate change through environment preservation businesses and the building of a healthy society through healthcare businesses.

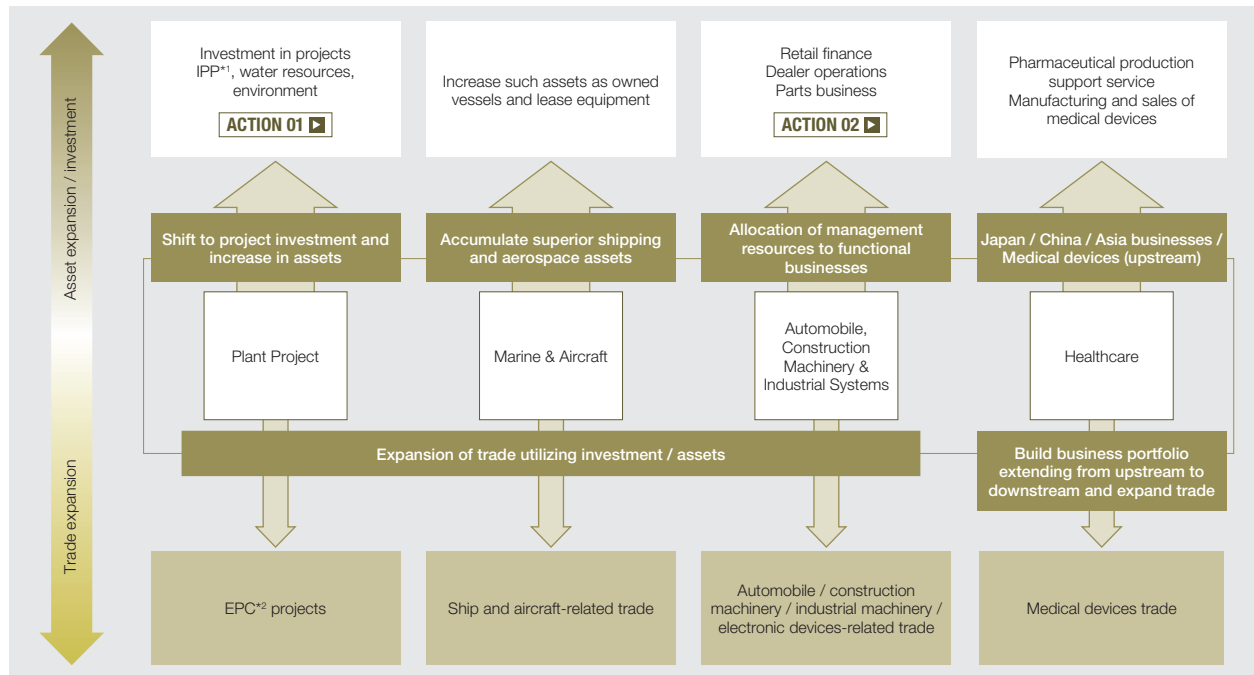
CSR Initiatives through Our Business Activities

Merseyside Waste Management and Power Generation Project in the United Kingdom	
Company value	Social value
Building the foundation for waste management and power generation business in the United Kingdom and other regions	Contribution to waste reduction of approximately 92%, lowering annual CO ₂ by approximately 130,000 tons
Water Utility Business in the Spanish Canary Islands	
Company value	Social value
Acquire presence in overseas water utility business by participating in project following the investment in the United Kingdom and enhancement of a stable earnings platform	Provide high-quality, sustainable, and efficient water service

For details on CSR activities at the Machinery Company, please visit our website.

<http://www.itochu.co.jp/en/csr/activities/machinery/>

Medium- to Long-Term Growth Strategies



*1 IPP: Independent power producer
 *2 EPC: Engineering, Procurement, and Construction

ACTIONS

Initiatives to Implement Our Growth Strategies

ACTION 01 Initiatives in the Water and Environment Sectors

ITOCHU entered the water supply business in 2012 with the acquisition of a 20% stake in the Bristol Water Group, which provides water treatment services to the city of Bristol, in southwest England, and its surrounding area. Following on in this vein, in February 2014 ITOCHU reached an agreement to acquire 33.4% of the shares in CANARAGUA CONCESIONES S.A., which manages water supply and sewage services in the Spanish Canary Islands. We acquired this stake from CANARAGUA S.A., a subsidiary of AGBAR, Spain's largest private water company. This agreement marks the first Japanese investment in the Spanish water sector. In the environment sector, ITOCHU is involved in four energy-from-waste projects in the United Kingdom, including one under an agreement signed with the Merseyside Recycling and Waste Authority in December 2013. These businesses involve the incineration of waste that was previously landfilled, using the waste heat to generate electricity. This approach reduces waste volume and contributes to CO₂ reductions. Around the world, we expect a growing number of water-related businesses to be privatized. Given this trend, combined with growing demand to reduce environmental impact and generate green electricity, we plan to leverage the experience and know-how we are building up in the United Kingdom and Spain to meet



Seawater desalination plant on Grand Canaria

such needs in various countries. At the same time, we will step up our involvement in initiatives likely to generate stable, long-term earnings.

ACTION 02 ITOCHU Acquires Additional Stake in YANASE & CO., LTD.

In December 2013, ITOCHU acquired 6,484,000 shares of common stock in YANASE & CO., LTD., through a tender offer from Nippon Tochi-Tatemono Co., Ltd., amounting to a 13.72% share of voting rights in YANASE and increasing ITOCHU's ownership of the company to 39.44%. With more than 200 outlets throughout Japan, YANASE is the country's leading car dealer in terms of units sold. This investment aims to ensure that the company continues to develop its operations further and build a highly profitable operation by promoting the consolidated operation of its three pillars: new car sales, used car sales, and after-sales services; reinforcing its management of the value chain; and making management improvements that will lead to further growth. ITOCHU will continue to support YANASE's management on both the capital and operational fronts. We will also make use chiefly of ITOCHU Group networks to expand the company's overseas business and contribute to increases in its corporate value.



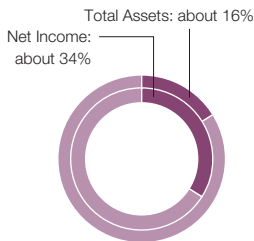
YANASE's Mercedes-Benz showroom

Metals & Minerals Company

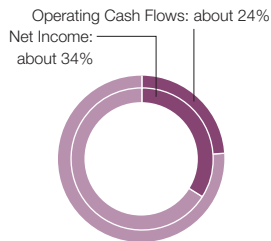
We contribute to the growth of the global economy through the stable supply of mineral resources and of steel and non-ferrous metal products to Japan and other countries.

Overview

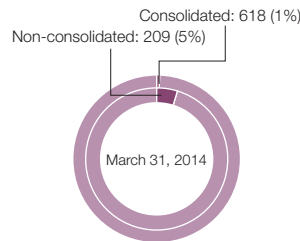
Percentage of Total Consolidated Assets and Total Net Income Attributable to ITOCHU (image)



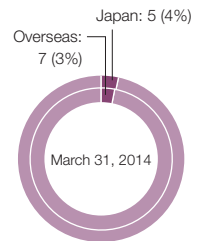
Percentage of Total Consolidated Operating Cash Flows and Total Net Income Attributable to ITOCHU (image)



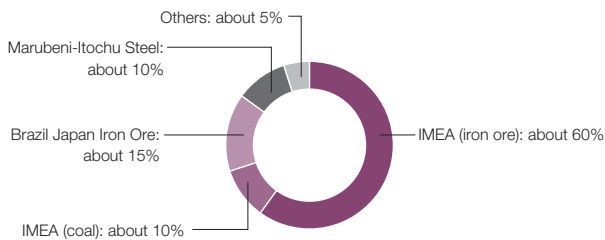
Percentage of Total Employees



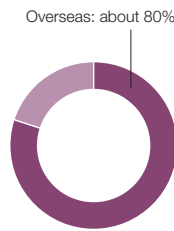
Percentage of Total Number of Subsidiaries and Affiliated Companies



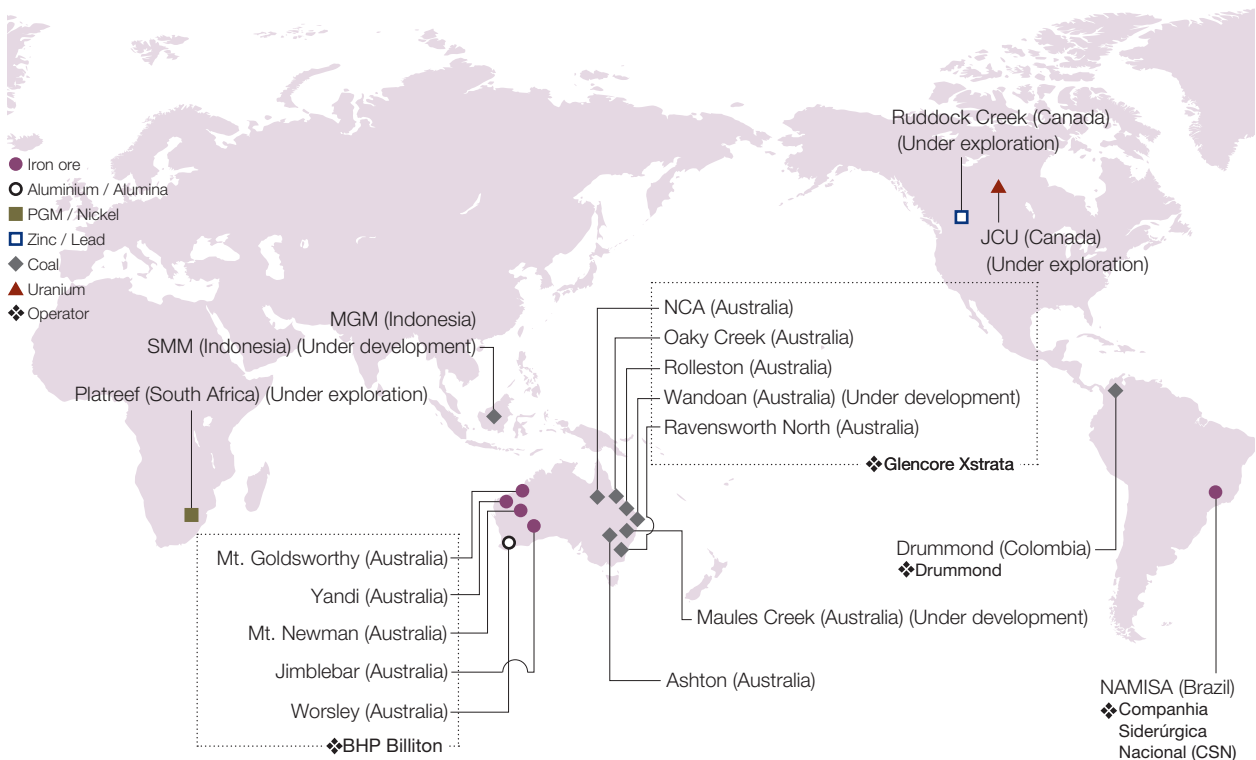
Composition of Company Earnings by Consolidated Group Companies (image)



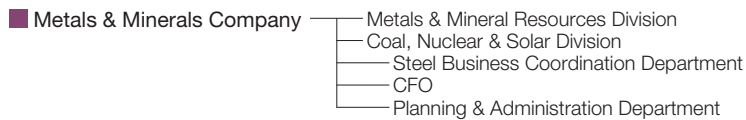
Company Percentage of Earnings from Overseas Businesses (image)



Business Portfolio



Organization



President, Metals & Minerals Company

Eiichi Yonekura

Overview of Fiscal 2014

Despite falling coal prices, trading income rose 27.6%, to ¥73.2 billion, due to higher iron ore sales volume and the effects of yen depreciation. Although trading income grew, the previous fiscal year's gains on sales of investments were absent, and equity in earnings of associated companies

decreased reflecting unordinary tax expenses in Brazilian iron ore operations. Consequently, net income attributable to ITOCHU dropped by 10.2%, to ¥74.1 billion.

Business Results

	Billions of Yen				
Years ended March 31	10	11	12	13	14
Trading income	¥ 44.3	¥113.6	¥ 101.6	¥ 57.4	¥ 73.2
Equity in earnings of associated companies	9.2	29.4	44.3	42.1	34.3
Net income attributable to ITOCHU	42.9	111.0	142.1	82.5	74.1
Total assets	536.9	620.9	1,015.7	1,175.2	1,308.2
ROA (%)	8.7	19.2	17.4	7.5	6.0

Net Income from Major Group Companies

	Billions of Yen				
Years ended March 31	10	11	12	13	14
ITOCHU Metals Corporation	¥ 0.8	¥ 1.2	¥ 1.2	¥ 1.3	¥ 1.4
ITOCHU Minerals & Energy of Australia Pty Ltd	34.1	80.1	89.3	50.3	58.4
Marubeni-Itochu Steel Inc.	2.7	6.8	12.9	12.8	13.0
Brazil Japan Iron Ore Corporation	4.0	12.9	36.8	10.4	3.8
ITOCHU Coal Americas Inc.	—	—	2.0	3.5	0.5

MESSAGE FROM THE DIVISION COMPANY PRESIDENT

Through synergies between accumulated equity interests and trade, we will strive to continue to reinforce our earnings platform.

Focuses for Fiscal 2015

In fiscal 2014, income declined year on year due to falling prices of metals and mineral resources and the posting of unordinary tax expenses on Brazilian iron ore operations. However, we invested in the expansion of our existing interests in iron ore and coal, acquired interests in the Jimblebar Iron Ore Mine as part of our Western Australia iron ore operations, and pursued synergies with trading activities. Consequently, as in fiscal 2013 we continued to reinforce our earnings platform.

The outlook for this company's operating environment is opaque for the foreseeable future, owing to factors such as deceleration in the Chinese economy. However, with support from continued strong economic growth in

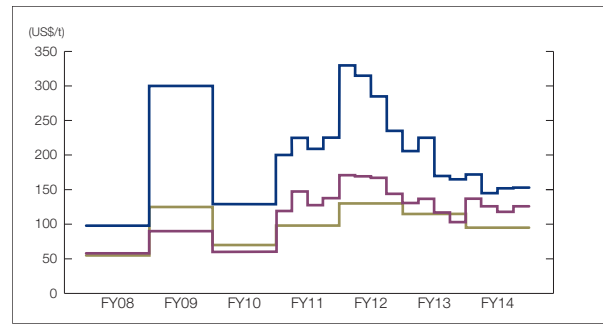
emerging countries, demand for metals and mineral resources is expected to remain firm in the medium to long term. To contribute to the stable procurement of metals and mineral resources for Japan and the rest of the world, we will take a long-term perspective and continue to steadily expand existing operations. We will also rigorously assess new investments to select superior projects, and will reinforce our earnings platform.

Making full use of the distinctive capabilities of a general trading company, the Metals & Minerals Company will target the achievement of results that are highly evaluated on both the supply and demand sides.

Growth Opportunities and Risks for the Metals & Minerals Company

Demand for metals and mineral resources is expected to be robust over the medium to long term, centering on emerging countries; we see this situation as a growth opportunity. Nevertheless, in the short term we expect fluctuations in the balance between supply and demand—on the demand side by economic trends in China and Europe, and on the supply side by progress on new projects and planned expansions by suppliers. Accordingly, we will need to continue monitoring the balance for the impact of metals and mineral resource prices.

Iron Ore / Coal Price



— Iron ore — Coking coal (hard coking coal) — Thermal coal

*1 Source: ITOCHU disclosure documents

*2 Figures through fiscal 2010 are benchmark prices for the Japanese market. Figures from fiscal 2011 onward are prices that ITOCHU considers to be general transaction prices based on market information.

Strengths for Leveraging Opportunities

- Solid, long-term relationships with strong partners and top class of equity iron ore/coal holders among general trading companies
- Value-added creativities in the trading business that leverage the comprehensive power of the ITOCHU Group
- Steel products business centering on Marubeni-Itochu Steel Inc., in which we hold a 50% stake



Medium- to Long-Term Growth Strategies

The Metals & Minerals Company is working to expand its equity interests in order to secure stable supplies of metals and mineral resources underpinning the industrial framework. In addition, we are working to build a value chain that starts from equity interests and to create added value in the trade business by leveraging the ITOCHU Group's comprehensive strengths. Furthermore, we are working to secure non-ferrous metals, rare metals, rare earth metals, and other natural resources that have become increasingly difficult to procure in recent years. In response to growing international concern with environmental problems, we are also actively involved in such areas as solar power and biomass fuels-related business.

CSR at the Metals & Minerals Company

Sustainable development and stable supply of metals & mineral resources

As it promotes the sustainable use of metals & mineral resources for their stable supply, ITOCHU is working with business partners to tighten arrangements for concerning the environment, harmony with communities, and a safe labor environment on development sites. We are also committed to effective use of resources, pursuit of renewable energy projects, and the building of recycling-oriented societies.

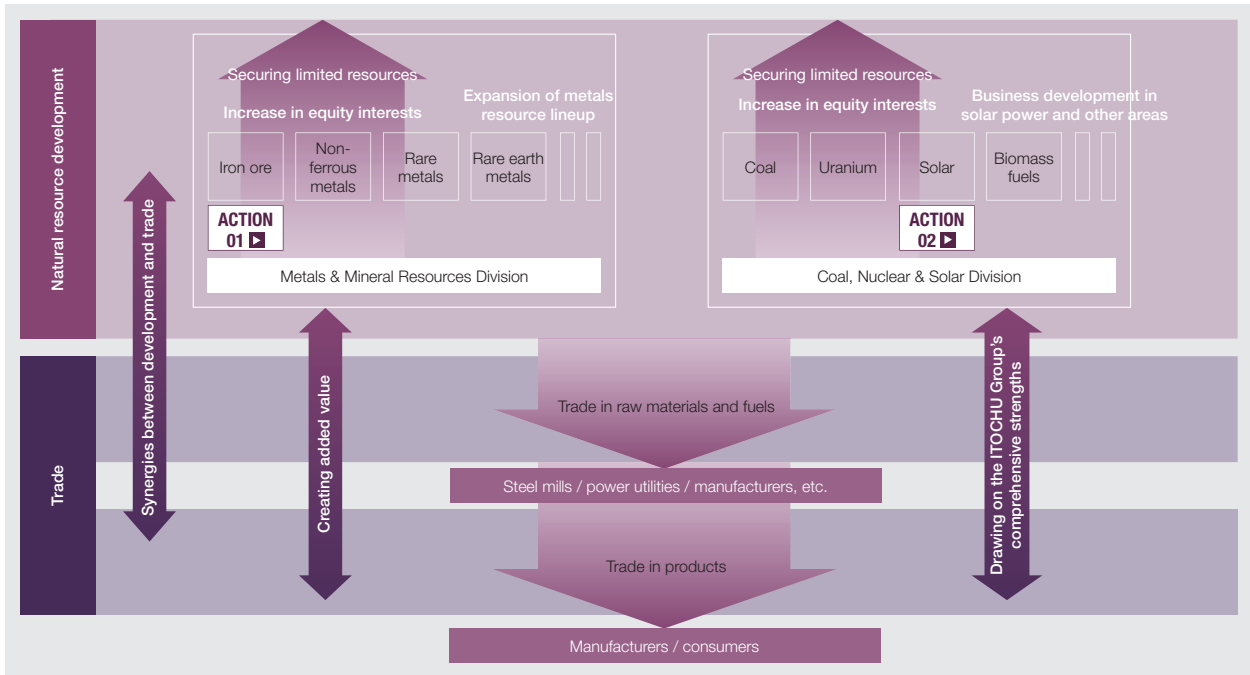
CSR Initiatives through Our Business Activities

Acquisition of New Interests in the Jimblebar Iron Ore Mine	
Company value	Social value
Further expand supply capacity of Western Australia iron ore operations	Stable supply to Asia, where demand is expected to increase in the medium- to long-term
Start of Operations at One of Africa's Largest Photovoltaic Power Generation Systems	
Company value	Social value
Secure position as a system integrator of solar power generation system in Africa and enhance solid earnings platform in the photovoltaic power generation business	Help to support economic growth and realize a leading-edge, clean-energy society

For details on CSR activities at the Metals & Minerals Company, please visit our website.

<http://www.itochu.co.jp/en/csr/activities/metal/>

Medium- to Long-Term Growth Strategies



ACTIONS

Initiatives to Implement Our Growth Strategies

ACTION 01

Acquisition of New Interests at the Jimblebar Iron Ore Mine

ITOCHU has acquired interests in BHP Iron Ore (Jimblebar) Pty. Ltd., which is developing the Jimblebar Iron Ore Mine in Western Australia as part of the iron ore business of leading mining company BHP Billiton (Australia and the United Kingdom).

The Jimblebar Iron Ore Mine has abundant deposits, and will be a large-scale open pit mine that produces high-quality competitive ore. ITOCHU and BHP Billiton together operate three iron ore mines in Western Australia. The iron ore excavated from the Jimblebar mine will be transported through the rail and port facilities owned by these companies. Through this transaction, ITOCHU aims to increase iron ore supply capacity through Western Australia iron ore operations, in response to the expected increase in demand for iron ore over the medium to long term, particularly from Asia.



Ore processing facilities at the Jimblebar Iron Ore Mine (photo provided by BHP Billiton)

ACTION 02

Commencement of Operations in South Africa of One of Africa's Largest Photovoltaic Power Generation Systems

Scatec Solar (Norway), in which ITOCHU owns a 37.5% stake, has concluded an agreement with the South African state-owned power utility Eskom, to sell power for a period of 20 years. The company was selected by the South African energy authority in bidding for Phase I and Phase II solar (photovoltaic) power generation business with a capacity that will reach 190 MW. Construction on Phase I of the project, supplying 75 MW, began in September 2012 and was completed in September 2013. An opening ceremony was held in November 2013, and operations commenced. The South African government has set a target of increasing the country's total generation capacity to 85 GW by 2030, and they aim to generate some 20% from renewable energies. The current project is part of the plan to achieve this objective.

Through this business, Scatec Solar will establish its reputation in Africa as a photovoltaic power generation system integrator capable of development, construction, and ownership of large-scale photovoltaic power plants.



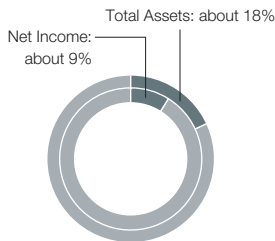
The Kalkbuit photovoltaic power generation facility, one of the largest in South Africa

Energy & Chemicals Company

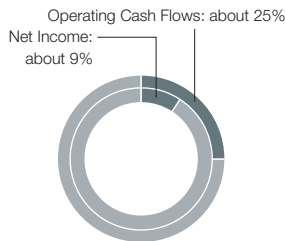
We will create new value through our value chain in the areas of petroleum, gas, and chemicals.

Overview

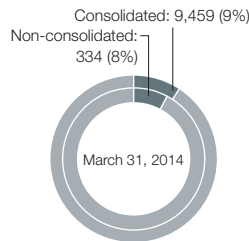
Percentage of Total Consolidated Assets and Total Net Income Attributable to ITOCHU (image)



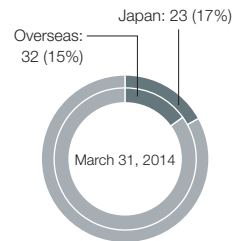
Percentage of Total Consolidated Operating Cash Flows and Total Net Income Attributable to ITOCHU (image)



Percentage of Total Employees

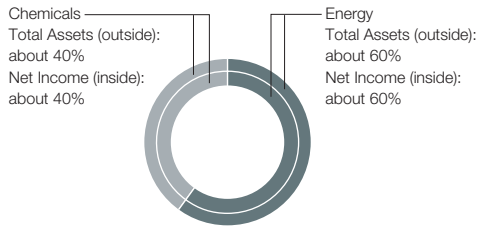


Percentage of Total Number of Subsidiaries and Affiliated Companies



Company Composition by Consolidated Segment (image)

* Excludes impact of extraordinary loss related to U.S. oil and gas development business

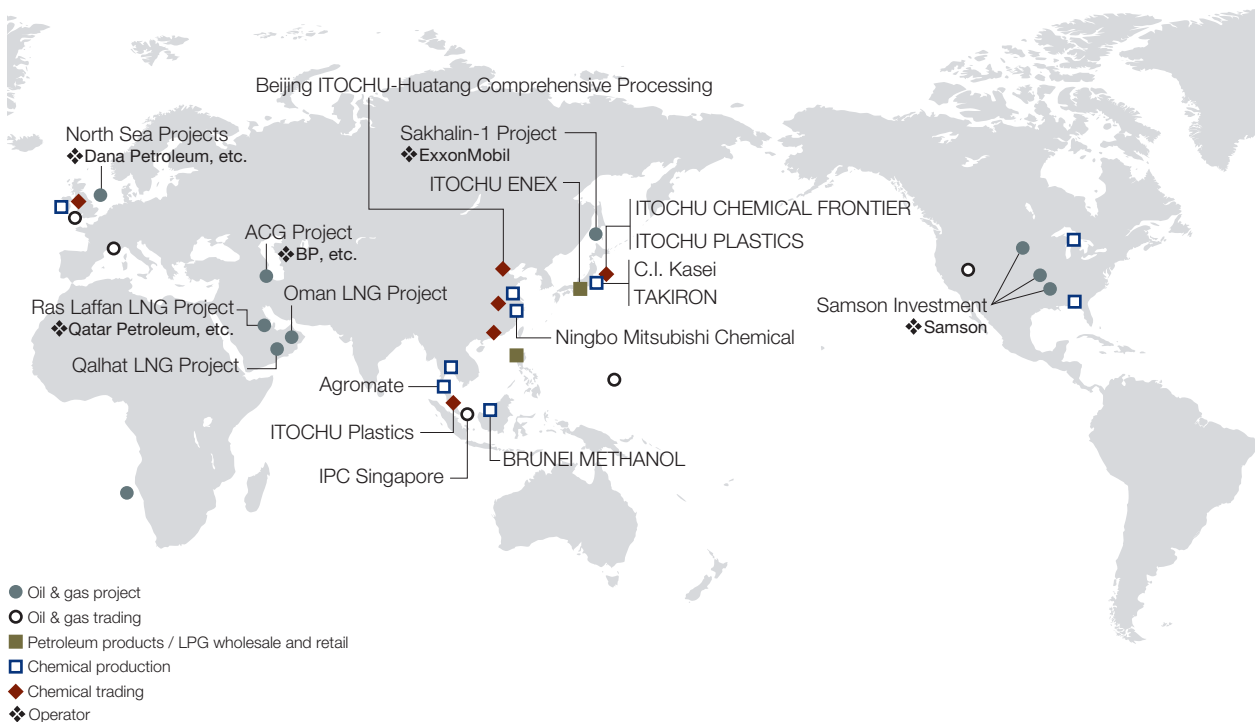


Company Percentage of Earnings from Overseas Businesses (image)

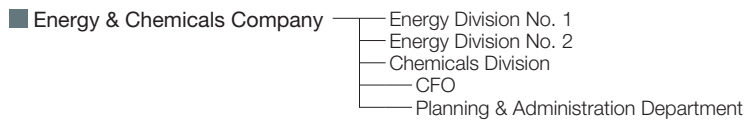
* Excludes impact of extraordinary loss related to U.S. oil and gas development business



Business Portfolio



Organization



President, Energy & Chemicals Company

Yuji Fukuda



Overview of Fiscal 2014

The Energy & Chemicals Company generated trading income of ¥57.5 billion, up 7.0% from the previous fiscal year, owing to higher transaction volume and improved profitability of energy trading transactions, and a higher chemicals transaction

volume, as well as to the effect of yen depreciation. Although trading income rose, the gain on investments—net declined and equity in earnings of associated companies worsened, reducing net income attributable to ITOCHU 27.7%, to ¥16.7 billion.

Business Results

	Billions of Yen				
Years ended March 31	10	11	12	13	14
Trading income	¥ 33.2	¥ 42.1	¥ 47.0	¥ 53.7	¥ 57.5
Equity in earnings (losses) of associated companies	2.0	1.7	2.4	(28.3)	(32.9)
Net income attributable to ITOCHU	37.3	12.6	37.8	23.1	16.7
Total assets	1,107.7	1,085.8	1,287.1	1,335.2	1,283.7
ROA (%)	3.8	1.2	3.2	1.8	1.3

Net Income (Loss) from Major Group Companies

	Billions of Yen				
Years ended March 31	10	11	12	13	14
ITOCHU Oil Exploration (Azerbaijan) Inc.	¥7.5	¥10.7	¥13.0	¥ 13.1	¥ 15.7
ITOCHU PETROLEUM CO., (SINGAPORE) PTE. LTD.	0.8	0.0	(0.2)	0.8	4.3
JD Rockies Resources Limited	—	(0.1)	(0.1)	(31.2)	(32.5)
ITOCHU CHEMICAL FRONTIER Corporation	1.9	2.0	2.9	3.0	3.2
ITOCHU PLASTICS INC.	1.9	2.2	1.9	2.2	3.0

MESSAGE FROM THE DIVISION COMPANY PRESIDENT

We aim to increase earnings through synergy among divisions, and to establish a stable management foundation for the future.

Focuses for Fiscal 2015

In fiscal 2014, in the energy area, additional production commenced in the Azeri-Chirag-Gunashli (ACG) Oil Fields, which is called the Chirag Oil Project and had been under development. In the chemicals area, we succeeded in becoming the world's first entity to produce lithium carbonate from geothermal brine in the United States. We believe that we are making steady progress on these projects, which are included as initiatives spelled out in our medium- to long-term growth strategies.

In fiscal 2015, we aim to reach our management targets through increased earnings on existing businesses and trade. At the same time, we will endeavor to reinforce our management foundation by investing in superior projects, expanding our base of operations for the future. To this end, we will reinforce our generation of operating cash flows and make a lean management by maintaining thorough awareness of asset efficiency. By restructuring our operations, we

will curtail costs, bolster management efficiency, and boost earnings from large-scale projects that are currently in operation. At the same time, we will foster synergies between the energy and chemicals areas. Furthermore, based on our medium- to long-term growth strategies, we will expand existing businesses and work with partners with whom we have complementary relationships to accumulate superior assets. The Energy & Chemicals Company's operations span the resource and non-resource sectors. By pursuing strategies in each sector, we will execute the strategies we have drawn up in each area by making full use of the distinctive capabilities of a general trading company, such as securing energy resources for Japan and creating added value throughout the value chain in the petroleum, gas, and chemicals areas. Thus, we will contribute to the development of Japan, other parts of Asia, and the rest of the world.

Growth Opportunities and Risks for the Energy & Chemicals Company

Energy Area: Economic growth in emerging countries continues to drive up demand for oil. Given this situation, combined with geopolitical uncertainties in the Middle East, Africa, and Russia, we expect crude oil prices to remain firm from now on. Global demand for natural gas is also rising, and new oil and gas resource development continues apace. Furthermore, increased North American shale oil and gas production is altering the supply / demand structure, and new LNG and LPG exports from North America are expected. Against this backdrop, we believe that business opportunities for oil and gas resource development and trade will grow. At the same time, we need to remain vigilant toward the global supply / demand balance for oil and gas, geopolitical risks in the Middle East and other areas, and the

impact on oil and gas prices of monetary policies in the United States and other countries.

Chemicals Area: We expect demand to remain firm, centered on this division's major markets of China, the ASEAN region, and North and Latin America. We also envision expanded trade opportunities as new additions to large-scale ethylene plants in North America, the Middle East, and Asia prompt changes in the medium-term supply and demand structure for commodity chemicals centered on North America and Asia. In line with this forecast, we see new business opportunities for trade and business development. Meanwhile, we recognize the need to continue monitoring the market prices of chemicals, as well as supply and demand trends.

Strengths for Leveraging Opportunities

Energy Area

- Solid customer base in trade in Asia and the Middle East
- Expertise based on extensive experience and performance on existing projects involving oil resource and LNG development

Chemicals Area

- Competitive commodity procurement capabilities and sales bases at locations throughout the world
- Business development with partners that leverages trade relationships



Medium- to Long-Term Growth Strategies

Energy Area: With regard to trading, we will continue to expand the traditional flow of business—importing and wholesaling products to countries in Asia. Meanwhile, we will take advantage of the opportunity presented by growing unconventional crude oil and gas production in North America to encourage the new flow of trade from North America to Asia.

With regard to oil resource development, we plan to expand existing projects and participate in promising new projects while minimizing risks, leveraging our expertise and experience to expand our business in this area.

Chemicals Area: Based on worldwide trading operations in the areas of organic chemicals, plastics, and fertilizer and other inorganic chemicals, the division will advance projects in upstream areas to secure competitive raw materials. In addition, in downstream areas the division will take steps to expand its business and bolster its supply chains, especially in the retail area, including pharmaceuticals, plastics processing, and electronic materials.

CSR at the Energy & Chemicals Company

Pursuit of stable supply of diversifying energy resources and materials

The Energy & Chemicals Company aspires for the stable supply of energy and materials at the foundation of modern living, and is tightening measures for concerning the environment, harmony with communities, and safety in product handling throughout its wide-ranging value chains for oil, gas, and chemicals. The Company is also committed to the building of an enriched society through the development of diverse energy resources and the environment preservation business.

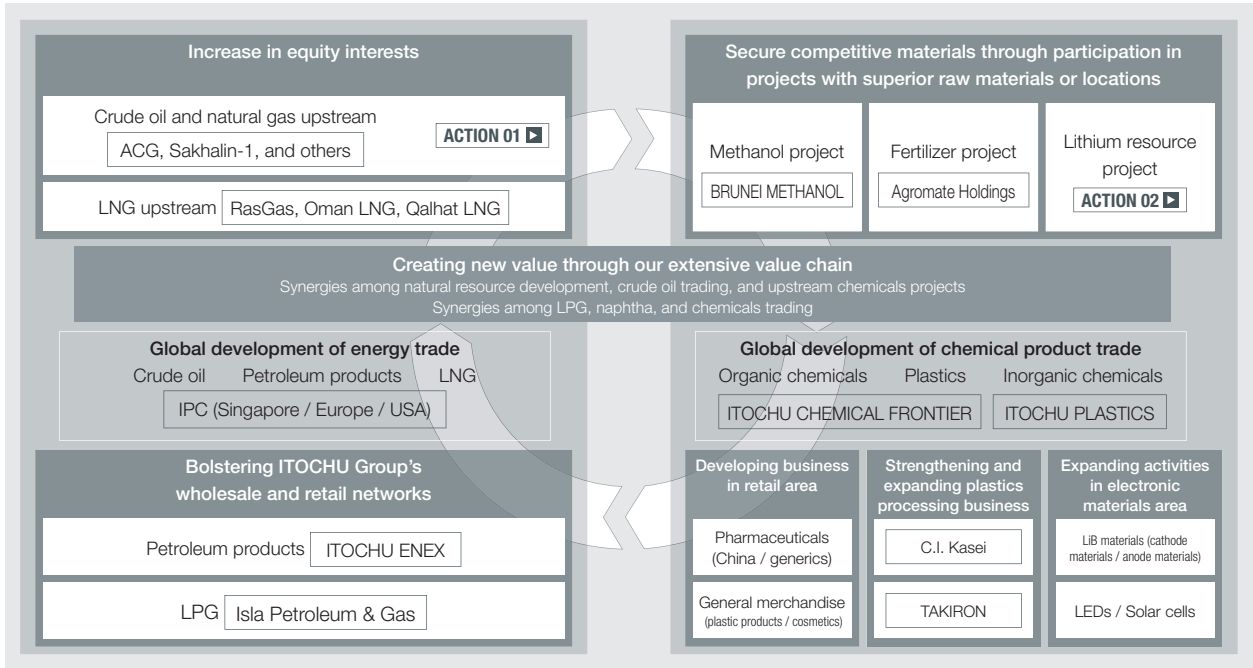
CSR Initiatives through Our Business Activities

Undertaking a Development Project in the U.K. North Sea in a Bid to Ensure a Stable Resource Supply	
Company value	Social value
Expand operations by applying and making use of our technological and commercial expertise	Secure stable crude oil resources
Entering Business Related to Lithium-Ion Batteries	
Company value	Social value
Apply our Group network to create a value chain spanning upstream to downstream operations	Contribute to the field of clean energy, for which demand is expected to grow

For details on CSR activities at the Energy & Chemicals Company, please visit our website.

<http://www.itochu.co.jp/en/csr/activities/chemical/>

Medium- to Long-Term Growth Strategies



* [] ... Company / project name

ACTIONS

Initiatives to Implement Our Growth Strategies

ACTION 01

Azeri-Chirag-Gunashli Oil Fields start additional production in the Caspian Sea, Azerbaijan (Chirag Oil Project)

Through a subsidiary which has a 4.3% participating interest, ITOCHU has commenced additional oil production from both the existing Chirag oil field and the deepwater portion of the Gunashli oil field, including the shallow parts in January 2014, in addition to the current oil production from the Azeri-Chirag-Gunashli (ACG) Oil Fields. (Operator is BP.) The additional oil development is called the Chirag Oil Project (COP), and started in 2010. The additional oil field production that commenced in January was from a sixth drilling platform. The crude oil produced at this field in the Caspian Sea will be shipped via the 1,768-kilometer BTC Pipeline, in which ITOCHU is an investor, to a Turkish port for export.

With a total investment of around US\$6.0 billion, this project involves erecting a production platform capable of producing crude oil at a rate of up to 183,000 barrels per day, with additional oil production conducted using pre-drilled wells. ITOCHU plans to continue taking part in development aimed at raising the value of this field.



Production platform for the Chirag Oil Project (photo provided by AIOC)

ACTION 02

Success in the United States with the World's First Production of Lithium Carbonate from Geothermal Brine

Lithium carbonate and lithium hydroxide are core raw materials for producing cathode materials, the main components of lithium-ion batteries, and they are also used for producing electrolyte salts necessary to form electrolyte solution in the batteries. Demand for these lithium chemicals is expected to grow for use in electric vehicles and other products.

In June 2010, ITOCHU invested in Simbol Inc., which has a demonstration plant located near the Salton Sea in California. At this plant, the company has succeeded in producing lithium carbonate (with a purity in excess of 99.9%) using geothermal brine—a world's first.

Today, approximately 70% of the world's lithium carbonate and other lithium chemicals are produced through a solar evaporation process, using brine from salt lakes in South America. The unique production technology developed by Simbol uses high-temperature geothermal brine, thereby limiting the emission of carbon dioxide and reducing energy costs without being affected by changes in weather conditions, as it does not involve solar evaporation.

Going forward, after technology verification at the demonstration plant, we expect to begin commercial production with



Product image (lithium compound)

the aim of providing a stable supply of lithium resources.

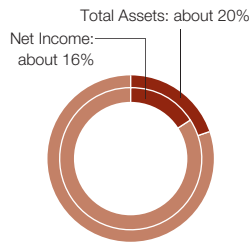
Food Company

We will accelerate the implementation of the global SIS (Strategic Integrated System (vertical integration from upstream area to downstream area)) strategy and aim to be a Japan- and Asia-based leading global food company.

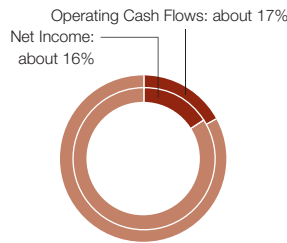
* SIS strategy: A strategy for supply chain optimization through vertical integration, from upstream procurement of food resources to mid-stream product processing and marketing and distribution and through to downstream retail businesses.

Overview

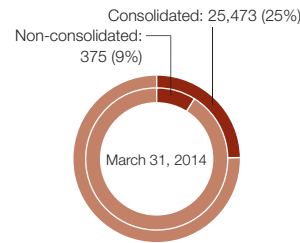
Percentage of Total Consolidated Total Assets and Total Net Income Attributable to ITOCHU (image)



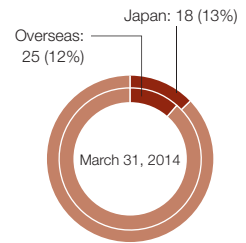
Percentage of Total Consolidated Operating Cash Flows and Total Net Income Attributable to ITOCHU (image)



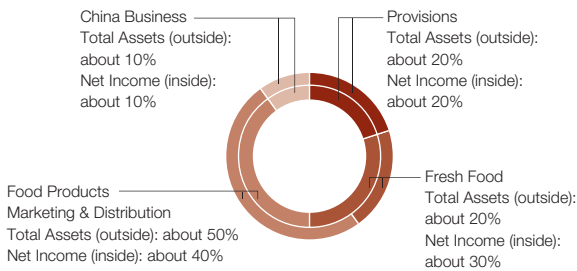
Percentage of Total Employees



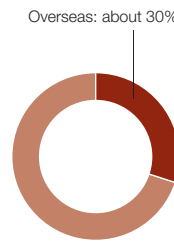
Percentage of Total Number of Subsidiaries and Affiliated Companies



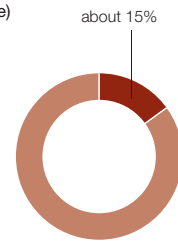
Company Composition by Consolidated Segment (image)



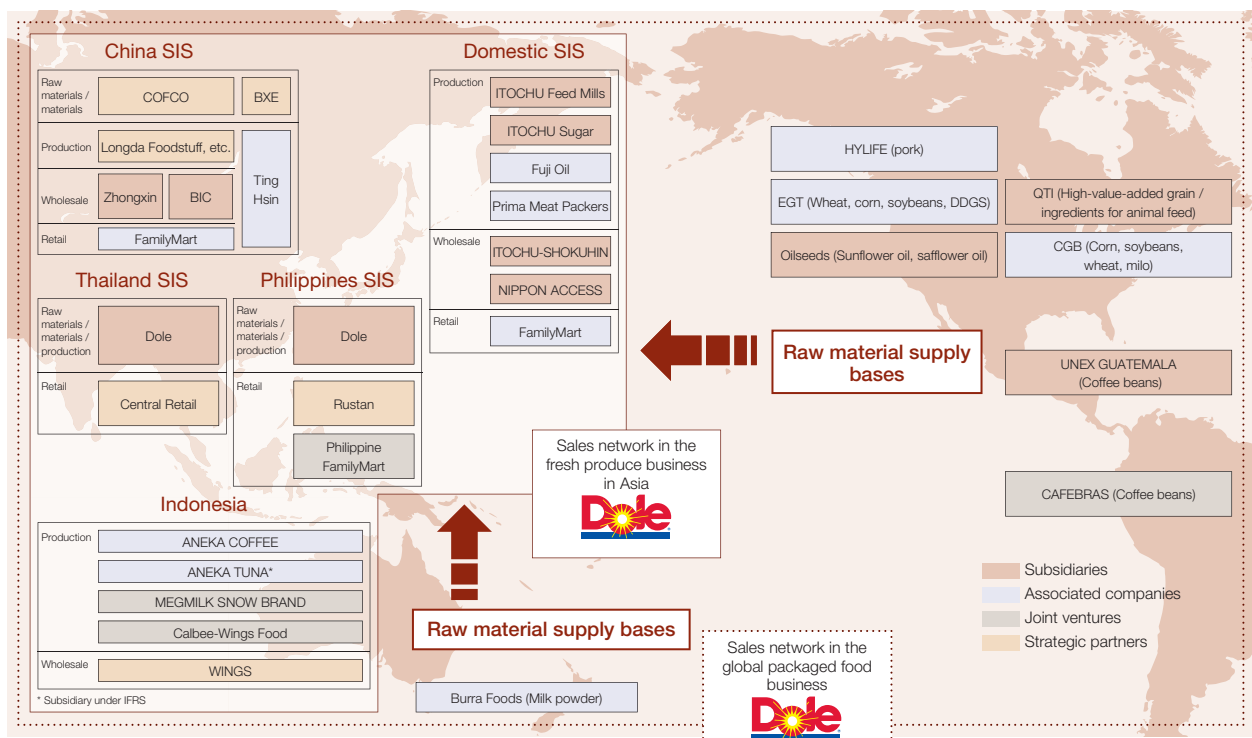
Company Percentage of Earnings from Overseas Businesses (image)



Percentage Contribution of Non-consolidated Trade Earnings to Net Income Attributable to ITOCHU (image)



Business Portfolio



Organization



President, Food Company

Yoshihisa Aoki

Overview of Fiscal 2014

Thanks to the contribution from the Dole business and solid results from existing operations, the Food Company delivered trading income of ¥49.3 billion, up 22.1%. Although equity in earnings of associated companies decreased, a

rise in trading income and higher gain on investments—net pushed net income attributable to ITOCHU up 25.8% year on year, to ¥57.5 billion.

Business Results

	Billions of Yen				
Years ended March 31	10	11	12	13	14
Trading income	¥ 38.8	¥ 39.8	¥ 37.4	¥ 40.4	¥ 49.3
Equity in earnings of associated companies	13.0	11.7	20.1	22.9	21.5
Net income attributable to ITOCHU	27.8	22.4	43.8	45.7	57.5
Total assets	1,130.7	1,208.7	1,298.4	1,370.2	1,575.2
ROA (%)	2.5	1.9	3.5	3.4	3.9

Net Income (Loss) from Major Group Companies

	Billions of Yen				
Years ended March 31	10	11	12	13	14
NIPPON ACCESS, INC.*	¥4.5	¥ 6.5	¥8.6	¥10.8	¥11.6
China Foods Investment Corp.	8.7	4.0	2.4	2.7	4.3
Dole International Holdings, Inc.	—	—	—	0.0	7.1
Fuji Oil Co., Ltd.	2.7	2.5	2.3	2.3	2.1
Prima Meat Packers, Ltd.	1.8	(1.4)	2.4	2.4	2.0
FamilyMart Co., Ltd.	4.7	4.0	6.7	9.1	7.3

* On March 1, 2011, NIPPON ACCESS, INC., merged with the former Family Corporation Inc. and made the former Universal Food Co., Ltd., a consolidated subsidiary. In addition, the company received a business transfer from the former ITOCHU Fresh Corporation Inc. on October 1, 2011. Net income attributable to ITOCHU of NIPPON ACCESS, INC., for the same period of the previous fiscal year ended March 31, 2011 shows the total of these 4 companies.

MESSAGE FROM THE DIVISION COMPANY PRESIDENT

We will further increase earnings by accelerating the global SIS strategy from its point of origin in Japan and other parts of Asia.

Focuses for Fiscal 2015

We are positioning fiscal 2015, the last year of “Brand-new Deal 2014,” as a year for storing up our energy in preparation to make a major leap forward in the future. First, we will concentrate on bolstering the profitability of existing business, such as the Dole business we acquired in 2013. We will push through decisively with radical measures targeting unprofitable businesses, as we aim toward a more stable and robust earnings structure. The Japanese market, the fundamental source of this company’s earnings, is growing increasingly oligopolistic and fiercely competitive. To survive in this environment, we will maximize the human resources,

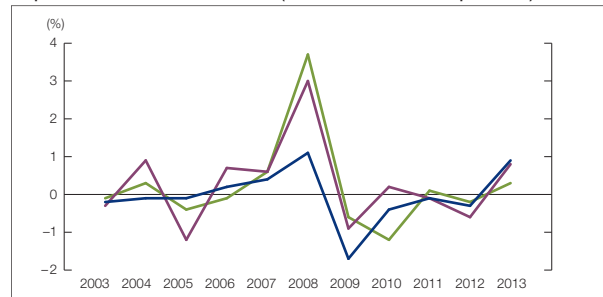
know-how, and experience possessed by ITOCHU and its operating companies in Japan as we reinforce our presence in various fields. At the same time, we will further accelerate the deployment of the global SIS—our company’s growth strategy. To achieve this, we will make the strategic investments necessary to achieve our aim of evolving from a company with operations in Japan and other parts of Asia to a leading company in the global food industry. We will continue working to build a framework for the stable supply of safe, secure food, and will strive to achieve net income attributable to ITOCHU of ¥58.0 billion (IFRS) in fiscal 2015.

Growth Opportunities and Risks for the Food Company

Due to large-scale monetary easing by the Bank of Japan, which is a major pillar of the Abenomics doctrine, the Japanese economy is beginning to pull out of the deflation that has plagued the market for some time, with the inflation rate hitting a positive 0.9% in fiscal 2014. Price inflation in the food category was 0.8%, but only 0.3% if fresh foods are excluded. Consequently, we believe that prices have still not risen to an adequate level. Given that significant yen depreciation is also driving up costs, the outlook for higher profitability in the Japanese food products industry is problematic.

However, overseas—particularly in emerging countries in Asia and other parts of the world—demand continues to rise as populations increase and incomes rise. Consequently, our future growth strategies will place increasing importance on boosting earnings and strengthening profits overseas.

Japanese Consumer Prices (Year-on-Year Comparison)



Legend: Overall (blue line), Food (purple line), Food, Excluding Fresh Foods (green line).
 * Source: Consumer price index (CPI), Statistics Bureau, Ministry of Internal Affairs and Communications

Strengths for Leveraging Opportunities

Food integration based on the global SIS strategy

- Ability to procure a steady supply of foodstuffs from raw material procurement locations, centered on North America and Australia
- Dole and other Japanese and overseas production and product processing value chains and food product development, procurement, and sales functions
- In Japan, established top-level position and infrastructure in food wholesaling and retailing operations, as well as management expertise in these businesses



Medium- to Long-Term Growth Strategies

In the implementation of the Food Company's SIS strategy, we have further accelerated our initiatives, including capital / business alliances in the retail sector and integration of Group companies in the distribution and marketing area in Japan (Step 1). We have also broadened the foundations for our SIS strategy through its horizontal extension and development across the food value chain overseas. We have achieved this through joint initiatives with strategic partners in China and other Asian countries such as TING HSIN (CAYMAN ISLANDS) HOLDING because we recognize that although the Japanese market is shrinking due to a falling birthrate and an aging population, demand in fast-growing emerging countries is rising (Step 2). The acquisition of the Dole businesses in 2013 will enable the Food Company to organically combine its existing food value chain with Dole's global brand and production and sales network. To accelerate the rollout of our global SIS strategy, we will expand sales of existing products and develop new products and businesses that leverage the Dole brand (Step 3).

CSR at the Food Company

Construction of value chains for food safety and security

Developing diverse food-related business on a global scale, the Food Company has made rigorous provisions for assurance of food safety and security as well as concern for the environment. It endeavors to deliver healthy and rewarding lifestyles to all people through value chains with high value-added levels encompassing all processes, from stable supply and food resources to their processing, manufacture, wholesaling, and retailing.

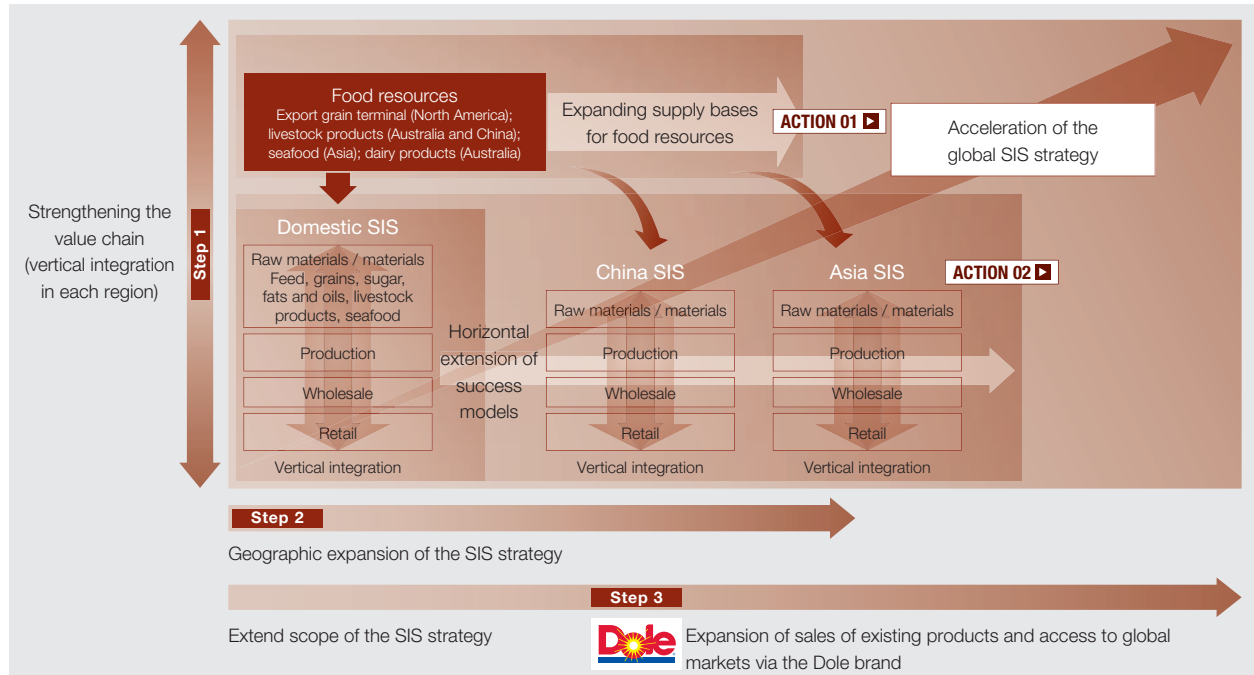
CSR Initiatives through Our Business Activities

Establishment and Operation of Procurement Network to Ensure the Stable Supply of Food Resources	
Company value	Social value
Secure customers through the stable provision of food resources to markets in Asia, including Japan and China	Contribute to the safety and security of food in Asian markets, including Japan and China
Efforts to Develop Healthier Foods	
Company value	Social value
Enter the Japanese health food market, where demand is expected to grow further	Provide added value in response to consumer health orientation

For details on CSR activities at the Food Company, please visit our website.

<http://www.itochu.co.jp/en/csr/activities/food/>

Medium- to Long-Term Growth Strategies



ACTIONS

Initiatives to Implement Our Growth Strategies

ACTION 01 Enhancing Our Dairy and High-Quality Powdered Milk Businesses in Australia

Global demand for dairy products is growing on the back of a rising population and increased income levels. To meet these needs, in 2009 ITOCHU and ITOCHU Australia invested in BFA HOLDINGS PTY LTD., the 100% holding company of Australian dairy manufacturer Burra Foods Pty Ltd, acquiring 45% of the company's shares. The company is based in the Gippsland area of Victoria, a foremost dairy region.

Burra Foods steadily expanded its operations following this investment, beginning production and sales of skim milk powder and whole milk powder in 2010. To enter rapidly growing markets in China and other parts of Asia, in May 2014 the company added a facility for making powdered milk formula for infants, which requires even higher levels of control, and commenced production.

Our involvement with Burra Foods is one example of efforts to promote the creation of systems for supplying food resources, based on our SIS strategy for constructing a global value chain. We will continue working to ensure a stable supply of food and other high-quality products to Japan, China, and other Asian markets, providing food that is safe and secure.



Burra Foods plant

ACTION 02 Expansion of Manufacturing Plants with a View to Sales Expansion in Southeast Asia

A processed cheese manufacturing plant for PT MEGMILK SNOW BRAND INDONESIA (hereinafter "Snow Brand"), which was jointly established in May 2012 with Megmilk Snow Brand Co., Ltd., and PT RODAMAS, has been completed. This was the first processed cheese plant established in Indonesia as a Japanese company. Located within the Jababeka Industrial Estate situated 40 kilometers east of Jakarta, the plant offers convenient access to a major consumption region. The new plant will introduce the sophisticated manufacturing and quality control expertise that Snow Brand has developed with the aim of delivering "tasty cheese" to customers.



MEGMILK SNOW BRAND INDONESIA plant

Meanwhile, ITOCHU has joined Kagome Co., Ltd., and Thailand's Osotspa Co., Ltd., in the establishment of OSOTSPA KAGOME CO., LTD. The new company will begin by focusing on tomato-derived functional beverages, promoting product development and sales to meet demand from increasingly health-conscious consumers. In addition to expanding our beverage and food-related production and sales operations in Thailand, this move should increase ITOCHU's business in the growing Southeast Asian market.

"Tomato Essence," the first product of OSOTSPA KAGOME



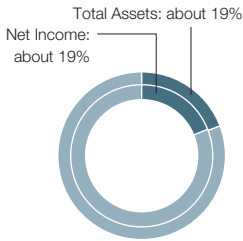
"Tomato Essence," the first product of OSOTSPA KAGOME

ICT, General Products & Realty Company

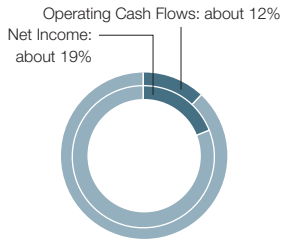
We will draw on our comprehensive capabilities and global network to provide new value and support abundant lifestyles.

Overview

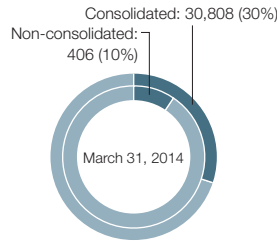
Percentage of Total Consolidated Total Assets and Total Net Income Attributable to ITOCHU (image)



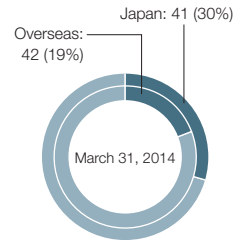
Percentage of Total Consolidated Operating Cash Flows and Total Net Income Attributable to ITOCHU (image)



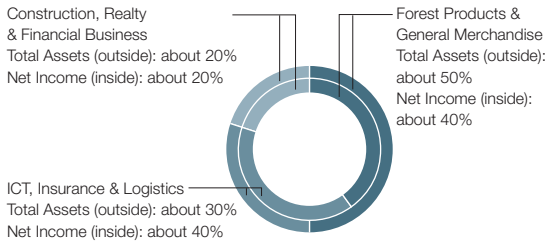
Percentage of Total Employees



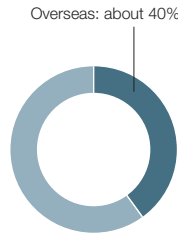
Percentage of Total Number of Subsidiaries and Affiliated Companies



Company Composition by Consolidated Segment (image)



Company Percentage of Earnings from Overseas Businesses (image)



Business Portfolio

<p>Forest Products & General Merchandise Division</p>	 Pulp production (Brazil and Finland)	 Natural rubber processing business in Southeast Asia	 U.K. tyre distribution and retail business	 Building material business in North America
<p>ICT, Insurance & Logistics Division</p>	 IT solutions business	 Mobile phone distribution	 Logistics business	 Insurance business
<p>Construction, Realty & Financial Business Division</p>	 Logistics facility development business	 Overseas real estate development business	 Overseas used-vehicle loan business	 Domestic credit card business

Organization



President, ICT, General Products & Realty Company

Tomofumi Yoshida

Overview of Fiscal 2014

Trading income in the ICT, General Products & Realty Company came to ¥62.9 billion, up 17.4% from the previous fiscal year. This solid performance stemmed from favorable pulp transactions and robust performance by housing materials-related companies, increased business by mobile phone-related

companies, and the contribution of real estate transactions, as well as to the effect of yen depreciation. Net income attributable to ITOCHU jumped 46.5%, to ¥76.3 billion, due to higher trading income and increases in gain on investments-net and equity in earnings of associated companies.

Business Results

	Billions of Yen				
Years ended March 31	10	11	12	13	14
Trading income	¥ 32.6	¥ 42.3	¥ 55.8	¥ 53.6	¥ 62.9
Equity in earnings (losses) of associated companies	(7.9)	3.9	17.4	24.5	36.0
Net income attributable to ITOCHU	6.2	6.0	37.6	52.1	76.3
Total assets	1,078.4	1,053.7	1,188.7	1,363.4	1,581.7
ROA (%)	0.6	0.6	3.4	4.1	5.2

Net Income (Loss) from Major Group Companies

	Billions of Yen				
Years ended March 31	10	11	12	13	14
ITOCHU Kenzai Corp.	¥0.2	¥0.0	¥ 1.8	¥1.5	¥3.0
ITOCHU FIBRE LIMITED	—	—	—	2.4	6.5
European Tyre Enterprise Limited	—	—	(0.4)	2.2	5.1
ITOCHU Techno-Solutions Corporation	6.8	6.3	7.5	8.9	8.1
CONEXIO Corporation*	1.6	1.4	1.5	4.2	5.4
ITOCHU LOGISTICS CORP.	2.0	0.7	1.3	1.2	1.4
ITOCHU Property Development, Ltd.	0.5	1.7	2.6	1.8	2.2

* On October 1, 2013, the name of ITC NETWORKS CORPORATION was changed to CONEXIO Corporation.

MESSAGE FROM THE DIVISION COMPANY PRESIDENT

In each field of operations, we are constructing robust earnings platforms and striving to increase earnings by forging stronger links between businesses.

Focuses for Fiscal 2015

Launched on April 1, 2012, as the ICT, General Products & Realty Company, we cover a wide range of business areas, such as Forest Products & General Merchandise, ICT, Insurance & Logistics, and Construction, Realty & Financial Business.

Now in the third year since our inception, during fiscal 2015—the final year of “Brand-new Deal 2014”—we will continue with the growth strategies for existing projects that we have formulated for each of our business areas. We will also focus on achieving steady growth by reinforcing projects that are under way. We will promote proactive asset replacement by seizing the moment in investing in new projects

following careful scrutiny and screening, expanding our earnings platform further in each area.

As our company is involved in wide-ranging business areas, we will step up collaboration between different business areas and enhance global networks that we have pursued since the company’s formation. In this manner, we aim to create new value that will support abundant lifestyles.

By implementing these measures steadily, we are endeavoring to create “new and true value” by coordinating and integrating our human resources and organizations possessing specialist strength, as we endeavor to increase earnings as a company in the non-resource sector.

Growth Opportunities and Risks for the ICT, General Products & Realty Company

In Forest Products & General Merchandise, the volume of pulp market transactions is moving upward, particularly in emerging countries, and this trend is forecast to continue. Market prices on tyres in the United Kingdom show signs of bottoming out, leading to expectations of a future recovery. Meanwhile, we are monitoring changes in Japanese and U.S. housing market conditions and market prices on commodity products such as pulp and natural rubber, which affect the company's operating performance.

In ICT, Insurance & Logistics, we see opportunities for business expansion in the growing demand for ICT services in Asia, the Middle East, and Africa. New business opportunities are also inherent in big data, smart communities, and wearable computing.

We see major business opportunities in Construction, Realty & Financial Business. In the construction sector, for instance, we expect the Japanese real estate securitization market to remain healthy for the foreseeable future, with particularly robust demand for large-scale logistics facilities. Japan's largest residential real estate investment trust, Advance Residence Investment Corporation, is also enjoying a growth trend. In the financial sector, Asia's middle class is expanding in line with rapid economic growth. To meet the growing investment needs this segment represents, we will continue to focus on retail financing (small loans to individuals).

Strengths for Leveraging Opportunities

- Firm position as a leading pulp trader through investments in world-leading hardwood and softwood pulp producers
- Ownership of the industry-leading tyre wholesaling and retailing business in the United Kingdom, as well as the management expertise accumulated through this business
- Comprehensive capabilities for combining functions across broad-ranging business domains in the ICT sector, from Internet business to mobile distribution
- Top-class global logistics and insurance network centered on Asia within Japanese companies
- Through collaboration with Japan's largest residential J-REIT, Advance Residence Investment Corporation, ability to develop and supply excellent housing, and proven track record in large-scale logistics facilities
- Retail financing expertise developed through years of domestic and overseas experience

Medium- to Long-Term Growth Strategies

As the ICT, General Products & Realty Company is involved in a broad range of areas, our first approach is to add and augment the specialist strengths in each division and sector, while at the same time building a robust earnings platform spanning all organizations. For instance, in Forest Products & General Merchandise we are a leader in the business of distributing domestic and overseas construction products.

Next, to expand earnings we are adopting a holistically cooperative approach that transcends individual departments and sectors. Looking at construction, for example, we are introducing Internet services developed in our ICT business into condominium projects we have developed in our construction business, thereby increasing the level of service to customers and augmenting operations within the Group.

These moves aim to create "new and true value" that supports affluent lifestyles in the sense that they involve new transactions generated by pursuing additional and overlapping earnings.

CSR at the ICT, General Products & Realty Company

Contribution to concerns for the environment and creation of enriched communities

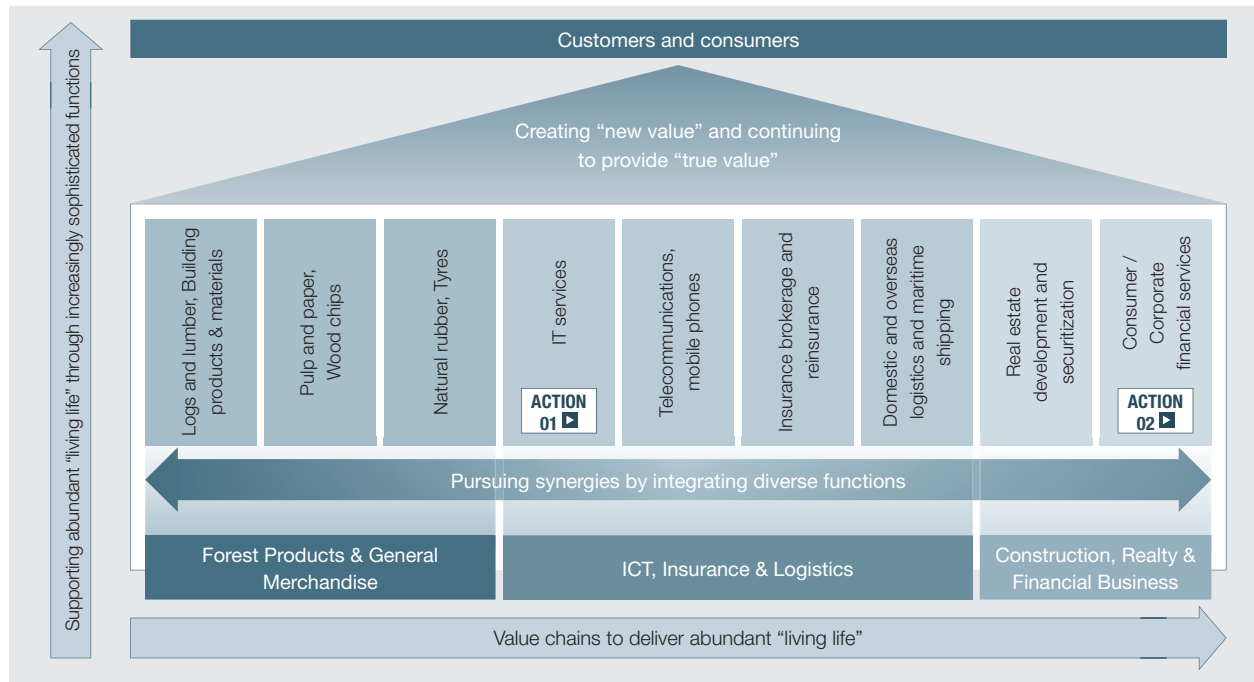
Developing businesses in diverse domains, the ICT, General Products & Realty Company has adopted the mission of contribution to establishment of safe and rewarding lifestyles. It does so through the provision of products and solutions that are closely intertwined with people's lives and adapted to societal needs. We also pursue the stable procurement and efficient use of forest resources in sustainable ways and are working to build a more recycling-oriented society.

CSR Initiatives through Our Business Activities

Sustainable Supply of Forest Resources through CENIBRA of Brazil	
Company value	Social value
Boost profitability from stable supply of high-quality hardwood pulp	CO ₂ fixation and ecosystem maintenance through sustainable forest management
IT-Based Energy Management Business (ecoFORTE)	
Company value	Social value
Expand businesses through provision of comprehensive services, from facility to operational improvements	CO ₂ reduction through the promotion of efficient energy use

For details on CSR activities at the ICT, General Products & Realty Company, please visit our website.
<http://www.itochu.co.jp/en/csr/activities/general/>

Medium- to Long-Term Growth Strategies



ACTIONS

Initiatives to Implement Our Growth Strategies

ACTION 01

Asian IT Service Business Initiatives

In Southeast Asia, which is undergoing rapid economic development, we are maintaining a close focus on the ICT business, an area of particularly robust growth.

In March 2013, we joined our subsidiary, ITOCHU Techno-Solutions Corporation (CTC), in acquiring a 100% stake in CSC ESI Sdn Bhd of Malaysia and CSC Automated Pte. Ltd. of Singapore, which are affiliated with Computer Science Corporation, a major IT service provider in the United States. (The two companies are now known as “CTC Global.”)

Investing in two of the region’s leading IT service providers in terms of scale should enable CTC to expand its competitive business in the telecommunications field. By transferring leading-edge expertise, we also seek to generate synergies through new service development and pursue a host of initiatives aimed at business expansion.

We continue to enhance the IT service business and focus on supporting Japanese and non-Japanese companies that are entering into or augmenting their businesses in Asia.



CTC Global establishment ceremony (Malaysia)



CTC Global office (Malaysia)

ACTION 02

Consumer Finance Business Initiatives Targeting Non-Japanese Individuals

In the financial sector, we are developing the consumer finance business targeting individuals overseas, designed in particular to meet individual funding needs in countries exhibiting rapid economic growth. Through United Asia Finance Limited, we have steadily enhanced our customer base and earnings platform in Hong Kong since the mid-1990s. Leveraging this expertise, since 2007 we have been developing a personal loan business in mainland China, and business has continued to grow rapidly.

Meanwhile in Thailand, which continues to enjoy economic growth, Easy Buy Public Co., Ltd., has kept pace with the country’s economic expansion, offering financial products in line with consumer needs and in the process emerging as a leading company in this sector. In addition, First Response Finance Ltd., which provides loans on used vehicles in the United Kingdom, uses an extremely sophisticated customer management system and specializes in providing credit and service to match individual customers’ circumstances. Over the past seven years, First Response Finance has grown its customer base and seen profits increase.

In addition to enhancing existing businesses, we will seek to take advantage of expertise we have cultivated in the area of personal loans in Japan and overseas, to develop our business further and boost consolidated earnings.



Employees of First Response Finance, which continues to grow



Easy Buy shop in Bangkok