May 8, 2012

ANNUAL FINANCIAL STATEMENTS

For years ended March 31, 2012 and 2011

Page:

ITOCHU Corporation

May 8, 2012

- Unaudited -

Consolidated Financial Results for Fiscal Year 2012 (Year ended March 31, 2012)

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

Company name: ITOCHU Corporation

Stock exchange code: 8001 URL: http://www.itochu.co.jp/en/ir/

President and Chief Executive Officer: Masahiro Okafuji

General Manager of Corporate Communications Division: Tomoyuki Takada TEL: 81 - 3 - 3497 - 7291

The date of Shareholders' meeting June 22, 2012 (Planned) The date of payout of dividend June 25, 2012 (Planned)

The date of issue of audited financial statements June 22, 2012 (Planned)

1. Consolidated operating results for fiscal year 2012 (from April 1, 2011 to March 31, 2012)

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

	Total trading transactions		Trading income (*1)		Income before income taxes and equity in earnings of associated companies		Net income attributable to ITOCHU	
	millions of yen	%	millions of yen	%	millions of yen	%	millions of yen	%
Fiscal year 2012	11,978,276	5.1	272,620	6.4	341,174	87.1	300,505	86.5
Fiscal year 2011	11,393,584	10.5	256,303	72.4	182,332	16.7	161,114	25.0

(Note) Comprehensive income (millions of yen) FY 2012 : 256,951 (up 121.0%) FY 2011 : 116,271(down 59.1%)

(Note) Comprehensive income attributable to ITOCHU (millions of yen) FY 2012 : 249,983 (up 137.5%) FY 2011 : 106,041(down 60.8%)

	Net income attributable to ITOCHU per share (basic)	Net income attributable to ITOCHU per share (diluted) (*2)	Ratio of net income attributable to ITOCHU to stockholders' equity	Please refer below (*3)	Please refer below (*4)
	yen	yen	%	%	%
Fiscal year 2012	190.13	-	23.8	5.6	2.3
Fiscal year 2011	101.93	101.78	14.3	3.3	2.2

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

(*2) Net income attributable to ITOCHU per share (diluted) for Fiscal year 2012 is not presented since antidiluted effect by the convertible preference stocks issued by associated company outstanding.

(*3) Income before income taxes and equity in earnings of associated companies / Total assets

(*4) Trading income / Total trading transactions

(Note) Equity in earnings of associated companies (millions of yen) FY 2012 : 102,748 FY 2011 : 60,617

(2) Consolidated financial position

	Total assets	Total equity	Total ITOCHU stockholders' equity	Ratio of ITOCHU stockholders' equity to total assets	ITOCHU stockholders' equity per share
	millions of yen	millions of yen	millions of yen	%	yen
March 31, 2012	6,507,273	1,696,141	1,363,797	21.0	862.88
March 31, 2011	5,676,709	1,398,954	1,156,270	20.4	731.57

(3) Consolidated cash flows information

	Operating activities	Investing activities	Financing activities	Cash and cash equivalents
	millions of yen	millions of yen	millions of yen	millions of yen
Fiscal year 2012	212,830	(416,315)	84,704	513,489
Fiscal year 2011	335,361	(230,866)	53,202	633,756

2. Dividend distribution

	Dividend distribution per share					Total Dividend distribution (Annual)	Payout ratio (Consolidated)	Ratio of dividend distribution to ITOCHU stockholders' equity (Consolidated)
	End of first quarter	End of second quarter	End of third quarter	Year-end	Annual			
	yen	yen	yen	yen	yen	millions of yen	%	%
Fiscal year 2011	-	9.00	-	9.00	18.00	28,473	17.7	2.5
Fiscal year 2012	-	16.50	-	27.50	44.00	69,598	23.1	5.5
Fiscal year 2013 (Planned)	-	20.00	-	20.00	40.00		22.6	

3. Outlook of consolidated operating results for fiscal year 2013 (from April 1, 2012 to March 31, 2013)

(%: Changes from the previous fiscal year)

	Total trading transactions		Trading income (*)		Income before income taxes and equity in earnings of associated companies		Net income attributable to ITOCHU		Net income attributable to ITOCHU per share (basic)
	millions of yen	%	millions of yen	%	millions of yen	%	millions of yen	%	yen
Fiscal year 2013	13,100,000	9.4	290,000	6.4	300,000	(12.1)	280,000	(6.8)	177.16

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

4. Other information

(1) Changes in classification of specified subsidiaries accompanied by changes in the consolidation scope during the fiscal year 2012: Yes

New 4 Companies ITC Platinum Development Ltd.
ITOCHU Coal Americas Inc.
European Tyre Enterprise Limited (*)
Brazil Japan Iron Ore Corporation

(*) European Tyre Enterprise Limited changed its corporate name from Bidco Tyche Limited on August 23, 2011.

(2) Changes in accounting policies or presentation ways in the consolidated financial statements

(a) Changes due to amendment of accounting standards: N/A
(b) Other changes: Yes (*)
(*) Refer to 4.(9) ii), on page 35.

(3) Number of common shares issued

(a) Number of common shares outstanding: (including the number of treasury stock)	As of end of FY 2012	1,584,889,504	Fiscal Year 2011	1,584,889,504
(b) Number of treasury stock:	As of end of FY 2012	4,366,546	Fiscal Year 2011	4,353,606
(c) Average number of common shares outstanding:	For FY 2012	1,580,528,221	For FY 2011	1,580,596,737

[Note]

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

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

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

4. The consolidated financial statements are expressed in yen and, solely for the convenience of the reader, have been translated into U.S. dollars at the rate of 82.19 yen = 1 U.S. dollar, the exchange rate prevailing on March 31, 2012. The translation should not be construed as a representation that the Japanese yen amounts could be converted into U.S. dollars at the above or any other rate.

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

1. Summary of Operations

(1) Analysis of Consolidated Operating Results

<**General Economic Situations**>

In fiscal year 2012, although the global economy continued to expand supported by economic growth in emerging countries, compared with the previous fiscal year it decelerated markedly, centered on the economies of industrialized countries. Reflecting the slowdown of the global economy, WTI crude oil price trended downward, falling from over US$100 at the beginning of April to less than US$80 for a time in October. However, geopolitical risk increased as the situation in Iran worsened, and the price of crude oil conversely rose to above US$100 by the end of March. Japan's economy experienced unavoidable sluggishness due to tremendous human and physical damage that resulted from the Great East Japan Earthquake in March 2011. However, Japan's economy began trending toward moderate recovery thanks to a pickup in corporate activity accompanying the restoration of supply chains and a recovery in consumer spending as the mood of self-restraint lessened. Nonetheless, recovery activities were sluggish in the second half of the fiscal year due to the slowdown of the global economy, yen appreciation, and exports declined. Stock prices, which had been tracking downward as risk aversion strengthened in financial markets, began a turnaround from the start of 2012 as concerns eased over the European sovereign debt crisis. Although the Nikkei Stock Average, which was approximately ¥9,700 at the beginning of April, declined below ¥8,200 in November, by the end of the fiscal year it had recovered to the ¥10,000 level. The yen-dollar rate, which was approximately ¥84 at the beginning of April, briefly dipped below ¥76 in October, but as a result of heightened expectations of a U.S. economic recovery and additional monetary easing measures by the Bank of Japan the yen began depreciating from February, reaching below the ¥83 level at the end of March. Backed by the continuation of the Bank of Japan’s monetary easing measures, long-term interest rates trended downward, with the yield on 10-year Japanese government bonds declining from below the 1.3% level at the beginning of April to approximately 1% at the end of March.

<Operating results for fiscal Year 2012 (April 1, 2011, to March 31, 2012)>

Revenue for the fiscal year ended March 31, 2012, increased by 17.0%, or 619.5 billion yen, compared with the previous fiscal year, to 4,271.1 billion yen (51,965 million U.S. dollars). It was attributable to higher revenue in several division companies. The Energy, Metals & Minerals Company achieved an increase due to the acquisition of energy-related companies, a rise in prices for iron ore, oil & gas and an increase in iron ore sales volume counteracted a decrease due to lower coal production and sales volume. In the Chemicals, Forest Products & General Merchandise Company, revenue increased mainly due to the acquisition of Kwik-Fit Group. In addition, the Food Company rose due to higher market prices for food materials, such as feed grains and others, and an increase in transaction volume in food-distribution-related companies.

Gross trading profit was up by 5.5%, or 54.1 billion yen, compared with the previous fiscal year, to 1,030.4 billion yen (12,537 million U.S. dollars). It was attributable to increases in several division companies. The Chemicals, Forest Products & General Merchandise Company achieved an increase due to the acquisition of Kwik-Fit Group and higher market prices for plywood in the domestic market. The ICT & Machinery Company achieved an increase due to higher transaction volume in domestic ICT-related companies and construction-machinery-related companies. In the Food Company, although some companies posted declines in earnings due to the Great East Japan Earthquake, food-distribution-related companies saw an increase in transaction volume.

Selling, general and administrative expenses were up by 5.9%, or 42.2 billion yen, compared with the previous fiscal year, to 752.9 billion yen (9,161 million U.S. dollars). It was attributable to an increase accompanying a rise in revenue among existing consolidated companies and the acquisition of Kwik-Fit Group, which offset decreases in the effect of cost reductions and de-consolidation of certain subsidiaries.

Provision for doubtful receivables improved by 4.5 billion yen, compared with the previous fiscal year, to a loss of 4.9 billion yen (60 million U.S. dollars), due to the absence of write-off of loans accompanying disposal of enterprises in North America in the previous fiscal year.

Net interest expenses improved by 23.3%, or 3.9 billion yen, compared with the previous fiscal year, to a loss of 12.8 billion yen (156 million U.S. dollars), due to a decline in yen interest rates. **Dividends received** increased by 19.2%, or 4.5 billion yen, compared with the previous fiscal year, to 28.0 billion yen (341 million U.S. dollars), due primarily to an increase in dividends from oil & gas-related investments. Consequently, **Net financial income**, which is the total of **Net interest expenses** and **Dividends received**, improved by 8.4 billion yen, compared with the previous fiscal year, to gain of 15.2 billion yen (185 million U.S. dollars).

Gain on investments-net improved by 59.1 billion yen, compared with the previous fiscal year, to 20.9 billion yen (255 million U.S. dollars). It was attributable to the absence of impairment losses on Orient Corporation preferred stocks and on other listed securities and loss on disposal of low-efficiency businesses in the previous fiscal year and to an increase in gain on sales of investments as well as gain recognized in a business combination of Brazil Japan Iron Ore Corporation by remeasuring its previously held equity interest at its acquisition-date fair value.

Loss on property and equipment-net improved by 27.0 billion yen compared with the previous fiscal year, to 6.7 billion yen (82 million U.S. dollars). It was attributable to a substantial decrease in impairment losses on property and equipment and oil & gas assets and losses arising as a result of the Great East Japan Earthquake in the previous fiscal year, which offset the effect of a decline in gain on sales of property and equipment that resulted from the absence of gain on sales of coal interests in the previous fiscal year.

Gain on bargain purchase in acquisition was 15.9 billion yen (194 million U.S. dollars). It was recognized in the acquisition of Brazil Japan Iron Ore Corporation. (Please refer to (*), on page 5.)

Other-net improved by 32.2 billion yen, compared with the previous fiscal year, to gain of 23.3 billion yen (283 million U.S. dollars), due to the receipt of insurance related to the Great East Japan Earthquake and to the absence of losses on disposal of three enterprises and business reconstruction costs on equipment-material-related business in North America and ship-related losses in the previous fiscal year.

As a result, **Income before income taxes and equity in earnings of associated companies** increased by 87.1%, or 158.8 billion yen, compared with the previous fiscal year, to 341.2 billion yen (4,151 million U.S. dollars). **Income taxes** increased (worsened) by 77.9%, or 53.4 billion yen, compared with the previous fiscal year, to expenses of 122.0 billion yen (1,485 million U.S. dollars), due to the reversal of deferred tax assets accompanying the change in the effective income tax rate under Japanese taxation reform.

Equity in earnings of associated companies increased by 69.5%, or 42.1 billion yen, compared with the previous fiscal year, to gain of 102.7 billion yen (1,250 million U.S. dollars). There was an increase in earnings of iron-ore-related companies accompanying higher prices and sales volume as well as an increase in earnings of mobile-networks-related companies and steel-products-related companies. In addition, there was an unordinary gain due to an additional investment in a leasing company and the absence of impairment losses on Orient Corporation common stocks and other listed equity-method affiliates in the previous fiscal year.

As a result, **Net income** increased by 84.6% compared with the previous fiscal year, or 147.5 billion yen, to 321.9 billion yen (3,916 million U.S. dollars).

Consequently, **Net income attributable to ITOCHU**, which is calculated as **Net income** minus **Net income attributable to the noncontrolling interest** of 21.4 billion yen (260 million U.S. dollars), increased by 86.5%, or 139.4 billion yen, compared with the previous fiscal year, to 300.5 billion yen (3,656 million U.S. dollars).

The effect on **Net income attributable to ITOCHU** of the change in the effective income tax rate was a loss of 11.2 billion yen (136 million U.S. dollars), including losses recognized by the equity-method associated companies.

(Supplemental information)

In accordance with Japanese accounting practices, **Total trading transactions** for the fiscal year ended March 31, 2012, increased by 584.7 billion yen, compared with the previous fiscal year, to 11,978.3 billion yen (145,739 million U.S. dollars). It was attributable to higher trading transactions in several division companies. The Chemicals, Forest Products & General Merchandise Company increased due to the acquisition of Kwik-Fit Group, higher prices for organic chemicals compared with the previous fiscal year, and higher market prices for plywood in the domestic market. The Energy, Metals & Minerals Company achieved an increase due to the acquisition of energy-related companies and a rise in prices for iron ore, oil & gas and an increase in iron ore sales volume counteracted a decrease due to lower coal production and sales volume. In the Food Company also rose due to higher market prices for food materials, such as feed grains and others, and an increase in transactions volume in food-distribution-related companies.

<Operating results for the Fourth Quarter of Fiscal Year 2012 (January 1, 2012 to March 31, 2012)>

Revenue for the three-month period ended March 31, 2012, increased by 28.7%, or 288.0 billion yen, compared with the same period of the previous fiscal year, to 1,292.5 billion yen (15,725 million U.S. dollars). It was attributable to higher revenue in several division companies. The Energy, Metals & Minerals Company achieved an increase due to the acquisition of energy-related companies and rise in prices for oil & gas compared with the same period of the fiscal year. In the Chemicals, Forest Products & General Merchandise Company, revenue increased mainly due to the acquisition of Kwik-Fit Group. In the Construction & Realty Division, revenue increased due to sales to investors of real estate for leasing and higher sales of condominiums.

Gross trading profit increased by 7.6%, or 19.5 billion yen, compared with the same period of the previous fiscal year, to 275.5 billion yen (3,352 million U.S. dollars). It was attributable to increases in several division companies. In the Energy, Metals & Minerals Company, profit decreased due to lower coal sales volume and a fall in iron ore prices. However, it was attributable to higher revenue in the Chemicals, Forest Products & General Merchandise Company, the Construction & Realty Division, and an increase in the ICT & Machinery Company due to higher transaction volume in construction-machinery-related companies.

Selling, general and administrative expenses were up by 17.5%, or 31.3 billion yen, compared with the same period of the previous fiscal year, to 210.5 billion yen (2,561 million U.S. dollars). It was attributable to an increase accompanying a rise in revenue among existing consolidated companies and the acquisition of Kwik-Fit Group which offset decreases in the effect of cost reductions and de-consolidation of certain subsidiaries.

Provision for doubtful receivables improved by 4.2 billion yen, compared with the same period of the previous fiscal year, to a loss of 1.2 billion yen (14 million U.S. dollars), due to the absence of write-off of loans accompanying disposal of enterprises in North America in the previous fiscal year.

Net interest expenses were almost at the same level compared with the same period of the previous fiscal year, at 3.5 billion yen (43 million U.S. dollars), because increased interest-bearing debt counteracted positive factors such as a decline in yen interest rates. **Dividends received** increased by 88.3%, or 5.2 billion yen, compared with the same period of the previous fiscal year, to 11.1 billion yen (136 million U.S. dollars), due primarily to an increase in dividends from oil & gas-related investments and LNG-related investments. Consequently, **Net financial income**, which is the total of **Net interest expenses** and **Dividends received**, improved by 5.1 billion yen, compared with the same period of the previous fiscal year, to a gain of 7.6 billion yen (93 million U.S. dollars).

Gain on investments-net improved by 22.5 billion yen, compared with the same period of the previous fiscal year, to 12.3 billion yen (149 million U.S. dollars). It was attributable to an increase in gain on sales of investments as well as the absence of loss on disposal of low-efficiency businesses in the same period of the previous fiscal year.

Loss on property and equipment-net improved by 26.3 billion yen, compared with the same period of the previous fiscal year, to 6.0 billion yen (73 million U.S. dollars). It was attributable to substantial decrease in impairment losses on property and equipment and oil & gas assets and losses arising as a result of the Great East Japan Earthquake in the same period of the previous fiscal year.

Gain on bargain purchase in acquisition was 5.4 billion yen (66 million U.S. dollars). It was additionally recognized as a result of a partial change in this period in the condition that had been planned after the acquisition of Brazil Japan Iron Ore Corporation. (*)

Other-net improved by 9.5 billion yen, compared with the same period of the previous fiscal year, to gain of 6.7 billion yen (81 million U.S. dollars), due to an improvement in miscellaneous gain (loss) and the absence of ship-related losses in the same period of the previous fiscal year.

As a result, **Income before income taxes and equity in earnings of associated companies** increased by 212.9%, or 61.1 billion yen, compared with the same period of the previous fiscal year, to 89.8 billion yen (1,093 million U.S. dollars). **Income taxes** increased (worsened) by 14.7%, or 3.1 billion yen, compared with the same period of the previous fiscal year, to expenses of 23.8 billion yen (289 million U.S. dollars).

Equity in earnings of associated companies increased by 137.2%, or 12.3 billion yen, compared with the same period of the previous fiscal year, to a gain of 21.3 billion yen (260 million U.S. dollars). It was attributable to decrease in impairment losses on common stock of listed equity-method affiliates compared with the same period of the previous fiscal year as well as an increase in earnings of steel-products-related companies and mobile-networks-related companies and the contribution from equity in earnings of Colombian coal company which invested in the fiscal year.

As a result, **Net income** increased by 414.4% compared with the same period of the previous fiscal year, or 70.4 billion yen, to 87.4 billion yen (1,064 million U.S. dollars).

Consequently, **Net income attributable to ITOCHU**, which is calculated as **Net income** minus **Net income attributable to the noncontrolling interest** of 5.8 billion yen (71 million U.S. dollars), increased by 567.1%, or 69.4 billion yen, compared with the same period of the previous fiscal year, to 81.6 billion yen. (993 million U.S. dollars)

(Supplemental information)
In accordance with Japanese accounting practices, **Total trading transactions** for the three-month period ended March 31, 2012, increased by 221.4 billion yen, compared with the same period of the previous fiscal year, to 3,096.3 billion yen (37,672 million U.S. dollars). It was attributable to higher trading transactions in several division companies. In the Energy, Metals & Minerals Company achieved an increase due to the acquisition of energy-related companies and rise in prices for oil & gas compared with the same period of the previous fiscal year. In the Chemicals, Forest Products & General Merchandise Company increased due mainly to the acquisition of Kwik-Fit Group. In the Food Company also rose due to an increase in transaction volume in food-distribution-related companies.

(2) Analysis of Consolidated Financial Position

(a) Assets, Liabilities, and Equity

Total assets as of March 31, 2012, increased by 14.6%, or 830.6 billion yen, compared with March 31, 2011, to 6,507.3 billion yen (79,174 million U.S. dollars). There was a decrease in **Cash and cash equivalents** and **Time deposits**. However, in the Textile Company, there was an investment in Shandong Ruyi Science & Technology Group, in the ICT & Machinery Company, there were investments in IPP (Independent Power Producer) in North America and in the Energy, Metals & Minerals Company, there were investments in Colombian coal company and U.S. oil & gas development company as well as an increase due to the acquisition of Brazil Japan Iron Ore Corporation in **Investment to associated companies**. In addition, in the Energy, Metals & Minerals Company, the Chemicals, Forest Products & General Merchandise Company, and the Food Company, there were increases in **Net trade receivables** and **Inventories**. Also, in the Chemicals, Forest Products & General Merchandise Company there were increases in **Inventories**, **Net property and equipment**, and **Other assets** due to the acquisition of Kwik-Fit Group.

Interest-bearing debt increased by 11.7%, or 264.6 billion yen, compared with March 31, 2011, to 2,533.6 billion yen (30,826 million U.S. dollars), due to a rise in debt for the new investments. **Net interest-bearing debt** (interest-bearing debt after deducting **Cash and cash equivalents** and **Time deposits**) increased by 23.6%, or 384.1 billion yen, compared with March 31, 2011, to 2,014.9 billion yen (24,515 million U.S. dollars).

Total ITOCHU stockholders' equity increased by 17.9%, or 207.5 billion yen, compared with March 31, 2011, to 1,363.8 billion yen (16,593 million U.S. dollars), due to an increase in **Net income attributable to ITOCHU,** despite a decrease in dividend payment and deterioration in **Foreign currency translation adjustments**.

As a result, **the Ratio of stockholders' equity to total assets** improved by 0.6 points to 21.0% from March 31, 2011. **NET DER** (Net Debt-to-stockholders' Equity ratio) was 1.5 times.

Total equity, or the sum of **Total ITOCHU stockholders' equity** and **Noncontrolling interest** increased by 21.2%, or 297.2 billion yen, compared with March 31, 2011, to 1,696.1 billion yen (20,637 million U.S. dollars), mainly due to an increase in **Total ITOCHU stockholders' equity** and the acquisition of Brazil Japan Iron Ore Corporation.

(b) Consolidated Cash Flows Information

[Consolidated Cash Flows for Fiscal Year 2012 (from April 1, 2011 to March 31, 2012)]

Cash flows from operating activities for the fiscal year ended March 31, 2012, recorded a net cash-inflow of 212.8 billion yen (2,589 million U.S. dollars), resulting from steady performance in operating revenue in overseas natural resources, despite an increase in inventories in the Energy, Metals & Minerals and the Chemicals, Forest Products & General Merchandise.

Cash flows from investing activities recorded a net cash-outflow of 416.3 billion yen (5,065 million U.S. dollars) mainly due to new investments in Colombian coal company and U.S. oil & gas development company, an additional investment in Brazil Japan Iron Ore Corporation and investments in IPP in North America, as well as additional capital expenditures and purchase of interests in natural resource development sector.

Cash flows from financing activities recorded a net cash-inflow of 84.7 billion yen (1,031 million U.S. dollars) due to dividend payment and large-scale investments, which was partly covered by cash and deposits, and by over 200 billion yen cash flows from operating activities.

Consequently, **Cash and cash equivalents** as of March 31, 2012, decreased by 120.3 billion yen to 513.5 billion yen (6,248 million U.S. dollars) compared with March 31, 2011.

[Consolidated Cash Flows for the Fourth Quarter of Fiscal Year 2012 (from January 1, 2012 to March 31, 2012)]

Cash flows from operating activities for the three-month period ended March 31, 2012, recorded a net cash-inflow of 118.7 billion yen (1,445 million U.S. dollars), resulting from decrease in inventories in the Energy, Metals & Minerals and the Construction & Realty, in addition to steady performance in operating revenue in overseas natural resources.

Cash flows from investing activities recorded a net cash-inflow of 3.9 billion yen (48 million U.S. dollars) mainly due to sales of investments in natural resource development sector.

Cash flows from financing activities recorded a net cash-outflow of 19.6 billion yen (238 million U.S. dollars) due to repayment of debt.

The trend of consolidated cash flow indices is as follows:

FY	2008	2009	2010	2011	2012
Ratio of stockholders' equity to total assets (%)	18.5%	16.4%	20.1%	20.4%	21.0%
Ratio of market capitalization to total assets (%)	29.5%	14.6%	23.7%	24.3%	22.0%
Years of debt redemption (years)	32.1yrs	8.6yrs	7.5yrs	6.8yrs	11.9yrs
Interest coverage ratio (times)	1.3	5.8	8.0	11.9	9.2

Consolidated cash flow indices are calculated as follows:

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

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

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

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

(3) Risk Information

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

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

With respect to descriptions about future events, ITOCHU appropriately has determined its assumptions and estimates based on information currently available as of March 31, 2012.

i) Corporate Result Risks Due to Macroeconomic Factors

ITOCHU Group involves a wide variety of business ranging from supply of raw materials to manufacturing and sale in each of their businesses areas. It conducts diverse types of commercial transactions such as purchase and sale of products in the domestic market, import/export trade between overseas affiliates as well as development of energy, metal resources and mineral resources. To give an overview of Group's main areas of business, trade in machinery such as plants, autos and construction machinery, trade in mineral resources, energy and chemical products, and investments in development are all largely dependent on economic trends in the world while the domestic economy has a relatively strong influence on the consumer and retail-related segments such as textiles and food. However, economic trends in the world have been more and more influential even on these consumer and retail-related segments as economic globalization proceeds. ITOCHU Group has conducted business and trade in many areas around the world. Consequently, the economic trends not only in world economy as a whole but also in specific oversea areas have a possibility to seriously affect the operations of the Group.

ii) Market Risk

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

a) Foreign Exchange Rate Risk

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

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

b) Interest Rate Risk

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

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

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

c) Commodity Price Risk

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

In addition, ITOCHU Group works to minimize commodity price risk by utilizing derivatives such as futures or forward contracts as means of hedging. Despite these measures, ITOCHU Group cannot guarantee a complete avoidance of commodity price risk. ITOCHU Group also participates in resource development businesses such as the energy, metals and minerals sector and other manufacturing businesses. Production in these businesses is also exposed to the same commodity price risk noted above, and it is possible for the value of the businesses to deteriorate.

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

d) Stock Price Risk

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

iii) Credit Risks

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

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

iv) Country Risk

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

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

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

v) Investment Risk

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

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

vi) Risks Due to Impairment Loss on Fixed Assets

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

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

vii) Risks Due to Fund Raising

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

viii) Risks Due to Pension Cost and Projected Benefit Obligations

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

ix) Risks Due to Deferred Taxes

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

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

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

x) Risks Due to Competition

Due to ITOCHU Group's involvement in many different industries and the fact that the Group handles a vast array of products and services, the Group is open to competition from many different companies, both domestic and foreign, including competition from other general trading companies. ITOCHU Group cannot deny the existence of other companies with superior experience, technology, and funding capacity, that are in a position to provide products and services that meet customer needs. Moreover, ever-greater competition from companies in newly developing countries like China exists in addition to ongoing competition from companies in European and North American industrialized countries due to the economic globalization.

ITOCHU Group could also find its competitiveness unsustainable due to future events such as deregulation, changes in the business environment such as entering into other industries, and technological innovation. The advent of such risks could cause a corresponding loss in competitiveness for ITOCHU Group, giving major adverse impact on the financial position and results of operations of ITOCHU Group.

xi) Risks Associated with Significant Lawsuits

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

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

xii) Risks Associated with Compliance

a) Risks Related to Laws and Regulations

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

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

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

b) Risks Related to the Environment

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

xiii) Risks Associated with Information Systems and Information Security

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

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

xiv) Natural Disaster Risk

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

2. Performance of Group Companies attributable to ITOCHU

Components of Consolidated Net income attributable to ITOCHU

[Years ended March 31, 2012 and 2011]

(Unit: billion yen)	2012	2011	Increase (Decrease)
Parent company	131.0	74.2	56.8
Group companies excluding overseas trading subsidiaries	271.3	180.2	91.2
Overseas trading subsidiaries	23.7	8.9	14.7
Subtotal	426.1	263.3	162.7
Consolidation adjustments	(125.5)	(102.2)	(23.3)
Consolidated Net income attributable to ITOCHU	300.5	161.1	139.4
Earnings from overseas businesses (*)	194.2	132.7	61.5
Share of earnings from overseas businesses	65%	82%	

[For the three months ended March 31, 2012 and 2011]

(Unit: billion yen)	2012 Jan.-Mar.	2011 Jan.-Mar.	Increase (Decrease)
Parent company	28.7	33.8	(5.2)
Group companies excluding overseas trading subsidiaries	67.3	26.0	41.3
Overseas trading subsidiaries	7.1	1.3	5.8
Subtotal	103.0	61.1	41.9
Consolidation adjustments	(21.4)	(48.9)	27.5
Consolidated Net income attributable to ITOCHU	81.6	12.2	69.4
Earnings from overseas businesses (*)	46.2	22.5	23.7
Share of earnings from overseas businesses	57%	184%	

(*) "Earnings from overseas businesses" is the total of Net income attributable to ITOCHU of overseas trading subsidiaries and overseas group companies, plus Net income attributable to ITOCHU of overseas branches of parent company and the companies established in Japan for specific overseas business whose sources of revenue are in overseas.

Number of Group Companies(*)

	March 31, 2012			March 31, 2011							Net
	Domestic	Overseas	Total	Domestic	Overseas	Total	Increase	Decrease	Changes within Group		changes
Subsidiaries	86	140	226	96	149	245	+ 14	(34)	+ 2	(1)	(19)
Equity-method associated companies	58	82	140	63	85	148	+ 12	(19)	(2)	+ 1	(8)
Total	144	222	366	159	234	393	+ 26	(53)			(27)

(*)Investment companies which are considered as part of parent (as of March 31, 2012, 148 entities, as of March 31, 2011, 144 entities) and companies indirectly invested by ITOCHU or its Overseas trading subsidiaries (as of March 31, 2012, 408 entities, as of March 31, 2011, 311 entities) are not included in the above-mentioned number of companies.

Number/Share of Group Companies Reporting Profits

		2012			2011			Increase (Decrease)		
		Profits	Losses	Total	Profits	Losses	Total	Profits	Losses	Total
Subsidiaries	Domestic	77	9	86	81	15	96	(4)	(6)	(10)
	Overseas	112	28	140	113	36	149	(1)	(8)	(9)
	Total	189	37	226	194	51	245	(5)	(14)	(19)
	Share (%)	83.6%	16.4%	100.0%	79.2%	20.8%	100.0%	+ 4.4%	(4.4%)	
Equity-method associated companies	Domestic	47	11	58	47	16	63	± 0	(5)	(5)
	Overseas	63	19	82	66	19	85	(3)	± 0	(3)
	Total	110	30	140	113	35	148	(3)	(5)	(8)
	Share (%)	78.6%	21.4%	100.0%	76.4%	23.6%	100.0%	+ 2.2%	(2.2%)	
Total	Domestic	124	20	144	128	31	159	(4)	(11)	(15)
	Overseas	175	47	222	179	55	234	(4)	(8)	(12)
	Total	299	67	366	307	86	393	(8)	(19)	(27)
	Share (%)	81.7%	18.3%	100.0%	78.1%	21.9%	100.0%	+ 3.6%	(3.6%)	

Profits/Losses of Group Companies Reporting Profits/Losses

(Unit: billion yen)

		2012			2011			Increase (Decrease)		
		Profits	Losses	Total	Profits	Losses	Total	Profits	Losses	Total
Subsidiaries	Domestic	77.6	(3.9)	73.7	44.9	(10.4)	34.5	+ 32.7	+ 6.5	+ 39.2
	Overseas (**)	125.8	(4.6)	121.2	103.3	(15.0)	88.3	+ 22.4	+ 10.5	+ 32.9
	Total	203.4	(8.5)	194.9	148.2	(25.4)	122.8	+ 55.2	+ 17.0	+ 72.1
Equity-method associated companies	Domestic	69.0	(8.2)	60.8	52.9	(8.3)	44.6	+ 16.1	+ 0.0	+ 16.2
	Overseas	40.8	(1.5)	39.3	25.5	(3.9)	21.7	+ 15.2	+ 2.4	+ 17.6
	Total	109.8	(9.7)	100.1	78.4	(12.1)	66.3	+ 31.4	+ 2.4	+ 33.8
Total	Domestic	146.7	(12.1)	134.5	97.8	(18.7)	79.2	+ 48.9	+ 6.5	+ 55.4
	Overseas (**)	166.5	(6.1)	160.5	128.9	(18.9)	109.9	+ 37.7	+ 12.9	+ 50.5
	Total	313.2	(18.2)	295.0	226.7	(37.6)	189.1	+ 86.5	+ 19.4	+ 105.9

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

	2012			2011			Increase (Decrease)		
	Profits	Losses	Total	Profits	Losses	Total	Profits	Losses	Total
Overseas trading subsidiaries	24.0	(0.3)	23.7	14.7	(5.7)	8.9	+ 9.3	+ 5.4	+ 14.7

Major New Group Companies

Business Field	Name	Country	Voting Shares	Categories
Textile	Shandong Ruyi Science & Technology Group Co., Ltd.	China	(30.0 %)	Holding company with textile business and others
ICT & Machinery	I-ENVIRONMENT INVESTMENTS LIMITED	U.K.	(100.0 %)	Investment company in PFI for waste management and energy-from-waste business in the U.K.
ICT & Machinery	KS DRILLING PTE. LTD.	Singapore	(20.0 %)	Rig management and drilling services
ICT & Machinery	NEW Japan K.K.	Japan	(33.3 %)	Product warranty service and post-sale service provider
ICT & Machinery	PT.BHIMASENA POWER INDONESIA	Indonesia	(32.0 %)	Independent Power Producer
ICT & Machinery	Adways Co., Ltd.	Japan	(20.4 %)	Internet Advertising
Metals & Minerals	ITC Platinum Development Ltd.	U.K.	(75.0 %)	Managing business of the exploration and development of Platinum Group Metals (PGMs) and Nickel of the Platreef Project in South Africa
Metals & Minerals	ITOCHU Mineral Resources Development Corporation	Japan	(100.0 %)	Consulting company in mining business
Metals & Minerals	ITOCHU Coal Americas Inc.	U.S.A.	(100.0 %)	Investment and management for projects of coal in Colombia
Energy	Isla Petroleum & Gas Corporation	Philippines	(40.0 %)	Import and distribution of LPG
Chemicals	Kureha Battery Materials Japan Co., Ltd.	Japan	(30.0 %)	Manufacturing and sales of anode materials and binders for lithium-ion batteries
Logistics Services	I P Integrated Services Private Limited	India	(49.7 %)	Logistic services

Performance of Group Companies (Net income attributable to ITOCHU)

Years ended March 31, 2012 and 2011

Major Group Companies

(Unit: billion yen)

	Name	Shares	Method of Consolidation	Net income attributable to ITOCHU (*1) 2012 4Q	2012	2011 4Q	2011	Categories
Textile	JOI'X CORPORATION	100.0%	Consolidation	(0.3)	(0.3)	0.6	0.5	Manufacture, retail and sale of men's apparel
Textile	SANKEI CO., LTD.	100.0%	Consolidation	1.7	4.0	0.2	1.5	Sale of garment accessories
Textile	ITOCHU Textile Prominent (ASIA) Ltd. (*3) (Hong Kong, China)	100.0%	Consolidation	(0.4)	0.1	(0.1)	0.0	Production control and wholesale of textile and apparel
Textile	ITOCHU TEXTILE (CHINA) CO., LTD. (*4) (China)	100.0%	Consolidation	0.1	1.1	0.2	0.8	Production control and wholesale of textile materials, fabrics and apparel
ICT &Machinery	ITOCHU CONSTRUCTION MACHINERY CO., LTD.	100.0%	Consolidation	0.1	0.6	0.1	0.6	Sale and rental of construction machinery
ICT &Machinery	ITOCHU MACHINE-TECHNOS CORPORATION (*5)	100.0%	Consolidation	0.3	0.6	0.5	0.3	Import/Export and domestic sale of industrial machinery and NC machine tools
ICT &Machinery	ITOCHU Techno-Solutions Corporation	55.4%	Consolidation	3.3	7.5	3.7	6.3	Sale and maintenance of computer network systems, customized development of software, data center service, and support
ICT &Machinery	Excite Japan Co., Ltd.	57.7%	Consolidation	(*2)	(*2)	0.1	0.1	Providing services of Internet information
ICT &Machinery	ITC NETWORKS CORPORATION	60.3%	Consolidation	(*2)	(*2)	0.6	1.4	Sale of mobile phone units, mobile phones-related solution business
ICT &Machinery	Century Medical, Inc.	100.0%	Consolidation	0.1	0.9	0.2	0.8	Import and wholesale of medical equipment and materials
ICT &Machinery	ITOCHU Automobile America Inc. (U.S.A.)	100.0%	Consolidation	0.1	0.0	0.1	0.3	Retail, distribution, and trade of motor vehicles
ICT &Machinery	Century Tokyo Leasing Corporation	25.1%	Equity	(*2)	(*2)	1.1	4.0	Lease, installment sale, business lease and other
ICT &Machinery	JAMCO Corporation	33.2%	Equity	(*2)	(*2)	0.2	0.0	Maintenance of aircraft and manufacture of aircraft interior
ICT &Machinery	SUNCALL CORPORATION	26.8%	Equity	(*2)	(*2)	0.0	0.4	Manufacturing and sale of optical communication devices, electronic devices
ICT &Machinery	SPACE SHOWER NETWORKS INC.	36.8%	Equity	0.1	0.1	(0.2)	(0.2)	Music channel on cable/satellite television
Energy, Metals & Minerals	ITOCHU Metals Corporation	100.0%	Consolidation	0.2	1.2	0.2	1.2	Import/Export and wholesale of non-ferrous/light metals and recycle business
Energy, Metals & Minerals	ITOCHU ENEX CO., LTD.	54.0%	Consolidation	1.1	2.4	1.2	2.2	Wholesale of petroleum products and high-pressure gas
Energy, Metals & Minerals	Brazil Japan Iron Ore Corporation (*6)	67.5%	Consolidation	7.2	36.8	5.1	12.9	Investment in projects of iron ore in Brazil
Energy, Metals & Minerals	ITOCHU Minerals & Energy of Australia Pty Ltd (*7) (Australia)	100.0%	Consolidation	19.7	89.3	15.3	80.1	Investment in projects of iron ore, coal and bauxite mining, manufacture
Energy, Metals & Minerals	ITOCHU Oil Exploration (Azerbaijan) Inc. (Cayman Islands)	100.0%	Consolidation	2.6	13.0	(0.1)	10.7	Exploration and production of crude oil and gas
Energy, Metals & Minerals	ITOCHU PETROLEUM CO., (SINGAPORE) PTE. LTD. (Singapore)	100.0%	Consolidation	0.0	(0.2)	1.2	0.0	Trade of crude oil and petroleum products
Energy, Metals & Minerals	Marubeni-Itochu Steel Inc.	50.0%	Equity	3.4	12.9	1.0	6.8	Import/Export and wholesale of steel products
Chemicals, Forest Products & General Merchandise	ITOCHU Kenzai Corp.	100.0%	Consolidation	0.2	1.8	(0.5)	0.0	Wholesale of wood products and building materials
Chemicals, Forest Products & General Merchandise	ITOCHU Pulp & Paper Corp.	100.0%	Consolidation	0.0	0.2	0.0	0.2	Wholesale of paper, paperboards and various paper materials
Chemicals, Forest Products & General Merchandise	ITOCHU CHEMICAL FRONTIER Corporation	100.0%	Consolidation	0.6	2.9	0.5	2.0	Wholesale of fine chemicals and related raw materials
Chemicals, Forest Products & General Merchandise	ITOCHU PLASTICS INC.	100.0%	Consolidation	0.6	1.9	0.6	2.2	Wholesale of plastics and related products
Chemicals, Forest Products & General Merchandise	C.I. Kasei Co., Ltd.	97.6%	Consolidation	0.2	1.2	(0.3)	1.1	Manufacture and sale of plastic products
Chemicals, Forest Products & General Merchandise	DAIKEN CORPORATION	25.5%	Equity	(*2)	(*2)	0.0	0.2	Manufacture and sale of building materials
Chemicals, Forest Products & General Merchandise	TAKIRON Co., Ltd.	28.1%	Equity	(*2)	(*2)	0.1	0.8	Manufacture, processing and sale of plastic products
Food	ITOCHU SHOKUHIN Co., Ltd.	51.4%	Consolidation	(*2)	(*2)	0.0	1.8	Wholesale of foods and liquor
Food	NIPPON ACCESS, INC. (*8)	93.8%	Consolidation	2.0	8.6	0.0	6.5	Wholesale and distribution of foods
Food	China Foods Investment Corp. (*9)	74.1%	Consolidation	0.1	2.4	0.0	4.0	Managing business of TING HSIN (CAYMAN ISLANDS) HOLDING CORP. and its group companies
Food	Japan Foods Co., Ltd.	34.8%	Equity	0.0	0.1	(0.1)	0.1	Production on consignment and sale of soft drinks
Food	Fuji Oil Co., Ltd.	25.7%	Equity	(*2)	(*2)	0.4	2.5	Integrated manufacturer of cooking oil and soybean protein
Food	FamilyMart Co., Ltd.	31.5%	Equity	0.9	6.7	0.4	4.0	Operation of a convenience store chain
Food	Prima Meat Packers, Ltd.	39.5%	Equity	(*2)	(*2)	(3.5)	(1.4)	Production and sale of meat, ham, sausage and processed foods
Construction & Realty	ITOCHU Property Development, Ltd.	99.8%	Consolidation	2.9	2.6	3.5	1.7	Development and sale of housing
Financial & Insurance Services, Logistics Services	ITOCHU LOGISTICS CORP.	99.0%	Consolidation	0.2	1.3	0.1	0.7	Comprehensive logistics services
Financial & Insurance Services, Logistics Services	Orient Corporation (*10)	23.6%	Equity	(*2)	(*2)	0.3	(3.4)	Consumer credit
Financial & Insurance Services, Logistics Services	eGuarantee, Inc.	25.3%	Equity	(*2)	(*2)	0.0	0.1	B to B credit guarantee service

	Name	Shares	Method of Consolidation	2012 4Q	2012	2011 4Q	2011	Categories
Overseas trading subsidiaries	ITOCHU International Inc. (U.S.A.)	100.0%	Consolidation	2.3	7.5	(2.6)	(5.6)	U.S. trading subsidiary
Overseas trading subsidiaries	ITOCHU Europe PLC (U.K.)	100.0%	Consolidation	1.5	2.3	0.3	0.9	Europe trading subsidiary
Overseas trading subsidiaries	ITOCHU Hong Kong Ltd. (*3) (Hong Kong, China)	100.0%	Consolidation	0.4	2.5	0.7	2.7	Hong Kong trading subsidiary
Overseas trading subsidiaries	ITOCHU (China) Holding Co., Ltd. (*4) (China)	100.0%	Consolidation	1.0	4.2	1.2	3.6	China trading subsidiary
Overseas trading subsidiaries	ITOCHU Australia Ltd. (*7) (Australia)	100.0%	Consolidation	0.9	3.6	0.6	3.3	Australia trading subsidiary

Note : Please refer to the bottom of page 14 for details of (*1)-(*11)

Performance of Group Companies (Net income attributable to ITOCHU)

Years ended March 31, 2012 and 2011

Major Group Companies Reporting Profits

(Unit: billion yen)

Name		Segment (*11)	Shares	Net income attributable to ITOCHU (*1) 2012	2011	Increase (Decrease)	Main reasons for changes
[Domestic subsidiaries]							
Brazil Japan Iron Ore Corporation	(*6)	Ene	67.5%	36.8	12.9	24.0	Due to gain accompanying the acquisition as well as higher sales volume and prices
NIPPON ACCESS, INC.	(*8)	Fod	93.8%	8.6	6.5	2.1	Due to the absence of losses due to earthquake and impairment losses on investment securities recorded in the previous fiscal year as well as gain on sales of property and equipment, despite certain effect of the Great East Japan Earthquake was remained
ITOCHU Techno-Solutions Corporation		I&M	55.4%	7.5	6.3	1.3	Due to gain accompanying result of vigorous capital investment in communications area as well as cost reduction through rigorous project management
SANKEI CO., LTD.		Tex	100.0%	4.0	1.5	2.6	Due to it becoming possible to recognize deferred tax assets accompanying participation in consolidated taxation group as well as reduction in expenses compared with the same period of the previous fiscal year, despite the absence of gain on sales of property and equipment for the same period of the previous fiscal year
ITOCHU CHEMICAL FRONTIER Corporation		Che	100.0%	2.9	2.0	0.9	Due to favorable sales of polymer raw materials and specialty chemicals as well as gain on sales of investments
ITOCHU Property Development, Ltd.		Con	99.8%	2.6	1.7	0.9	Due to higher sales of newly completed condominiums in favorable locations
China Foods Investment Corp.	(*10)	Fod	74.1%	2.4	4.0	(1.6)	Due to the absence of dilution gain from changes in equity interests in the same period of the previous fiscal year, despite increase in profit from TING HSIN (CAYMAN ISLANDS) HOLDING CORP.
ITOCHU ENEX CO., LTD.		Ene	54.0%	2.4	2.2	0.2	Due to good performance in the electricity and steam supply business and Car-Life Division
ITOCHU PLASTICS INC.		Che	100.0%	1.9	2.2	(0.3)	Due to lower sales volume of plastics and electronic materials used as raw materials for OA equipment and consumer electronics/home appliances as a result of lower production by makers of consumer electronics/home appliances
[Overseas subsidiaries]							
ITOCHU Minerals & Energy of Australia Pty Ltd	(*7) (Australia)	Ene	100.0%	89.3	80.1	9.3	Due to rise in iron ore prices and sales volume and the absence of impairment losses on oil & gas assets in the previous fiscal year, despite lower earnings stemming from decline in coal production and sales volume
ITOCHU Oil Exploration (Azerbaijan) Inc.	(Cayman Islands)	Ene	100.0%	13.0	10.7	2.3	Due to higher oil prices, despite lower sales volume
ITOCHU International Inc.	(U.S.A.)	Ove	100.0%	7.5	(5.6)	13.1	Due to good performance in Machinery, Food, General Merchandise and others, as well as the absence of losses on disposal of three enterprises in North America and business reconstruction costs on equipment-material-related business in the same period of the previous fiscal year and the improvement of its business operations
ITOCHU (China) Holding Co., Ltd.	(*4) (China)	Ove	100.0%	4.2	3.6	0.5	Due to higher transaction volume in chemicals and increase in profit from textile companies
ITOCHU Australia Ltd.	(*7) (Australia)	Ove	100.0%	3.6	3.3	0.3	Due to increase in profit from ITOCHU Minerals & Energy of Australia Pty Ltd
ITOCHU Hong Kong Ltd.	(*3) (Hong Kong, China)	Ove	100.0%	2.5	2.7	(0.2)	Due to impairment losses on investment securities, despite higher profit from textile-related companies and equity pick-up from new finance-related companies
ITOCHU Europe PLC	(U.K.)	Ove	100.0%	2.3	0.9	1.4	Due to gain on sale of machinery-related companies as well as the absence of impairment losses on investment securities recorded in the previous fiscal year
ITOCHU Coal Americas Inc.	(U.S.A.)	Ene	100.0%	2.0	-	2.0	Newly established in FY2012 (Investment and management company for projects of coal in Colombia)
ITOCHU Singapore Pte., Ltd.	(Singapore)	Ove	100.0%	1.4	1.5	(0.0)	Due to lower profit from synthetic-resin-related business, despite increase in aircraft-interior-related transactions
[Domestic equity-method associated companies]							
Marubeni-Itochu Steel Inc.		Ene	50.0%	12.9	6.8	6.2	Due to recovery in domestic and overseas demand for steel products and the absence of impairment losses on investment securities and losses on reorganization of U.S. businesses recorded in the previous fiscal year
FamilyMart Co., Ltd.		Fod	31.5%	6.7	4.0	2.6	Due to steady increase in gross trading profit and to the absence of cost related to asset retirement obligations in the same period of the previous fiscal year
Japan Brazil Paper and Pulp Resources Development Co., Ltd.		Che	25.9%	2.1	3.4	(1.3)	Due to lower pulp prices, to higher costs accompanying the strength of foreign exchange rate for the Brazilian real against US dollar, and to the appreciation of the yen
[Overseas equity-method associated companies]							
ASAHI BREWERIES ITOCHU (HOLDINGS) LTD.	(Hong Kong, China)	Fod	40.0%	1.2	(0.4)	1.5	Due to sale of two subsidiaries: Hangzhou Beer and Zhejiang Beer
Chemoil Energy Limited	(Hong Kong, China)	Ene	37.5%	1.2	0.1	1.1	Due to favorable bunker oil transactions
Unicharm Consumer Products (China) Co., Ltd	(*4) (China)	Che	20.0%	1.0	0.3	0.7	Due to equity pick-up since the fourth quarter of the previous fiscal year

Major Group Companies Reporting Losses

(Unit: billion yen)

Name		Segment (*11)	Shares	Net income attributable to ITOCHU (*1)			Main reasons for changes
				2012	2011	Increase (Decrease)	
[Domestic subsidiaries]							
OVERSEAS PROPERTY SALES CO., LTD		Oth	100.0%	(2.3)	0.0	(2.3)	Due to the reversal of deferred tax assets accompanying the change in the effective income tax rate
[Overseas subsidiaries]							
Solar Investment USA Inc.	(U.S.A.)	Ene	100.0%	(0.9)	0.1	(1.0)	Mainly due to impairment losses on goodwill recognized by solar-related companies in North America
ITOCHU FINANCE (EUROPE) PLC	(U.K.)	Oth	100.0%	(0.6)	(0.1)	(0.4)	Due to losses on sales of bonds incurred as a result of growing insecurity of credit risk accompanying the euro area debt crisis

(*1) Net income attributable to ITOCHU is the figure after adjusting to U.S. GAAP, which may be different from the figures each company announces.

(*2) Refer to the results announced by each corresponding company, as their announcement dates are on or after ITOCHU's announcement date of Fiscal Year 2012.

(*3) The above figure of ITOCHU Hong Kong Ltd. includes 40.0% of net income from ITOCHU Textile Prominent (ASIA) Ltd.

(*4) The above figure of ITOCHU (China) Holding Co., Ltd. includes 40.0% of net income from ITOCHU TEXTILE (CHINA) CO., LTD. and 3.8% of net income from Unicharm Consumer Products (China) Co., Ltd.

(*5) ITOCHU MACHINE-TECHNOS CORPORATION merged with ITOCHU FOODEC CORPORATION on April 1, 2011. The net income attributable to ITOCHU of ITOCHU MACHINE-TECHNOS CORPORATION for the same period of the previous fiscal year shows the total of both ITOCHU MACHINE-TECHNOS CORPORATION and ITOCHU FOODEC CORPORATION.

(*6) The above figure of Brazil Japan Iron Ore Corporation includes gain on bargain purchase and gain resulting from remeasuring its previously held equity interests at its acquisition-date fair value accompanying the acquisition by ITOCHU (19.7 billion yen after tax effect) in Fiscal Year 2012.

(*7) The above figure of ITOCHU Australia Ltd. includes 3.7% of net income from ITOCHU Minerals & Energy of Australia Pty Ltd.

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

(*9) Net income attributable to ITOCHU of China Foods Investment Corp. for the same period of the previous fiscal year includes the net income of TING HSIN (CAYMAN ISLANDS) HOLDING CORP. (hereinafter "Ting Hsin") attributable to ITOCHU. The figure includes dilution gain from changes in equity interests due to not to underwrite a third-party allocation of new shares from Ting Hsin was recognized (1.9 billion yen after tax effect) in the same period of the previous fiscal year.

(*10) The above figure of Orient Corporation includes the related tax effect.

(*11) Tex : Textile, I&M : ICT & Machinery, Ene : Energy, Metals & Minerals, Che : Chemicals, Forest Products & General Merchandise, Fod : Food, Con : Construction & Realty, Ove : Overseas trading subsidiaries, Oth : Other

Performance of Group Companies (Net income attributable to ITOCHU)

For the three months ended March 31, 2012 and 2011 (*12)

Major Group Companies Reporting Profits (Unit: billion yen)

Name		Segment (*11)	Shares	Net income attributable to ITOCHU (*1) 2012 Jan.-Mar.	2011 Jan.-Mar.	Increase (Decrease)	Main reasons for changes
[Domestic subsidiaries]							
Brazil Japan Iron Ore Corporation	(*6)	Ene	67.5%	7.2	5.1	2.0	Due to gain on bargain purchase was additionally recognized as a result of a partial change in this period in the conditions that had been planned, despite lower sales volume and lower prices
NIPPON ACCESS, INC.	(*8)	Fod	93.8%	2.0	0.0	2.0	Due to the absence of losses for the Great East Japan Earthquake and impairment losses on investment securities in the same period of the previous fiscal year
ITOCHU Techno-Solutions Corporation		I&M	55.4%	3.3	3.7	(0.5)	Due to disposal of certain unprofitable projects and increase in expenses, despite rise in revenue as a result of increase in product/development business
SANKEI CO., LTD.		Tex	100.0%	1.7	0.2	1.6	Due to it becoming possible to recognize deferred tax assets accompanying participation in consolidated taxation group and costs reductions compared with the same period of the previous fiscal year
ITOCHU CHEMICAL FRONTIER Corporation		Che	100.0%	0.6	0.5	0.2	Due to favorable sales of polymer raw materials and specialty chemicals
ITOCHU Property Development, Ltd.		Con	99.8%	2.9	3.5	(0.6)	Due to increase in losses on real estate for sale valued using the lower-of-cost-or-market method, despite higher sales of condominiums
China Foods Investment Corp.	(*10)	Fod	74.1%	0.1	0.0	0.0	Almost same level
ITOCHU ENEX CO., LTD.		Ene	54.0%	1.1	1.2	(0.1)	Due to unfavorable performance by global trade businesses compared with the same period of the previous fiscal year
ITOCHU PLASTICS INC.		Che	100.0%	0.6	0.6	(0.0)	Almost same level
[Overseas subsidiaries]							
ITOCHU Minerals & Energy of Australia Pty Ltd	(*7) (Australia)	Ene	100.0%	19.7	15.3	4.5	Due to substantial decrease in impairment losses on oil & gas assets, despite decrease in coal sales volume
ITOCHU Oil Exploration (Azerbaijan) Inc.	(Cayman Islands)	Ene	100.0%	2.6	(0.1)	2.7	Due to higher oil prices as well as the absence of valuation loss on hedge contracts for the same period of the previous fiscal year
ITOCHU International Inc.	(U.S.A.)	Ove	100.0%	2.3	(2.6)	4.9	Due to the absence of business reconstruction costs for equipment-material-related business in the same period of the previous fiscal year, improvement of its business operations, and favorable results from Machinery
ITOCHU (China) Holding Co., Ltd.	(*4) (China)	Ove	100.0%	1.0	1.2	(0.2)	Due to bad-debt losses in Machinery
ITOCHU Australia Ltd.	(*7)(Australia)	Ove	100.0%	0.9	0.6	0.3	Due to increase in profit from ITOCHU Minerals & Energy of Australia Pty Ltd
ITOCHU Hong Kong Ltd.	(*3)(Hong Kong, China)	Ove	100.0%	0.4	0.7	(0.3)	Due to impairment losses on investment securities
ITOCHU Europe PLC	(U.K.)	Ove	100.0%	1.5	0.3	1.2	Due to gain on sale of machinery-related companies
ITOCHU Coal Americas Inc.	(U.S.A.)	Ene	100.0%	1.7	-	1.7	Newly established in FY2012 (Investment and managing company for projects of coal in Colombia)
ITOCHU Singapore Pte., Ltd.	(Singapore)	Ove	100.0%	0.5	0.3	0.2	Due to recovery of cement-related transactions and increase in aircraft-interior-related transactions
[Domestic equity-method associated companies]							
Marubeni-Itochu Steel Inc.		Ene	50.0%	3.4	1.0	2.3	Due to recovery in domestic and overseas demand for steel products and the absence of losses on investment securities and reorganization of U.S. business recorded in the same period of the previous fiscal year
FamilyMart Co., Ltd.		Fod	31.5%	0.9	0.4	0.5	Due to steady increase in gross trading profit
Japan Brazil Paper and Pulp Resources Development Co., Ltd.		Che	25.9%	0.1	0.6	(0.5)	Due to fall in pulp prices
[Overseas equity-method associated companies]							
ASAHI BREWERIES ITOCHU (HOLDINGS) LTD.	(Hong Kong, China)	Fod	40.0%	1.3	(0.1)	1.3	Due to sale of two subsidiaries: Hangzhou Beer and Zhejiang Beer
Chemoil Energy Limited	(Hong Kong, China)	Ene	37.5%	-	(0.1)	0.1	Due to de-consolidation in the fourth quarter of FY2012
Unicharm Consumer Products (China) Co., Ltd	(*4) (China)	Che	20.0%	0.4	0.3	0.0	Due to increase in expenses, despite favorable sales

Major Group Companies Reporting Losses

(Unit: billion yen)

Name		Segment (*11)	Shares	Net income attributable to ITOCHU (*1) 2012 Jan.-Mar.	2011 Jan.-Mar.	Increase (Decrease)	Main reasons for changes
[Domestic subsidiaries]							
OVERSEAS PROPERTY SALES CO., LTD		Oth	100.0%	0.0	0.0	0.0	Almost same level
[Overseas subsidiaries]							
Solar Investment USA Inc.	(U.S.A.)	Ene	100.0%	(0.2)	0.1	(0.3)	Mainly due to the impairment losses on goodwill recognized by solar-related companies in North America
ITOCHU FINANCE (EUROPE) PLC	(U.K.)	Oth	100.0%	(0.1)	(0.1)	0.0	Almost same level

(*12) The classification of companies which are reported as Profits or Losses for the three months ended March 31, 2012 is based on the reporting results of the twelve months ended March 31, 2012.

Note : Refer to the bottom of page 14 for details of (*1)-(*11)

3. Management Policy

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

Consumer-related sector:
ITOCHU acquired all the shares of the Kwik-Fit Group, an independent tire retailer in the UK, from a group company of PAI Partners, a European private equity firm. In the UK, Stapleton's (Tyre Services) Ltd., which is wholly owned by the ITOCHU Group, is a leading tire wholesaler. Through the acquisition, ITOCHU will strive to enhance its tire business by generating synergies through leveraging the logistics and retail know-how of Stapleton's (Tyre Services) Ltd., with the network and brand strength of the Kwik-Fit Group. In addition, ITOCHU acquired shares of a major enterprise group related to textiles in China, Shandong Ruyi Science & Technology Group. Going forward, ITOCHU will exploit the manufacturing foundation of the Shandong Ruyi Science & Technology Group to develop the global operations of upstream business, improve and exploit technological capabilities of textile manufacturing business, and strengthen sales in China's market by developing brand business. Furthermore, ITOCHU agreed with adhesive tape major Teraoka Seisakusho Co., Ltd., to sign a capital/business partnership agreement and acquire all shares that the company will issue additionally through private placement (After underwriting third-party allocation of new shares in April 2012, ITOCHU has 25.0% of shares.).

Natural resource / energy-related sector:
ITOCHU with Kohlberg Kravis Roberts & Co. L.P. jointly acquired a 100% share of Samson Investment Company, which is one of the largest private oil and gas exploration and production companies in the United States (ITOCHU has 25% of shares.). ITOCHU will endeavor to increase its equity share in oil and gas operations while diversifying its oil and gas investment activities to unconventional projects, and will grow its natural gas / LNG trading activities using Samson Investment Company as a core company with operator capabilities in the natural gas business in North America. Also, ITOCHU concluded an agreement with Drummond Company, Inc., and Drummond affiliated companies to enter into a partnership where ITOCHU owns 20% and Drummond owns 80% of the Colombian coal mining operations and related infrastructure assets, which were previously 100% owned by Drummond. ITOCHU aims to increase its equity share in coal mining operations while growing its trading activities and continuing its efforts to strengthen its natural resources portfolio.
Furthermore, ITOCHU acquired a direct interest of 8% to participate in the exploration and development of Platinum Group Metals (PGMs) and Nickel of the Platreef Project from Ivanhoe Nickel & Platinum Ltd. (Ivanplats). Also, with a view to advancing and expanding its iron ore interests, ITOCHU additionally acquired 19.2% of the shares of Brazil Japan Iron Ore Corporation, giving ITOCHU as of March 31, 2012, a 67.5% equity stake in the company, which owns stock of Brazil's Nacional Minerios S.A. In addition, ITOCHU approved the pre-commitment funding for the outer harbor facility associated with the Western Australia iron ore operations, which are run as joint ventures with leading mining company, BHP Billiton (Australia & UK).

Machinery-Related Sector:
PT Bhimasena Power Indonesia, a company established by the three-company consortium comprising ITOCHU, Electric Power Development Co., Ltd., and PT Adaro Power, concluded a long-term Power Purchase Agreement with Indonesia's state-owned electricity company that includes the construction of a coal-fired power plant with a total capacity of 2,000 MW in the province of Central Java and a 25-year supply of electricity to Indonesia's state-owned electricity company. Furthermore, ITOCHU reached an agreement with International Power, a leading independent electricity generating company of the United Kingdom, to acquire 33.3% of shares of Belgium's T-Power combined cycle gas turbine power plant from International Power. Also, ITOCHU purchased additional shares of Century Tokyo Leasing Corporation in order to boost its cooperation with Century Tokyo Leasing through the expansion of transactions with ITOCHU Group companies and the promotion of collaborative business that makes use of domestic and overseas networks. In addition,

ITOCHU jointly with IHI Infrastructure Systems Co., Ltd., signed an EPC contract for İzmit Bay Bridge construction work. The bridge will become one of the world's largest suspension bridges with a total length of about 3,000 meters, connecting the northern and southern coasts of the İzmit Bay located in western Turkey, as a part of a highway project between Istanbul, the Turkey's largest city, and İzmir, the third largest city.

Chemicals, Real Estate, and Others Sector

ITOCHU concluded a Memorandum of Agreement on a Comprehensive Strategic Alliance with major Chinese government-run conglomerate CITIC Group, with the aim of exploring alliances across a wide range of business fields. Based on the strategic alliance, the two companies will seek to further expand their existing businesses and create new businesses by combining CITIC's extensive group of subsidiaries, diverse customer networks and brand power in China with the business expertise and networks that ITOCHU has cultivated in China to date. As the first project in ITOCHU's comprehensive strategic alliance with the CITIC Group, ITOCHU invested in CIAM, a Hong Kong-based financial business firm under the CITIC Group. Furthermore, ITOCHU together with KUREHA Corporation established Kureha Battery Materials Japan Co., Ltd. as a joint-venture company tasked with selling anode material for lithium-ion batteries, exercising overall control of related manufacturing subsidiaries, and selling binders for lithium-ion batteries. Also, in construction-related initiatives, the grand opening of the first outlet mall in Ningbo City, SHANJING OUTLET PLAZA NINGBO, took place. The development of the outlet mall was undertaken by Shanjing Real Estate Development (Ningbo) Co., Ltd., which was established as a joint venture by ITOCHU, Shanshan Group Co., Ltd., Mitsui Fudosan Co., Ltd., Daito Woolen Spinning & Weaving Co., Ltd., and Lanway Investment Co., Ltd. Ningbo City is a leading city of Zhejiang Province, an area that is enjoying remarkable economic development and which is adjacent to Shanghai, China's largest economic hub, and Jiangsu Province. In addition, ITOCHU jointly established I P Integrated Services Private Limited with ITOCHU LOGISTICS CORP. and Parekh Integrated Services Pvt. Ltd. The new company will enable the roll-out of high-quality, comprehensive logistic services over the entire country, mainly in the fields related to daily consumer goods, consumer electronics, and machinery parts. The company started its operation in February, 2012.

Furthermore Advancing Medium-Term Management Plan "Brand-new Deal 2012"

In FY2013, the second half of the medium-term management plan "Brand-new Deal 2012" (two-year plan from FY2012 to FY2013), the ITOCHU Group will continue to "strengthen our front-line capabilities," "proactively seek new opportunities," and "expand our scale of operations" as basic policies. Accordingly, the Group will actively discover projects to increase earnings, regarding changes in economic conditions as opportunities to acquire new business. However, when investing the Group will scrutinize candidates even more rigorously than ever, narrowing them down to highly profitable projects. At the same time, the Group will pay extremely careful attention to economic conditions and work to implement low-center-of-gravity lean business management (low-center-of-gravity business management) based on foundations that slight changes in conditions do not shake.

Three key measures by sector are as follows.

1. Aggressively Expand Business in China

In opportunity-rich markets where ITOCHU has competitive advantage ITOCHU will work to strengthen its earnings capacity in China by strengthening initiatives with major blue-chip companies and increasing new initiatives.

2. Strengthening Foundations in Machinery-related Sector

Through the tightly focused allocation of management resources in the machinery-related sector, ITOCHU will accumulate assets with stable earnings and, working in collaboration with Group companies, bolster activities in growing markets that will be sources of revenues in the future.

3. Strengthen Earnings Capacity in the Natural Resource-related Sector

Firm demand is expected to provide support in the natural-resources-related sector, where ITOCHU will continue undertaking strictly selected highly profitable new investments. At the same time, ITOCHU will steadily increase earnings from projects for which it has completed investment.

As for investment policy, ITOCHU will increase the amount initially earmarked for investment over the two years from FY2012 to FY2013 from ¥800 billion to ¥1,000 billion and continue to aggressively accumulate superior assets. ITOCHU will maintain a policy of emphasizing a balance among sectors to avoid excessive concentration of investments in specific fields. Investment amounts by sector are as follows: consumer-related sector: ¥150–250 billion; natural resources / energy-related sector: ¥500–600 billion; machinery-related sector: ¥100–200 billion; chemicals, real estate, and others sector: ¥50–150 billion.

ITOCHU will also strengthen its management foundation to support a commitment to taking assertive and forward-looking action. In corporate governance, ITOCHU will advance qualitative strengthening initiatives, and in internal control and risk management, ITOCHU will focus on optimization while maintaining effectiveness. In human resources, ITOCHU will take steps on a global basis to strengthen and cultivate the "industry professionals" and "strong human resources" that will support the next growth stage.

Dividend policy

Under this medium-term management plan, Brand-new Deal 2012, our annual dividend targets will be: dividend payout ratio of 20% on Net income attributable to ITOCHU up to ¥200 billion, and dividend payout ratio of 30% on portion of Net income attributable to ITOCHU exceeding ¥200 billion.

Outlook for Fiscal Year 2013

Looking ahead to economic conditions in fiscal year 2013, ending March 31, 2013, driven by the economies of emerging countries, growth rates are expected to increase steadily leading up to and during the second half of the fiscal year. Meanwhile, there is a strong sense of uncertainty about the future course of business conditions, and as a result the European sovereign debt crisis, geopolitical problems, and other factors have triggered a further strengthening of risk aversion in financial markets. Adequate caution remains necessary in relation to the risk of sudden changes in exchange rates, stock prices or commodities markets and the risk of these factors affecting the global economy through falls in asset value. In addition, it is necessary to bear in mind that, there is a risk that financial constraints resulting from marked confusion among international financial markets could affect the growth adversely although the economies of emerging countries are performing more solidly than those of industrialized countries, in certain emerging countries. As for Japan’s economy, it is likely to remain on a recovery track as internal demand increases thanks to the contribution of restoration investment and as exports pick up on the back of accelerating global economic growth in second half of the fiscal year. However, careful attention should be paid to falls in financial markets and to electricity supply trends.

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

(Unit: Billion yen)

Consolidated	Forecast FY2013	FY2012
Total trading transactions	13,100.0	11,978.3
Gross trading profit	1,040.0	1,030.4
Selling, general and administrative expenses	(748.0)	(752.9)
Provision for doubtful receivables	(2.0)	(4.9)
Net interest expenses	(17.0)	(12.8)
Dividends received	25.0	28.0
Other-net	2.0	53.4
Income before income taxes and equity in earnings of associated companies	300.0	341.2
Income taxes	(125.0)	(122.0)
Income before equity in earnings of associated companies	175.0	219.1
Equity in earnings of associated companies	130.0	102.7
Net income	305.0	321.9
(less) Net income attributable to the noncontrolling interest	(25.0)	(21.4)
Net income attributable to ITOCHU	280.0	300.5

(Unit: Billion yen)

Consolidated	Forecast FY2013	FY2012
Total assets	7,000.0	6,507.3
Interest-bearing debt	2,800.0	2,533.6
Net interest-bearing debt	2,300.0	2,014.9
Total equity	1,900.0	1,696.1
Total ITOCHU stockholders' equity	1,550.0	1,363.8

	Precondition FY2013	*FY2012*
Foreign exchange rate (Yen/US$	*80*	*78.94*
Crude oil (Brent) (US$/BBL)	*110 (Apr-Mar)*	*114.18 (Apr-Mar result)*
Iron ore, fine (US$/ton)	*131 (Note) (Apr-Mar)*	*163*
Coking coal (US$/ton)	*206 (Note) (Apr-Mar)*	*291*
Thermal coal (US$/ton)	*115 (Note) (Apr-Mar)*	*130*

(Note) Those are provisional prices that it is said major suppliers and customers have agreed regarding shipments in the first quarter of FY 2013.
And the prices after the first quarter of FY2013 are subject to change.

Distribution of the current fiscal year's profit

ITOCHU plans to pay dividend of 44 yen per share for the fiscal year ended March 31, 2012 (an interim dividend of 16.5 yen per share was already paid and a year-end dividend for 27.5 yen per share is planned). The 44 yen dividend payment per share is increased by 26 yen compared with the previous fiscal year.
For the fiscal year ending March 31, 2013, ITOCHU plans to pay full-year dividend of 40 yen per share, comprising an interim dividend of 20 yen per share and a year-end dividend of 20 yen per share.

Major Group Companies' Forecasts of Fiscal Year 2013

ITOCHU's major group companies' forecasts of fiscal year 2013 are as follows.
As for listed group companies which are scheduled to announce their forecasts of fiscal year 2013 on or after May 8, refer to their own announcements.
The following list will be updated based on forecasts of fiscal year 2013 disclosed by all major group companies. (Scheduled around the end of May)
Please refer to ITOCHU website accordingly.

[Major Group Companies'(unlisted companies) forecasts of fiscal year 2013] (Unit: billion yen)

Name			Shares	ITOCHU's share of Net income [Forecasts]	ITOCHU's share of Net income [FY 2012]
Textile	JOI'X CORPORATION		100.0%	1.2	(0.3)
	SANKEI CO., LTD.		100.0%	1.9	4.0
	ITOCHU Textile Prominent (ASIA) Ltd.	(Hong Kong, China)	100.0%	0.6	0.1
	ITOCHU TEXTILE (CHINA) CO., LTD.	(China)	100.0%	1.3	1.1
Machinery (Note 6)	ITOCHU CONSTRUCTION MACHINERY CO., LTD.		100.0%	0.6	0.6
	ITOCHU MACHINE-TECHNOS CORPORATION		100.0%	0.6	0.6
	Century Medical, Inc.		100.0%	1.0	0.9
	ITOCHU Automobile America Inc.	(U.S.A.)	100.0%	0.1	0.0
Metals & Minerals (Note 6)	ITOCHU Metals Corporation		100.0%	1.4	1.2
	ITOCHU Minerals & Energy of Australia Pty Ltd	(Australia)	100.0%	68.3	89.3
	Marubeni-Itochu Steel Inc.		50.0%	(Note 4)	12.9
Energy & Chemicals (Note 6)	ITOCHU CHEMICAL FRONTIER Corporation		100.0%	2.8	2.9
	ITOCHU PLASTICS INC.		100.0%	2.5	1.9
	C.I.Kasei Co., Ltd.		97.6%	0.9	1.2
	ITOCHU PETROLEUM CO.,(SINGAPORE)PTE. LTD.	(Singapore)	100.0%	0.6	(0.2)
	ITOCHU Oil Exploration (Azerbaijan) Inc.	(Cayman Islands)	100.0%	12.4	13.0
Food	NIPPON ACCESS, INC.		93.8%	11.6	8.6
ICT, General Products & Realty (Note 6)	ITOCHU Kenzai Corp.		100.0%	1.4	1.8
	ITOCHU Pulp & Paper Corp.		100.0%	0.5	0.2
	ITOCHU LOGISTICS CORP.		99.0%	1.1	1.3
	ITOCHU Property Development, Ltd.		99.8%	2.9	2.6
Overseas	ITOCHU International Inc.	(U.S.A.)	100.0%	8.8	7.5
	ITOCHU Europe PLC	(U.K.)	100.0%	1.7	2.3
	ITOCHU Hong Kong Ltd.	(Hong Kong, China)	100.0%	3.4	2.5
	ITOCHU (China) Holding Co., Ltd.	(China)	100.0%	5.5	4.2
	ITOCHU Australia Ltd.	(Australia)	100.0%	2.9	3.6

[Major Group Companies'(listed companies) forecasts of fiscal year 2013] (Unit: billion yen)

Name		(Expected) Date of Announcement	Companies' Forecasts (Note 1)	Shares	ITOCHU's share of Net income [Forecasts] (Note 2)	ITOCHU's share of Net income [FY 2012] (Note 3)
Machinery (Note 6)	Century Tokyo Leasing Corporation	May.8	(Note 4)	25.1%	(Note 4)	(Note 5)
	JAMCO Corporation	May.11	(Note 4)	33.2%	(Note 4)	(Note 5)
	SUNCALL CORPORATION	May.14	(Note 4)	26.8%	(Note 4)	(Note 5)
Energy & Chemicals (Note 6)	ITOCHU ENEX CO., LTD.	May.2	5.2	54.0%	2.8	2.4
	TAKIRON Co., Ltd.	May.10	(Note 4)	28.1%	(Note 4)	(Note 5)
Food	ITOCHU SHOKUHIN Co., Ltd.	May.10	(Note 4)	51.4%	(Note 4)	(Note 5)
	Japan Foods Co., Ltd.	Apr.25	0.7	34.8%	0.2	0.1
	Fuji Oil Co., Ltd.	May.8	(Note 4)	25.7%	(Note 4)	(Note 5)
	FamilyMart Co., Ltd.	Apr.12	21.4	31.5%	6.7	6.7
	Prima Meat Packers, Ltd.	May.14	(Note 4)	39.5%	(Note 4)	(Note 5)
ICT, General Products & Realty (Note 6)	ITOCHU Techno-Solutions Corporation	Apr.27	16.0	55.4%	8.9	7.5
	ITC NETWORKS CORPORATION	May.11	(Note 4)	60.3%	(Note 4)	(Note 5)
	Excite Japan Co., Ltd.	May.10	(Note 4)	57.7%	(Note 4)	(Note 5)
	SPACE SHOWER NETWORKS INC.	Apr.26	0.2	36.8%	0.1	0.1
	DAIKEN CORPORATION	May.14	(Note 4)	25.5%	(Note 4)	(Note 5)
	Orient Corporation	May.11	(Note 4)	23.6%	(Note 7)	(Note 5)
	eGuarantee, Inc.	May.14	(Note 4)	25.3%	(Note 4)	(Note 5)

(Note 1) The figures for "Companies' Forecasts" are which each Group company has announced and exclude U.S. GAAP adjustments.
(Note 2) The figures in the "ITOCHU's share of Net income [Forecasts]" column are Group companies' forecasts of fiscal year 2013 multiplied by ITOCHU's respective shares and exclude U.S. GAAP adjustments.
(Note 3) The figures in the "ITOCHU's share of Net income [FY 2012]" column are after U.S. GAAP adjustments.
(Note 4) Please refer to the forecasts to be announced by the company.
(Note 5) As for listed group companies which are scheduled to announce their results on or after May 8, refer to the updated information to be released on ITOCHU website around the end of May.
(Note 6) As of April 1, 2012, ITOCHU reorganized its five Division Companies into six Division Companies. As a result of this reorganization, ICT & Machinery Company, Energy, Metals & Minerals Company and Chemicals, Forest Products & General Merchandise Company have been reorganized into Machinery Company, Metals & Minerals Company, Energy & Chemicals Company and ICT, General Products & Realty Company. Further, the Construction & Realty Division, ICT, General Products & Realty Company. Further, the Construction & Realty Division, the Financial & Insurance Services Department and the Logistics Services Department, which did not belong to a Division Company, have been reorganized into ICT, General Products & Realty Company.
(Note 7) ITOCHU adopts U.S. GAAP, which prescribes a substantial number of different accounting treatments from Japanese GAAP with regard to financial transactions for consumer credit companies. ITOCHU recognizes the equity in earnings (losses) calculated by multiplying the figures after U.S. GAAP adjustments by Shares. Therefore, for Orient Corporation, ITOCHU has not announced the figures in the above table since a discrepancy may occur between the forecast announced by the company and that of ITOCHU.

4. Consolidated Financial Statements

-Unaudited-

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

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

ITOCHU Corporation and Subsidiaries

Years ended March 31, 2012 and 2011

	Millions of Yen		Millions of U.S. dollars
	2012	2011	**2012**
Revenue:			
Sales revenue	**¥ 3,800,242**	¥ 3,192,949	**$ 46,237**
Trading margins and commissions on trading transactions	**470,810**	458,637	**5,728**
Total revenue	**4,271,052**	3,651,586	**51,965**
Cost of sales	**(3,240,605)**	(2,675,208)	**(39,428)**
Gross trading profit	**1,030,447**	976,378	**12,537**
Selling, general and administrative expenses	**(752,902)**	(710,677)	**(9,161)**
Provision for doubtful receivables	**(4,925)**	(9,398)	**(60)**
Interest income	**10,166**	10,280	**124**
Interest expense	**(22,985)**	(27,002)	**(280)**
Dividends received	**28,003**	23,502	**341**
Gain (loss) on investments-net	**20,942**	(38,125)	**255**
Loss on property and equipment-net	**(6,747)**	(33,739)	**(82)**
Gain on bargain purchase in acquisition	**15,910**	-	**194**
Other-net	**23,265**	(8,887)	**283**
Total other-expenses	**(689,273)**	(794,046)	**(8,386)**
Income before income taxes and equity in earnings of associated companies	**341,174**	182,332	**4,151**
Income taxes	**(122,029)**	(68,592)	**(1,485)**
Income before equity in earnings of associated companies	**219,145**	113,740	**2,666**
Equity in earnings of associated companies	**102,748**	60,617	**1,250**
Net income	**321,893**	174,357	**3,916**
Less: Net income attributable to the noncontrolling interest	**(21,388)**	(13,243)	**(260)**
Net income attributable to ITOCHU	**¥ 300,505**	¥ 161,114	**$ 3,656**

Note :

1."Total trading transactions" in accordance with Japanese accounting practice consists of sales with respect to transactions in which the companies act as principal and the total amount of transactions in which the companies act as agent.
Total trading transactions for the years ended March 31, 2012 and 2011 were 11,978,276 million yen (145,739 million U.S.dollars) and 11,393,584 million yen respectively. Please refer to "(10) Operating Segment Information" on page 37-38.

2.In the fourth quarter of the fiscal year ended March 31, 2012, certain subsidiaries changed their fiscal periods. The effect of these changes has been reflected in figures of certain items for the previous fiscal year. (Refer to (9) ii), on page 35.)

3.The ITOCHU Group positioned its recently integrated food distribution and marketing business that has comprehensive and unified distribution functions as a new core business. From the beginning of fiscal year 2012, the revenue of this business was presented as “Sales revenue” and its cost was presented as “Cost of sales.” As a result, distribution cost that has been previously included in “Selling, general and administrative expenses” was presented as “Cost of sales.” The relevant amounts for the previous fiscal year were reclassified based on this new classification.

[Explanation for Consolidated Statements of Income]

(Unit : billion yen)	2012	2011	Increase (Decrease)	Main reasons for changes:
Revenue	4,271.1	3,651.6	619.5	The Energy, Metals & Minerals Company achieved an increase due to the acquisition of energy-related companies, rise in prices for iron ore, oil & gas and an increase in iron ore sales volume counteracted a decrease due to lower coal production and sales volume. In the Chemicals, Forest Products & General Merchandise Company, revenue increased mainly due to the acquisition of Kwik-Fit Group. In addition, the Food Company rose due to higher market prices for food materials, such as feed grains and others, and an increase in transaction volume in food-distribution-related companies.
Gross trading profit	1,030.4	976.4	54.1	Increase in revenue in ITOCHU Corporation and existing subsidiaries : +45.7 Increase due to acquisition of subsidiaries : +32.6 Decrease due to de-consolidation of subsidiaries : -11.8 Decrease due to foreign currency translation : -12.4 Refer to "(10) Operating Segment Information" on page 37-38
Total of SG & A	(752.9)	(710.7)	(42.2)	Increase in ITOCHU Corporation and existing subsidiaries due to an increase in revenue : -28.9
Personnel expenses	(353.4)	(323.6)	(29.8)	Increase due to acquisition of subsidiaries : -34.1
(Pension cost)	(21.6)	(16.1)	(5.6)	Decrease due to de-consolidation of subsidiaries : +12.7
Other expenses	(399.5)	(387.1)	(12.4)	Decrease due to foreign currency translation : +8.1
(Service charge, distribution costs)	(185.6)	(181.8)	(3.8)	
(Rent, depreciation and amortization)	(89.8)	(85.4)	(4.4)	
(Others)	(124.2)	(120.0)	(4.2)	
Provision for doubtful receivables	(4.9)	(9.4)	4.5	Due to the absence of write-off of loans accompanying disposal of enterprises in North America in the previous fiscal year
Net financial income	15.2	6.8	8.4	Increase in dividends received and improvement of net interest expenses
Interest income	10.2	10.3	(0.1)	
Interest expense	(23.0)	(27.0)	4.0	
Net interest expenses	(12.8)	(16.7)	3.9	Decline in yen interest rates
Dividends received	28.0	23.5	4.5	Increase in dividends from oil & gas-related investments
Gain (loss) on investments-net	20.9	(38.1)	59.1	Net of impairment gain (loss) and remeasuring gain on investments [the absence of impairment losses on Orient Corporation preferred stocks and on others in the previous fiscal year] +39.1 (-37.7 → 1.4), Net gain on sales of investments +15.4 (7.2 → 22.6), Losses on business disposals and others +4.6 (-7.7 → -3.1)
Loss on property and equipment-net	(6.7)	(33.7)	27.0	Impairment losses +30.5 (-37.3 →-6.8) 〔substantial decrease in impairment losses on property and equipment and oil & gas assets in the previous fiscal year〕, Net gain on sales of property and equipment and others -3.5 (3.6 →0.0) 〔the absence of gain on sales of coal interests in the previous fiscal year〕
Gain on bargain purchase in acquisition	15.9	-	15.9	Gain on the acquisition of Brazil Japan Iron Ore Corporation
Other-net	23.3	(8.9)	32.2	The receipt of insurance related to the Great East Japan Earthquake and due to the absence of losses on disposal of three enterprises and business reconstruction costs on equipment-material-related business in North America and ship-related losses in the previous fiscal year
Income taxes	(122.0)	(68.6)	(53.4)	The reversal of deferred tax assets accompanying the change in the effective income tax rate under Japanese taxation reform
Equity in earnings of associated companies	102.7	60.6	42.1	Equity-method associated companies of Brazil Japan Iron Ore Corporation +8.6 (12.9 → 21.5), Orient Corporation (Note.1)[the absence of net of impairment loss on investment and gain on changes in equity interests recorded in the previous fiscal year(Note.2) +7.2 (-7.2 → 0.0)], Marubeni-Itochu Steel Inc. +6.2 (6.8 → 12.9), Prima Meat Packers, Ltd. (Note.1) [the absence of impairment loss on investment recorded in the previous fiscal year(Note.2) +5.6 (-5.6 → -)], FamilyMart Co., Ltd. +2.6 (4.0 → 6.7), ITOCHU Coal Americas Inc. +2.5 (- → 2.5), Century Tokyo Leasing Corporation (Note.1) [Gain on negative goodwill accompanying the additional investment(Note.2) +1.5 (- → 1.5)], ASAHI BREWERIES ITOCHU (HOLDINGS) LTD. +1.5 (-0.4 → 1.2)] Refer to "Performance of Group Companies" on page 13-14
Adjusted profit	395.5	333.1	62.4	Adjusted profit (+62.4)= Gross trading profit (+54.1) + SG&A expenses (-42.2) + Net financial income (+8.4) + Equity in earnings of associated companies (+42.1) The amount ( ) represents changes from the same period of the previous fiscal year

	2012	2011	Variance
JPY TIBOR 3M, average (Apr.-Mar.)	0.338%	0.363%	(0.025%)
USD LIBOR 3M, average (Apr.-Mar.)	0.389%	0.357%	0.032%

(Note.1) Refer to the results to be announced by each corresponding company, as their announcement dates are on or after ITOCHU's announcement date of Fiscal Year 2012.
(Note.2) Income tax effect is not included.

[Average exchange rate Yen/USD]

[For March closing companies]

2012	2011	Variance
78.94	86.54	(7.60)
2011	**2010**	**Variance**
86.54	93.36	(6.82)

[For December closing companies]

2012	2011	Variance
80.28	88.27	(7.99)
2011	**2010**	**Variance**
88.27	93.54	(5.27)

[Average exchange rate Yen/AUD]

[For March closing companies]

2012	2011	Variance
82.04	80.98	1.06
2011	**2010**	**Variance**
80.98	77.68	3.30

(2) Consolidated Statements of Income-Quarterly [Condensed]
ITOCHU Corporation and Subsidiaries
For the three months ended March 31, 2012 and 2011

	Millions of Yen		Millions of U.S. dollars
	Jan.-Mar.2012	Jan.-Mar.2011	**Jan.-Mar.2012**
Revenue:			
Sales revenue	**¥ 1,173,660**	¥ 886,134	**$ 14,280**
Trading margins and commissions on trading transactions	**118,793**	118,295	**1,445**
Total revenue	**1,292,453**	1,004,429	**15,725**
Cost of sales	**(1,016,943)**	(748,454)	**(12,373)**
Gross trading profit	**275,510**	255,975	**3,352**
Selling, general and administrative expenses	**(210,498)**	(179,167)	**(2,561)**
Provision for doubtful receivables	**(1,177)**	(5,377)	**(14)**
Interest income	**2,393**	2,558	**29**
Interest expense	**(5,918)**	(5,951)	**(72)**
Dividends received	**11,139**	5,916	**136**
Gain (loss) on investments-net	**12,282**	(10,204)	**149**
Loss on property and equipment-net	**(5,972)**	(32,231)	**(73)**
Gain on bargain purchase in acquisition	**5,384**	-	**66**
Other-net	**6,694**	(2,811)	**81**
Total other-expenses	**(185,673)**	(227,267)	**(2,259)**
Income before income taxes and equity in earnings of associated companies	**89,837**	28,708	**1,093**
Income taxes	**(23,769)**	(20,714)	**(289)**
Income before equity in earnings of associated companies	**66,068**	7,994	**804**
Equity in earnings of associated companies	**21,348**	9,000	**260**
Net income	**87,416**	16,994	**1,064**
Less: Net income attributable to the noncontrolling interest	**(5,815)**	(4,761)	**(71)**
Net income attributable to ITOCHU	**¥ 81,601**	¥ 12,233	**$ 993**

Note :

1."Total trading transactions" in accordance with Japanese accounting practice consists of sales with respect to transactions in which the companies act as principal and the total amount of transactions in which the companies act as agent.
Total trading transactions for the three months ended March 31, 2012 and 2011 were 3,096,257 million yen (37,672 million U.S.dollars) and 2,874,853 million yen respectively. Please refer to "(10) Operating Segment Information" on page 39-40.

2.In the fourth quarter of the fiscal year ended March 31, 2012, certain subsidiaries changed their fiscal periods. The effect of these changes has been reflected in figures of certain items for the same period of the previous fiscal year. (Refer to (9) ii), on page 35.)

3.The ITOCHU Group positioned its recently integrated food distribution and marketing business that has comprehensive and unified distribution functions as a new core business. From the beginning of fiscal year 2012, the revenue of this business was presented as “Sales revenue” and its cost was presented as “Cost of sales.” As a result, distribution cost that has been previously included in “Selling, general and administrative expenses” was presented as “Cost of sales.” The relevant amounts for the same period of the previous fiscal year were reclassified based on this new classification.

(3) Consolidated Statements of Comprehensive Income-Quarterly [Condensed]
ITOCHU Corporation and Subsidiaries
For the three months ended March 31, 2012 and 2011

	Millions of Yen		Millions of U.S. dollars
	Jan.-Mar.2012	Jan.-Mar.2011	**Jan.-Mar.2012**
Comprehensive income (loss):			
Net income	**¥ 87,416**	¥ 16,994	**$ 1,064**
Other comprehensive income (loss) (net of tax):			
Foreign currency translation adjustments	**70,134**	(2,803)	**853**
Pension liability adjustments	**(7,392)**	(8,397)	**(90)**
Unrealized holding gains (losses) on securities	**22,937**	(3,019)	**279**
Unrealized holding gains on derivative instruments	**437**	350	**5**
Total other comprehensive income (loss) (net of tax)	**86,116**	(13,869)	**1,047**
Comprehensive income (loss)	**173,532**	3,125	**2,111**
Comprehensive income (loss) attributable to the noncontrolling interest	**(11,228)**	(3,330)	**(137)**
Comprehensive income (loss) attributable to ITOCHU	**¥ 162,304**	(¥ 205)	**$ 1,974**

Note :

In the fourth quarter of the fiscal year ended March 31, 2012, certain subsidiaries changed their fiscal periods. The effect of these changes has been reflected in figures of certain items for the same period of the previous fiscal year. (Refer to (9) ii), on page 35.)

[Explanation for Consolidated Statements of Income -Quarterly]

(Unit : billion yen)	Jan.-Mar.2012	Jan.-Mar.2011	Increase (Decrease)	Main reasons for changes
Revenue	1,292.5	1,004.4	288.0	The Energy, Metals & Minerals Company achieved an increase due to the acquisition of energy-related companies and rise in prices for oil & gas compared with the same period of the previous fiscal year. In the Chemicals, Forest Products & General Merchandise Company, revenue increased mainly due to the acquisition of Kwik-Fit Group. In the Construction & Realty Division, revenue increased due to sales to investors of real estate for leasing and higher sales of condominiums.
Gross trading profit	275.5	256.0	19.5	Increase in revenue in ITOCHU Corporation and existing subsidiaries : +6.5 Increase due to acquisition of subsidiaries : +20.9 Decrease due to de-consolidation of subsidiaries : -2.8 Decrease due to foreign currency translation : -5.0 Refer to "(10) Operating Segment Information" on page 39-40
Total of SG & A	(210.5)	(179.2)	(31.3)	Increase in ITOCHU Corporation and existing subsidiaries due to an increase in revenue : -13.5 Increase due to acquisition of subsidiaries : -22.7 Decrease due to de-consolidation of subsidiaries : +2.2 Decrease due to foreign currency translation : +2.7
Personnel expenses	(101.9)	(81.2)	(20.7)	
(Pension cost)	(8.7)	(4.2)	(4.5)	
Other expenses	(108.6)	(98.0)	(10.6)	
(Service charge, distribution costs)	(47.3)	(45.7)	(1.6)	
(Rent, depreciation and amortization)	(25.7)	(20.8)	(4.9)	
(Others)	(35.6)	(31.5)	(4.1)	
Provision for doubtful receivables	(1.2)	(5.4)	4.2	Due to the absence of write-off of loans accompanying disposal of enterprises in North America in the same period of the previous fiscal year
Net financial income	7.6	2.5	5.1	Increase in dividends received
Interest income	2.4	2.6	(0.2)	
Interest expense	(5.9)	(6.0)	0.0	
Net interest expenses	(3.5)	(3.4)	(0.1)	
Dividends received	11.1	5.9	5.2	Increase in dividends from oil & gas-related investments and LNG-related investments
Gain (loss) on investments-net	12.3	(10.2)	22.5	Net gain on sales of investments +14.7 (3.3 → 18.0), Impairment losses +4.3 (-7.6 → -3.3), Losses on business disposals and others +3.5 (-6.0 → -2.5)
Loss on property and equipment-net	(6.0)	(32.2)	26.3	Impairment losses +24.5 (-29.3 →-4.8)〔substantial decrease in impairment losses on property and equipment and oil & gas assets in the same period of the previous fiscal year〕, Net loss on sales of property and equipment and others +1.8 (-2.9 →-1.2)
Gain on bargain purchase in acquisition	5.4	-	5.4	Additional gain on the acquisition of Brazil Japan Iron Ore Corporation
Other-net	6.7	(2.8)	9.5	Due to an improvement in miscellaneous gain (loss) and the absence of ship-related losses in the same period of the previous fiscal year
Income taxes	(23.8)	(20.7)	(3.1)	
Equity in earnings of associated companies	21.3	9.0	12.3	Prima Meat Packers, Ltd. (Note.1) [the absence of impairment loss on investment recorded in same period of the previous fiscal year(Note.2) +5.6 (-5.6 → -)], Marubeni-Itochu Steel Inc. +2.1 (0.9 → 3.0), ITOCHU Coal Americas Inc. +2.1 (- → 2.1), ASAHI BREWERIES ITOCHU (HOLDINGS) LTD. +1.3 (-0.1 → 1.3)] Refer to "Performance of Group Companies" on page 15-16
Adjusted profit	94.0	88.3	5.6	Adjusted profit (+5.6)= Gross trading profit (+19.5) + SG&A expenses (-31.3) + Net financial income (+5.1) + Equity in earnings of associated companies (+12.3) The amount ( ) represents changes from the same period of the previous fiscal year

	Jan.-Mar.2012	Jan.-Mar.2011	Variance
JPY TIBOR 3M, average (Jan.-Mar.)	0.336%	0.340%	(0.004%)
USD LIBOR 3M, average (Jan.-Mar.)	0.514%	0.308%	0.206%

(Note.1) Refer to the results to be announced by each corresponding company, as their announcement dates are on or after ITOCHU's announcement date of Fiscal Year 2012.
(Note.2) Income tax effect is not included.

(4) Consolidated Balance Sheets (Assets) [Condensed] -Unaudited-

ITOCHU Corporation and Subsidiaries

As of March 31, 2012 and 2011

Assets	Millions of Yen		Millions of U.S. dollars
	Mar. 2012	Mar. 2011	**Mar. 2012**
Current assets:			
Cash and cash equivalents	**¥ 513,489**	¥ 633,756	**$ 6,248**
Time deposits	**5,173**	4,420	**63**
Short-term investments	**2,770**	3,560	**33**
Trade receivables:			
Notes	**167,521**	155,496	**2,038**
Accounts	**1,496,861**	1,282,591	**18,212**
Allowance for doubtful receivables	**(10,970)**	(11,410)	**(133)**
Net trade receivables	**1,653,412**	1,426,677	**20,117**
Due from associated companies	**159,348**	113,669	**1,939**
Inventories	**574,345**	504,342	**6,988**
Advances to suppliers	**91,965**	71,698	**1,119**
Prepaid expenses	**31,981**	28,544	**389**
Deferred tax assets	**48,755**	51,435	**593**
Other current assets	**298,848**	237,555	**3,636**
Total current assets	**3,380,086**	3,075,656	**41,125**
Investments and non-current receivables:			
Investments in and advances to associated companies	**1,395,351**	985,316	**16,977**
Other investments	**484,014**	493,755	**5,889**
Other non-current receivables	**137,199**	139,311	**1,669**
Allowance for doubtful receivables	**(42,087)**	(50,851)	**(512)**
Total investments and net non-current receivables	**1,974,477**	1,567,531	**24,023**
Property and equipment, at cost:			
Land	**153,441**	158,767	**1,867**
Buildings	**429,314**	411,811	**5,223**
Machinery and equipment	**475,103**	435,076	**5,781**
Furniture and fixtures	**81,019**	83,256	**986**
Mineral rights	**83,500**	53,137	**1,016**
Construction in progress	**32,833**	28,416	**399**
Total property and equipment, at cost	**1,255,210**	1,170,463	**15,272**
Less accumulated depreciation	**547,277**	526,489	**6,659**
Net property and equipment	**707,933**	643,974	**8,613**
Prepaid pension cost	**67**	365	**1**
Deferred tax assets, non-current	**80,729**	113,259	**983**
Other assets	**363,981**	275,924	**4,429**
Total	**¥ 6,507,273**	¥ 5,676,709	**$ 79,174**

Note:

In the fourth quarter of the fiscal year ended March 31, 2012, certain subsidiaries changed their fiscal periods. The effect of these changes has been reflected in figures of certain items for the previous fiscal year-end. (Refer to (9) ii), on page 35.)

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

ITOCHU Corporation and Subsidiaries

As of March 31, 2012 and 2011

Liabilities and Equity	Millions of Yen		Millions of U.S. dollars
	Mar. 2012	Mar. 2011	**Mar. 2012**
Current liabilities:			
Short-term debt	**¥ 415,268**	¥ 241,915	**$ 5,053**
Current maturities of long-term debt	**35,700**	47,058	**434**
Trade payables:			
Notes and acceptances	**174,118**	160,047	**2,118**
Accounts	**1,260,123**	1,076,514	**15,332**
Total trade payables	**1,434,241**	1,236,561	**17,450**
Due to associated companies	**38,368**	28,719	**467**
Accrued expenses	**156,787**	130,585	**1,908**
Income taxes payable	**48,548**	56,613	**591**
Advances from customers	**95,575**	84,709	**1,163**
Deferred tax liabilities	**691**	872	**8**
Other current liabilities	**225,896**	216,610	**2,748**
Total current liabilities	**2,451,074**	2,043,642	**29,822**
Long-term debt, excluding current maturities	**2,259,717**	2,160,772	**27,494**
Accrued retirement and severance benefits	**64,304**	52,564	**782**
Deferred tax liabilities, non-current	**36,037**	20,777	**439**
Total liabilities	**4,811,132**	4,277,755	**58,537**
Equity:			
Common stock:			
Authorized: 3,000,000,000 shares;			
issued:			
1,584,889,504 shares	**202,241**	202,241	**2,461**
Capital surplus	**112,370**	114,291	**1,367**
Retained earnings:			
Legal reserve	**22,134**	18,257	**270**
Other retained earnings	**1,274,131**	1,017,838	**15,502**
Total retained earnings	**1,296,265**	1,036,095	**15,772**
Accumulated other comprehensive income (loss) :			
Foreign currency translation adjustments	**(208,781)**	(151,836)	**(2,540)**
Pension liability adjustments	**(97,861)**	(93,423)	**(1,191)**
Unrealized holding gains on securities	**65,674**	53,048	**799**
Unrealized holding losses on derivative instruments	**(3,426)**	(1,472)	**(42)**
Treasury stock, at cost	**(2,685)**	(2,674)	**(33)**
Total ITOCHU stockholders' equity	**1,363,797**	1,156,270	**16,593**
Noncontrolling interest	**332,344**	242,684	**4,044**
Total equity	**1,696,141**	1,398,954	**20,637**
Total	**¥ 6,507,273**	¥ 5,676,709	**$ 79,174**

[Explanation for Consolidated Balance Sheets]

Assets

(Unit: billion yen)

		Mar.2012	Mar.2011	Increase (Decrease)		Main reasons for changes:
Cash and cash equivalents, Time deposits	...	518.7	638.2	(119.5)		
Net trade receivables	...	1,653.4	1,426.7	226.7	...	Increase due to higher prices in Energy; and in food distribution business due to higher transaction volumes and the special factor that the end of this fiscal year was a holiday.
Inventories	...	574.3	504.3	70.0	...	Increase in petroleum products in Energy; in building materials due to higher transaction volumes; and due to the acquisition of Kwik-Fit Group in Forest Products & General Merchandise
Other current assets	...	298.8	237.6	61.3	...	Increase in other accounts receivable
Investments in and advances to associated companies	...	1,395.4	985.3	410.0	...	Increase due to an investment in Shandong Ruyi Science & Technology Group in the Textile company; in IPP in North America in the ICT & Machinery company; and in Colombian coal company and U.S. oil & gas development company as well as an increase due to the acquisition of Brazil Japan Iron Ore Corporation in the Energy, Metals & Minerals company
Net property and equipment	...	707.9	644.0	64.0	...	Increase due to purchase of coal interests in Metals & Minerals; and the acquisition of Kwik-Fit Group in Forest Products & General Merchandise
Other assets	...	364.0	275.9	88.1	...	Due to the acquisition of Kwik-Fit Group in Forest Products & General Merchandise
Total assets	...	6,507.3	5,676.7	830.6		

Total assets as of March 31, 2012, increased by 14.6 %, or 830.6 billion yen compared with March 31, 2011, to 6,507.3 billion yen (79,174million U.S. dollars). There was a decrease in Cash and cash equivalents and Time deposits, however, Investments to associated companies increased due to investments in the Textile company, the ICT & Machinery company and the Energy, Metals & Minerals company. In addition, in the Energy, Metals & Minerals company, the Chemicals and Forest Products & General Merchandise company and the Food company, there were increases in Net trade receivables and Inventories. Also, in Forest Products & General Merchandise there were increases in Inventories, Net property and equipment and Other assets due to the acquisition of Kwik-Fit Group.

Liabilities

(Unit: billion yen)

		Mar.2012	Mar.2011	Increase (Decrease)		Main reasons for changes:
Total trade payables	...	1,434.2	1,236.6	197.7	...	Increase in food distribution business due to higher transaction volumes and the special factor that the end of this fiscal year was a holiday; in Energy due to higher prices ; and due to the acquisition of Kwik-Fit Group in Forest Products & General Merchandise
[Interest-bearing debt]						
Short-term debt	...	415.3	241.9	173.4		
Current maturities of long-term debt excluding debentures	...	33.7	46.7	(13.0)		
Current maturities of debentures	...	2.0	0.4	1.6		
Short-term total	...	451.0	289.0	162.0		
Long-term debt	...	1,716.5	1,735.7	(19.3)		
Debentures	...	366.1	244.2	121.9		
Long-term total	...	2,082.6	1,980.0	102.6		
Total interest-bearing debt	...	2,533.6	2,268.9	264.6		
Cash and cash equivalents, Time deposits	...	518.7	638.2	(119.5)		
Net interest-bearing debt	...	2,014.9	1,630.8	384.1		
Net debt-to-stockholders' equity ratio [times]	...	1.5	1.4	up 0.1		

Interest-bearing debt increased by 11.7%, or 264.6 billion yen compared with March 31, 2011, to 2,533.6 billion yen (30,826 million U.S. dollars), due to a rise in debt for the new investments. Net interest-bearing debt (interest-bearing debt after deducting cash and cash equivalents and time deposits) increased by 23.6%, or 384.1 billion yen, compared with March 31, 2011, to 2,014.9 billion yen (24,515million U.S. dollars).
NET DER (Net Debt-to-stockholders' equity ratio) was 1.5 times.

Equity

(Unit: billion yen)

		Mar.2012	Mar.2011	Increase (Decrease)		Main reasons for changes:
Common stock	...	202.2	202.2	-		
Capital surplus	...	112.4	114.3	(1.9)		
Retained earnings:	...	1,296.3	1,036.1	260.2	...	Net income attributable to ITOCHU +300.5, Dividend payment -40.3
Accumulated other comprehensive income (loss):	...	(244.4)	(193.7)	(50.7)		
Treasury stock, at cost	...	(2.7)	(2.7)	(0.0)		
Total ITOCHU stockholders' equity	...	1,363.8	1,156.3	207.5		
Ratio of stockholders' equity to total assets	...	21.0%	20.4%	0.6%		
Noncontrolling interest	...	332.3	242.7	89.7		
Total equity	...	1,696.1	1,399.0	297.2		

Total ITOCHU stockholders' equity increased by 17.9 %, or 207.5 billion yen compared with March 31, 2011, to 1,363.8 billion yen (16,593 million U.S. dollars), due to an increase in Net income attributable to ITOCHU, despite a decrease in dividend payment and deterioration in Foreign currency translation adjustments.
As a result, the Ratio of stockholders' equity to total assets improved by 0.6 points to 21.0% from March 31, 2011. Total equity, or the sum of Total ITOCHU stockholders' equity and Noncontrolling interest increased by 21.2 %, or 297.2 billion yen, compared with March 31, 2011, to 1,696.1 billion yen (20,637 million U.S. dollars), due to an increase in Total ITOCHU stockholders' equity and the acquisition of Brazil Japan Iron Ore Corporation.

[Current exchange rate]

[Yen/USD] [For March closing companies]			[For December closing companies]			[Yen/AUD] [For March closing companies]		
Mar.2012	Mar.2011	Variance	Dec.2011	Dec.2010	Variance	Mar.2012	Mar.2011	Variance
82.19	83.15	(0.96)	77.74	81.49	(3.75)	85.45	86.08	(0.63)
Mar.2011	Mar.2010	Variance	Dec.2010	Dec.2009	Variance	Mar.2011	Mar.2010	Variance
83.15	93.04	(9.89)	81.49	92.10	(10.61)	86.08	85.28	0.80

[The Nikkei Stock Average(Yen)]

Mar.2012	Mar.2011	Variance
10,083	9,755	328

(5) Consolidated Statements of Equity [Condensed]

-Unaudited-

ITOCHU Corporation and Subsidiaries

Years ended March 31, 2012 and 2011

	Millions of Yen		Millions of U.S. dollars
	2012	2011	**2012**
Common stock:			
Balance at beginning of year	**¥ 202,241**	¥ 202,241	**$ 2,461**
Balance at end of year	**¥ 202,241**	¥ 202,241	**$ 2,461**
Capital surplus:			
Balance at beginning of year	**¥ 114,291**	¥ 137,506	**$ 1,391**
Sale (purchase) of subsidiary shares to (from) noncontrolling interest	**(2,029)**	(19,322)	**(25)**
Sale (purchase) by associated companies of their subsidiary shares to (from) their noncontrolling interests	**108**	(3,893)	**1**
Balance at end of year	**¥ 112,370**	¥ 114,291	**$ 1,367**
Retained earnings:			
Legal reserve:			
Balance at beginning of year	**¥ 18,257**	¥ 16,117	**$ 222**
Transfer from other retained earnings	**4,086**	2,236	**50**
Redistribution arising from sale by parent company of common stock of subsidiaries and associated companies	**(209)**	(96)	**(2)**
Balance at end of year	**¥ 22,134**	¥ 18,257	**$ 270**
Other retained earnings:			
Balance at beginning of year	**¥ 1,017,838**	¥ 885,014	**$ 12,384**
Net income attributable to ITOCHU	**300,505**	161,114	**3,656**
Cash dividends	**(40,335)**	(26,102)	**(491)**
Transfer to legal reserve	**(4,086)**	(2,236)	**(50)**
Redistribution arising from sale by parent company of common stock of subsidiaries and associated companies	**209**	96	**3**
Deficit arising from retirement of treasury stock	**-**	(48)	**-**
Balance at end of year	**¥ 1,274,131**	¥ 1,017,838	**$ 15,502**
Accumulated other comprehensive income (loss):			
Balance at beginning of year	**¥ (193,683)**	¥ (138,552)	**$ (2,357)**
Other comprehensive income (loss)	**(50,522)**	(55,073)	**(615)**
Sale (purchase) of subsidiary shares to (from) noncontrolling interest	**(189)**	(58)	**(2)**
Balance at end of year	**¥ (244,394)**	¥ (193,683)	**$ (2,974)**
Treasury stock:			
Balance at beginning of year	**¥ (2,674)**	¥ (2,687)	**$ (33)**
Net changes in treasury stock	**(11)**	13	**(0)**
Balance at end of year	**¥ (2,685)**	¥ (2,674)	**$ (33)**
Total ITOCHU stockholders' equity	**¥ 1,363,797**	¥ 1,156,270	**$ 16,593**
Noncontrolling interest			
Balance at beginning of year	**¥ 242,684**	¥ 212,934	**$ 2,953**
Net income attributable to the noncontrolling interest	**21,388**	13,243	**260**
Other comprehensive income (loss) attributable to the noncontrolling interest	**(14,420)**	(3,013)	**(175)**
Cash dividends to noncontrolling interest	**(9,515)**	(8,503)	**(116)**
Sale (purchase) of subsidiary shares to (from) noncontrolling interest	**4,158**	(6,429)	**51**
Other changes	**88,049**	34,452	**1,071**
Balance at end of year	**¥ 332,344**	¥ 242,684	**$ 4,044**
Total equity	**¥ 1,696,141**	¥ 1,398,954	**$ 20,637**
Comprehensive income (loss):			
Net income	**¥ 321,893**	¥ 174,357	**$ 3,916**
Other comprehensive income (loss) (net of tax):			
Foreign currency translation adjustments	**(72,138)**	(64,114)	**(878)**
Pension liability adjustments	**(4,631)**	(7,630)	**(56)**
Unrealized holding gains on securities	**13,521**	12,128	**165**
Unrealized holding gains (losses) on derivative instruments	**(1,694)**	1,530	**(21)**
Total other comprehensive income (loss) (net of tax)	**(64,942)**	(58,086)	**(790)**
Comprehensive income (loss)	**256,951**	116,271	**3,126**
Comprehensive income (loss) attributable to the noncontrolling interest	**(6,968)**	(10,230)	**(85)**
Comprehensive income (loss) attributable to ITOCHU	**¥ 249,983**	¥ 106,041	**$ 3,041**

Note: In the fourth quarter of the fiscal year ended March 31, 2012, certain subsidiaries changed their fiscal periods. The effect of these changes has been reflected in figures of certain items for the previous fiscal year. (Refer to (9) ii), on page 35.)

[Explanation for Consolidated Statements of Equity]

Accumulated other comprehensive income (loss)

(Unit: billion yen)

Foreign currency translation adjustments

Foreign exchange differences in exchange rate between at invested to the overseas group companies and at the end of this period, are recognized as "Foreign currency translation adjustments".

	as of:	Mar 2012	Mar 2011	Increase (Decrease)
Balance		(208.8)	(151.8)	(56.9)

Exchange rate	as of:	Dec 2011	Dec 2010	Changes
	(Yen/USD)	77.74	81.49	(3.75)
	as of:	Mar 2012	Mar 2011	Changes
	(Yen/USD)	82.19	83.15	(0.96)
	as of:	Mar 2012	Mar 2011	Changes
	(Yen/AUD)	85.45	86.08	(0.63)
	as of:	Dec 2011	Dec 2010	Changes
	(Yen/BRL)	41.47	48.55	(7.08)

(Unit: billion yen)

Pension liability adjustments

Difference between the projected benefit obligations and the plan assets is amortized according to the defined accounting standard, and the other unamortized balance (net of tax) is recognized as "Pension liability adjustments".

	as of:	Mar 2012	Mar 2011	Increase (Decrease)
Balance		(97.9)	(93.4)	(4.4)

(Unit: billion yen)

Unrealized holding gains on securities

Available-for-sale securities are recorded at fair value at the end of this period, and differences (net of tax) between carrying amount and fair value are recognized as "Unrealized holding gains on securities".

	as of:	Mar 2012	Mar 2011	Increase (Decrease)
Balance		65.7	53.0	12.6

(Unit: billion yen)

Unrealized holding losses on derivative instruments

Derivative transactions which are designated and qualified as 'cash flow hedges' are recorded at fair value at the end of this period, and differences (net of tax) between carrying amount and fair value are recognized as "Unrealized holding losses on derivative instruments".

	as of:	Mar 2012	Mar 2011	Increase (Decrease)
Balance		(3.4)	(1.5)	(2.0)

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

ITOCHU Corporation and Subsidiaries

Years ended March 31, 2012 and 2011

	Millions of Yen		Millions of U.S. dollars
	2012	2011	**2012**
Cash flows from operating activities :			
Net income	**¥ 321,893**	¥ 174,357	**$ 3,916**
Adjustments to reconcile net income to net cash provided by operating activities :			
Depreciation and amortization	**77,171**	75,960	**939**
Provision for doubtful receivables	**4,925**	9,398	**60**
(Gain) loss on investments-net	**(20,942)**	38,125	**(255)**
Loss on property and equipment-net	**6,747**	33,739	**82**
Gain on bargain purchase in acquisition	**(15,910)**	-	**(194)**
Equity in earnings of associated companies, less dividends received	**(59,001)**	(35,237)	**(718)**
Deferred income taxes	**32,715**	(14,302)	**398**
Changes in assets and liabilities, other-net	**(134,768)**	53,321	**(1,639)**
Net cash provided by operating activities	**212,830**	335,361	**2,589**
Cash flows from investing activities :			
Net purchases of property, equipment and other assets	**(132,821)**	(81,431)	**(1,616)**
Net increase in investments in and advances to associated companies	**(264,059)**	(76,559)	**(3,213)**
Net purchases of other investments	**(27,273)**	(63,692)	**(332)**
Net (origination) collections of other non-current loan receivables	**6,766**	(9,989)	**82**
Net decrease in time deposits	**1,072**	805	**14**
Net cash used in investing activities	**(416,315)**	(230,866)	**(5,065)**
Cash flows from financing activities :			
Net proceeds (repayments) of long-term debt	**(16,987)**	44,154	**(207)**
Net increase in short-term debt	**165,160**	31,458	**2,009**
Other	**(63,469)**	(22,410)	**(771)**
Net cash provided by financing activities	**84,704**	53,202	**1,031**
Effect of exchange rate changes on cash and cash equivalents	**(1,486)**	(4,505)	**(18)**
Net (increase) decrease in cash and cash equivalents	**(120,267)**	153,192	**(1,463)**
Cash and cash equivalents at beginning of year	**633,756**	480,564	**7,711**
Cash and cash equivalents at end of year	**¥ 513,489**	¥ 633,756	**$ 6,248**

Note: In the fourth quarter of the fiscal year ended March 31, 2012, certain subsidiaries changed their fiscal periods. The effect of these changes has been reflected in the figures of certain items for the previous fiscal year. (Refer to (9) ii), on page 35.)

[Explanation for Consolidated Statements of Cash Flows]

Note :
Explanation for indication

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

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

Cash flows from operating activities

(Unit: billion yen)

	2012		2011		Variance	Major items
Net income	321.9		174.4		147.5	
Non-cash charges of P/L	25.7		107.7		(82.0)	
Changes in assets and liabilities, other-net	(134.8)	a	53.3	b	(188.1)	a : Trade receivables / payables -37.7, Inventories -57.2 Other -39.9 b : Trade receivables / payables +20.1, Inventories -47.4 Other +80.7
Net cash provided by operating activities	212.8		335.4		(122.5)	

Cash flows from investing activities

(Unit: billion yen)

	2012		2011		Variance	Major items
Net purchases of property, equipment and other assets	(132.8)	a	(81.4)	b	(51.4)	a : Additional capital expenditures and purchase of interests in natural resource development sector -65.0 Purchase by ship-related subsidiaries -16.7 Purchase by food subsidiaries -12.9 Purchase by ITOCHU Corporation -8.4 b : Additional capital expenditures and purchase of interests in natural resource development sector -50.9
Net increase in investments in and advances to associated companies	(264.1)	a	(76.6)	b	(187.5)	a : Investment in Colombian coal company -131.1 Investment in U.S. oil & gas development company -82.1 Investments in IPP in North America and investment in leasing business -24.7 b : Purchase of investment asset in relation to an establishment of a joint holding company with Asahi Breweries, Ltd. for Chinese food business -43.5 Purchase on portfolio interests of power plants in North America -23.4
Net purchases of other investments	(27.3)	a	(63.7)	b	36.4	a : Purchase of additional shares of Brazil Japan Iron Ore Corporation, net of cash acquired -39.7 Investment in natural resource development sector -34.4 Sales of investment securities in natural resource development sector +23.5 Sales of bonds by ITOCHU Corporation +10.3 b : Investment in natural resource development sector -32.8 Investment in automobile business -10.8
Net (origination) collections of other non-current loan receivables	6.8	a	(10.0)	b	16.8	a : Origination -37.1, collections +43.9 b : Origination -40.7, collections +30.7
Net decrease in time deposits	1.1		0.8		0.3	
Net cash used in investing activities	(416.3)		(230.9)		(185.4)	

Cash flows from financing activities

(Unit: billion yen)

	2012		2011		Variance	Major items
Net proceeds (repayments) of long-term debt	(17.0)	a	44.2	b	(61.1)	a : Proceeds +408.6, repayments -425.6 b : Proceeds +304.8, repayments -260.6
Net increase in short-term debt	165.2	a	31.5	b	133.7	a : Net increase by ITOCHU Corporation +23.3 Net increase by subsidiaries +141.9 b : Net increase by ITOCHU Corporation +38.0 Net decrease by subsidiaries -6.6
Other	(63.5)	a	(22.4)	b	(41.1)	a : Cash dividends -40.3, Cash dividends to noncontrolling interests -15.7 b : Purchase of additional shares of the common stock of NIPPON ACCESS, INC., a subsidiary -26.0, Cash dividends -26.1, Cash dividends to noncontrolling interests -8.5, An equity transaction in relation to an establishment of a joint holding company with Asahi Breweries, Ltd. for Chinese food business +43.5
Net cash provided by financing activities	84.7		53.2		31.5	

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

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

-Unaudited-

ITOCHU Corporation and Subsidiaries

For the three months ended March 31, 2012 and 2011

	Millions of Yen		Millions of U.S. dollars
	Jan.-Mar.2012	Jan.-Mar.2011	**Jan.-Mar.2012**
Cash flows from operating activities :			
Net income	**¥ 87,416**	¥ 16,994	**$ 1,064**
Adjustments to reconcile net income to net cash provided by operating activities :			
Depreciation and amortization	**19,313**	17,243	**235**
Provision for doubtful receivables	**1,177**	5,377	**14**
(Gain) loss on investments-net	**(12,282)**	10,204	**(149)**
Loss on property and equipment-net	**5,972**	32,231	**73**
Gain on bargain purchase in acquisition	**(5,384)**	-	**(66)**
Equity in earnings of associated companies, less dividends received	**(15,542)**	(3,048)	**(189)**
Deferred income taxes	**(3,482)**	8,675	**(42)**
Changes in assets and liabilities, other-net	**41,549**	105,060	**505**
Net cash provided by operating activities	**118,737**	192,736	**1,445**
Cash flows from investing activities :			
Net purchases of property, equipment and other assets	**(29,814)**	(20,408)	**(363)**
Net increase in investments in and advances to associated companies	**(5,628)**	(8,580)	**(68)**
Net (purchases) sales of other investments	**36,188**	(8,127)	**440**
Net (origination) collections of other non-current loan receivables	**3,535**	(2,718)	**43**
Net (increase) decrease in time deposits	**(354)**	37,714	**(4)**
Net cash provided by (used in) investing activities	**3,927**	(2,119)	**48**
Cash flows from financing activities :			
Net proceeds of long-term debt	**112,758**	22,277	**1,372**
Net increase (decrease) in short-term debt	**(127,852)**	56,329	**(1,556)**
Other	**(4,496)**	(1,060)	**(54)**
Net cash provided by (used in) financing activities	**(19,590)**	77,546	**(238)**
Effect of exchange rate changes on cash and cash equivalents	**5,452**	628	**66**
Net increase in cash and cash equivalents	**108,526**	268,791	**1,321**
Cash and cash equivalents at beginning of period	**404,963**	364,965	**4,927**
Cash and cash equivalents at end of period	**¥ 513,489**	¥ 633,756	**$ 6,248**

Note: In the fourth quarter of the fiscal year ended March 31, 2012, certain subsidiaries changed their fiscal periods. The effect of these changes has been reflected in the figures of certain items for the same period of the previous fiscal year. (Refer to (9) ii), on page 35.)

[Explanation for Consolidated Statements of Cash Flows]

Note :
Explanation for indication

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

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

Cash flows from operating activities

(Unit: billion yen)

	Jan.-Mar. 2012	Jan.-Mar. 2011	Variance	Major items
Net income	87.4	17.0	70.4	
Non-cash charges of P/L	(10.2)	70.7	(80.9)	
Changes in assets and liabilities, other-net	41.5 a	105.1 b	(63.5)	a : Trade receivables / payables -42.6, Inventories +75.2 Other +8.9 b : Trade receivables / payables +5.4, Inventories +50.6 Other +49.1
Net cash provided by operating activities	118.7	192.7	(74.0)	

Cash flows from investing activities

(Unit: billion yen)

	Jan.-Mar. 2012	Jan.-Mar. 2011	Variance	Major items
Net purchases of property, equipment and other assets	(29.8) a	(20.4) b	(9.4)	a : Additional capital expenditures in natural resource development sector -9.8 Purchase by food subsidiaries -2.4 Purchase by ship-related subsidiaries -2.2 Purchase by ITOCHU Corporation -2.0 b : Additional capital expenditures in natural resource development sector -7.1 Purchase by food subsidiaries -4.8
Net increase in investments in and advances to associated companies	(5.6) a	(8.6) b	3.0	a : Investments in IPP in North America -6.7 b: Purchase on portfolio interests of power plants in North America -9.0
Net (purchases) sales of other investments	36.2 a	(8.1) b	44.3	a : Sales of investment securities in natural resource development sector +23.5 b : Purchase of bonds by ITOCHU Corporation -3.7
Net origination (collections) of other non-current loan receivables	3.5 a	(2.7) b	6.3	a : Origination -9.7, collections +13.3 b : Origination -10.0, collections +7.3
Net (increase) decrease in time deposits	(0.4)	37.7	(38.1)	Mainly due to increase and decrease in ITOCHU Corporation
Net cash provided by (used in) investing activities	3.9	(2.1)	6.0	

Cash flows from financing activities

(Unit: billion yen)

	Jan.-Mar. 2012	Jan.-Mar. 2011	Variance	Major items
Net proceeds of long-term debt	112.8 a	22.3 b	90.5	a : Proceeds +172.7, repayments -59.9 b : Proceeds +57.1, repayments -34.8

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

	Jan.-Mar. 2012	Jan.-Mar. 2011	Variance	Major items
Net increase (decrease) in short-term debt	(127.9) a	56.3 b	(184.2)	a : Net decrease by ITOCHU Corporation -69.8 Net decrease by subsidiaries -58.0 b : Net increase by ITOCHU Corporation +57.3 Net decrease by subsidiaries -1.0
Other	(4.5) a	(1.1) b	(3.4)	a : Cash dividends to noncontrolling interests -1.6 b : Cash dividends to noncontrolling interests -0.8
Net cash provided by (used in) financing activities	(19.6)	77.5	(97.1)	

(8) Assumption for Going Concern N/A

(9) Basis of the Consolidated Financial Statements

i) Consolidated Subsidiaries and Equity-Method Associated Companies

[Major Group Companies]

Consolidated Subsidiaries

(Domestic:86 entities)	JOI'X CORPORATION, SANKEI CO., LTD, ITOCHU CONSTRUCTION MACHINERY CO., LTD, ITOCHU MACHINE-TECHNOS CORPORATION, ITOCHU Techno-Solutions Corporation, Excite Japan Co., Ltd., ITC NETWORKS CORPORATION, Century Medical, Inc., ITOCHU Metals Corporation, ITOCHU ENEX CO., LTD., Brazil Japan Iron Ore Corporation, ITOCHU Kenzai Corp., ITOCHU Pulp & Paper Corp., ITOCHU CHEMICAL FRONTIER Corporation, ITOCHU PLASTICS INC., C.I.Kasei Co., Ltd, ITOCHU SHOKUHIN Co., Ltd., NIPPON ACCESS, INC., China Foods Investment Corp., ITOCHU Property Development, Ltd., ITOCHU LOGISTICS CORP.
(Overseas:140 entities)	ITOCHU Textile Prominent (ASIA) Ltd., ITOCHU TEXTILE (CHINA) CO., Ltd., LTD, ITOCHU Automobile America Inc., ITOCHU Minerals & Energy of Australia Pty Ltd, ITOCHU Oil Exploration (Azerbaijan) Inc., ITOCHU PETROLEUM CO.,(SINGAPORE)PTE. LTD, ITOCHU International Inc., ITOCHU Europe PLC, ITOCHU Hong Kong Ltd., ITOCHU (China) Holding Co., Ltd., ITOCHU Australia Ltd.

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

TSE 1st Section :	ITOCHU Techno-Solutions Corporation, ITC NETWORKS CORPORATION , ITOCHU ENEX CO., LTD., ITOCHU SHOKUHIN Co., Ltd.
JASDAQ :	Excite Japan Co., Ltd., FX PRIME Corporation
Mothers :	MAGASeek Corporation

Equity-Method Associated Companies

(Domestic: 58 entities)	Century Tokyo Leasing Corporation, JAMCO Corporation, SUNCALL CORPORATION, SPACE SHOWER NETWORKS INC., Marubeni-Itochu Steel Inc., DAIKEN CORPORATION, TAKIRON Co., Ltd., Japan Foods Co., Ltd., Fuji Oil Co., Ltd., FamilyMart Co., Ltd., Prima Meat Packers, Ltd., Orient Corporation, eGuarantee, Inc.
(Overseas: 82 entities)	CGB ENTERPRISES, INC. [U.S.A.], "SUZUKI MOTOR RUS" LLC [Russia]

* Investment entities which are considered as part of parent company substantially (148 entities as of the end of March, 2012) are excluded from the list above.

ii) Change of Subsidiaries' Fiscal Year-End

In the fourth quarter of the fiscal year ended March 31, 2012, certain subsidiaries changed their fiscal periods, which end prior to March 31, to the fiscal period of ITOCHU Corporation, which ends on March 31. Because these changes in fiscal periods fall into the item subject to retrospective application under "FASB Accounting Standards Codification™" (hereinafter referred to as "ASC") Topic 250 "Accounting Changes and Error Corrections," the effect of these changes in fiscal periods has been reflected in figures for certain items of consolidated financial statements for the previous fiscal year.

iii) Accounting Policies

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

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

a) Evaluation of investments

For evaluation of investments, ASC Topic320 "Investments-Debt and Equity Securities" is applied.

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

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

c) Value reduction of fixed assets for Japanese tax purposes

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

d) Post retirement benefit and pension plans

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

In addition, according to ASC Topic 715, the situation of the defined benefit pension plans (that is, difference between the fair value of the plan assets and the amount of the projected benefit obligations) as of the end of the period are recognized in the consolidated balance sheets,

and net actuarial gain/loss (net of tax) and prior service cost (net of tax) are recorded in Accumulated other comprehensive income (loss).

e) Costs for issuance of new shares

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

f) Deferred income on installment sales

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

g) Recognition and Measurement of noncontrolling interest on acquisition

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

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

In accordance with ASC Topic 810 "Consolidation," changes in a parent's ownership interest, while the parent retains its controlling financial interest in its subsidiary, are accounted for as equity transactions.

i) Deconsolidation of a subsidiary

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

j) Goodwill

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

k) Derivative instruments

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

(10) Operating Segment Information

ITOCHU Corporation and Subsidiaries

Years ended March 31, 2012 and 2011

Information concerning operations in different operating segments for the years ended March 31, 2012 and 2011 is as follows:

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

Millions of Yen

	Textile	ICT & Machinery	Energy, Metals & Minerals	Chemicals, Forest Products & General Merchandise	Food	Construction & Realty	Others, Adjustments & Eliminations: Financial & Insurance Services, Logistics Services	Others, Adjustments & Eliminations: Adjustments & Eliminations and others	Consolidated
Total trading transactions:									
Unaffiliated customers and associated companies	**¥ 600,290**	**¥ 1,451,581**	**¥ 4,108,067**	**¥ 2,296,419**	**¥ 3,267,742**	**¥ 141,928**	**¥ 54,025**	**¥ 58,224**	**¥ 11,978,276**
Transfers between operating segments	**766**	**8,480**	**1,345**	**25,558**	**4,303**	**162**	**13,195**	**(53,809)**	**-**
Total trading transactions	**601,056**	**1,460,061**	**4,109,412**	**2,321,977**	**3,272,045**	**142,090**	**67,220**	**4,415**	**11,978,276**
Gross trading profit	**127,616**	**205,377**	**214,771**	**150,097**	**274,693**	**22,719**	**15,701**	**19,473**	**1,030,447**
Net income attributable to ITOCHU	**24,356**	**37,367**	**162,157**	**34,518**	**43,818**	**4,489**	**2,057**	**(8,257)**	**300,505**
[Equity in earnings of associated companies]	**[5,896]**	**[20,696]**	**[44,416]**	**[6,263]**	**[20,129]**	**[2,355]**	**[2,841]**	**[152]**	**[102,748]**
Total assets at March 31, 2012	**433,372**	**1,178,648**	**1,835,887**	**978,075**	**1,298,362**	**150,655**	**148,284**	**483,990**	**6,507,273**

For the year ended March 31, 2011 (April 1, 2010 -March 31, 2011)

Millions of Yen

	Textile	ICT & Machinery	Energy, Metals & Minerals	Chemicals, Forest Products & General Merchandise	Food	Construction & Realty	Others, Adjustments & Eliminations: Financial & Insurance Services, Logistics Services	Others, Adjustments & Eliminations: Adjustments & Eliminations and others	Consolidated
Total trading transactions:									
Unaffiliated customers and associated companies	¥ 587,725	¥ 1,426,912	¥ 3,885,703	¥ 2,060,190	¥ 3,097,391	¥ 105,654	¥ 65,237	¥ 164,772	¥ 11,393,584
Transfers between operating segments	536	9,704	481	24,885	2,571	-	13,987	(52,164)	-
Total trading transactions	588,261	1,436,616	3,886,184	2,085,075	3,099,962	105,654	79,224	112,608	11,393,584
Gross trading profit	128,345	185,117	212,134	118,328	270,786	18,684	19,176	23,808	976,378
Net income attributable to ITOCHU	15,292	17,961	109,224	25,997	22,377	2,746	(15,940)	(16,543)	161,114
[Equity in earnings of associated companies]	[5,925]	[12,130]	[28,450]	[6,351]	[11,700]	[1,009]	[(3,054)]	[(1,894)]	[60,617]
Total assets at March 31, 2011	406,394	1,026,051	1,278,175	774,160	1,208,663	163,702	190,613	628,951	5,676,709

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

Millions of U.S.dollars

	Textile	ICT & Machinery	Energy, Metals & Minerals	Chemicals, Forest Products & General Merchandise	Food	Construction & Realty	Others, Adjustments & Eliminations: Financial & Insurance Services, Logistics Services	Others, Adjustments & Eliminations: Adjustments & Eliminations and others	Consolidated
Total trading transactions:									
Unaffiliated customers and associated companies	**$ 7,304**	**$ 17,661**	**$ 49,983**	**$ 27,940**	**$ 39,758**	**$ 1,727**	**$ 657**	**$ 709**	**$ 145,739**
Transfers between operating segments	**9**	**103**	**16**	**311**	**53**	**2**	**161**	**(655)**	**-**
Total trading transactions	**7,313**	**17,764**	**49,999**	**28,251**	**39,811**	**1,729**	**818**	**54**	**145,739**
Gross trading profit	**1,553**	**2,499**	**2,613**	**1,826**	**3,342**	**276**	**191**	**237**	**12,537**
Net income attributable to ITOCHU	**296**	**455**	**1,973**	**420**	**533**	**55**	**25**	**(101)**	**3,656**
[Equity in earnings of associated companies]	**[72]**	**[252]**	**[540]**	**[76]**	**[245]**	**[29]**	**[34]**	**[2]**	**[1,250]**
Total assets at March 31, 2012	**5,273**	**14,341**	**22,337**	**11,900**	**15,797**	**1,833**	**1,804**	**5,889**	**79,174**

Note :

1. "Equity in earnings of associated companies" is included in Net income attributable to ITOCHU.
2. "Total trading transactions" is presented in accordance with Japanese accounting practice. Total trading transactions consist of sales with respect to transactions in which the companies act as principal and the total amount of transactions in which the companies act as agent.
3. As of April 1, 2011, ITOCHU reorganized its seven Division Companies into five Division Companies. As a result, the former Machinery Company and the former ICT, Aerospace & Electronics Company were merged to ICT & Machinery Company. Also, the Company reorganized the former Finance, Realty, Insurance & Logistics Services Company as a division not belonging to a Division Company and divided it into the Construction & Realty Division, the Financial & Insurance Services Department, and the Logistics Services Department. After this reorganization, regarding the figures for the same period of the previous fiscal year and the previous fiscal year-end, figures for the ICT & Machinery Company were the total of the former Machinery Company and the former ICT, Aerospace & Electronics Company, and figures for the former Finance, Realty, Insurance & Logistics Services Company were divided and presented as Construction & Realty and Financial & Insurance Services, Logistics Services.
4. As a result of the above-mentioned reorganization, the Healthcare Business Department and the Solar Business Department, which have been included in Other, Adjustments & Eliminations, were transferred to the ICT & Machinery Company and the Energy, Metals & Minerals Company respectively. Further, the figures affected by this transfer for the same period of the previous fiscal year and the precious fiscal year-end have not been adjusted to reflect this change.
5. In the fourth quarter of the fiscal year ended March 31, 2012, certain subsidiaries changed their fiscal periods. The effect of these changes has been reflected in figures of certain items in Adjustments & Eliminations and others in Other, Adjustments & Eliminations for the previous fiscal year. (Refer to (9) ii), on page 35.)
6. As a result of the ITOCHU Group's integration of food distribution and marketing business, the items in which distribution cost related to these operations has been included were changed from the beginning of fiscal year 2012. The relevant amounts for the same period of the previous fiscal year were reclassified based on this new classification. (Refer to "Note 2" in 4. (1), on page 22.)
7. As of April 1, 2012, ITOCHU reorganized its five Division Companies into six Division Companies. As a result of this reorganization, ICT & Machinery Company, Energy, Metals & Minerals Company and Chemicals, Forest Products & General Merchandise Company have been reorganized into Machinery Company, Metals & Minerals Company, Energy & Chemicals Company and ICT, General Products & Realty Company. Further, the Construction & Realty Division, the Financial & Insurance Services Department and the Logistics Services Department, which did not belong to a Division Company, have been reorganized into ICT, General Products & Realty Company.

[Explanation for Operating Segment Information]

Trading transactions for unaffiliated customers and associated companies

(Unit : billion yen)	Apr.-Mar. 2012	Apr.-Mar. 2011	Increase (Decrease)	Main reasons for changes
Textile	600.3	587.7	12.6	Increase due to rise in uniform products and textile materials transactions, as well as strong sales on domestic demand in China, despite decrease in revenues because of liquidation of apparel-related company at the previous fiscal year-end
ICT & Machinery	1,451.6	1,426.9	24.7	Increase due to strong transactions in domestic ICT-related companies and acceptance in healthcare-related business as a result of reorganization, despite less transactions in automobiles as a result of aftermath of the Great East Japan Earthquake
Energy, Metals & Minerals	4,108.1	3,885.7	222.4	Increase due to the acquisition of energy-related companies, rise in prices for iron ore and oil & gas, and higher iron ore sales volume, despite decrease in revenue due to lower coal production and sales volume
Chemicals, Forest Products & General Merchandise	2,296.4	2,060.2	236.2	Increase due to the acquisition of Kwik-Fit Group, higher prices for organic chemicals compared with the previous fiscal year, as well as higher market prices for plywood in domestic market
Food	3,267.7	3,097.4	170.4	Increase due to higher market prices for food materials, such as feed grains and others, as well as increase in transaction volume in food-distribution-related companies
Construction & Realty	141.9	105.7	36.3	Increase due to higher sales of newly completed condominiums in favorable locations and sales to investors of real estate for leasing
Financial & Insurance Services, Logistics Services	54.0	65.2	(11.2)	Decrease due to the sale of travel-related domestic company, despite increase in transaction volume for logistics-related business
Adjustments & Eliminations and others	58.2	164.8	(106.5)	Decrease due to transfer in solar-related and healthcare-related business to other Division Companies as a result of reorganization
Total	**11,978.3**	**11,393.6**	**584.7**	

Gross trading profit

(Unit : billion yen)	Apr.-Mar. 2012	Apr.-Mar. 2011	Increase (Decrease)	Main reasons for changes
Textile	127.6	128.3	(0.7)	Decrease due to liquidation of apparel-related company at the previous fiscal year-end, despite rise in uniform products and textile materials transactions, as well as strong sales on domestic demand in China
ICT & Machinery	205.4	185.1	20.3	Increase due to higher transaction volume in domestic ICT-related companies and construction-machinery-related companies and acceptance in healthcare-related business as a result of reorganization
Energy, Metals & Minerals	214.8	212.1	2.6	Increase due to rise in price for oil & gas and improvement of operations in energy transactions, as well as higher prices and sales volume for iron ore, despite decrease in revenue due to lower coal production and sales volume
Chemicals, Forest Products & General Merchandise	150.1	118.3	31.8	Increase due to the acquisition of Kwik-Fit Group and higher market prices for plywood in domestic market
Food	274.7	270.8	3.9	Increase due to rise in transaction volume at food-distribution-related companies, despite decrease in some businesses as a result of aftermath of the Great East Japan Earthquake
Construction & Realty	22.7	18.7	4.0	Increase due to decrease in losses on lower-of-cost-or-market of real-estate for sale as well as higher sales of newly completed condominiums in favorable locations and sales to investors of real estate for leasing
Financial & Insurance Services, Logistics Services	15.7	19.2	(3.5)	Decrease due to the sale of travel-related domestic company and the transfer as a result of reorganization
Adjustments & Eliminations and others	19.5	23.8	(4.3)	Decrease attributable to transfer as a result of reorganization, despite upturn in equipment-material-related business currently undergoing restructuring in North America
Total	**1,030.4**	**976.4**	**54.1**	

Net income attributable to ITOCHU

(Unit : billion yen)	Apr.-Mar. 2012	Apr.-Mar. 2011	Increase (Decrease)	Main reasons for changes
Textile	24.4	15.3	9.1	Increase due to rise in uniform products and textile materials transactions, strong sales on domestic demand in China, and the absence of losses on liquidation of subsidiary in apparel-related business recognized in the previous fiscal year-end
ICT & Machinery	37.4	18.0	19.4	Increase due to higher transaction volume in domestic ICT-related companies and construction-machinery-related companies, as well as increase in equity in earnings of associated companies due to generally higher earnings. In addition, gain on sale of businesses, gain resulting from additional investments for leasing company in automobile business and acceptance in healthcare-related business as a result of reorganization
Energy, Metals & Minerals	162.2	109.2	52.9	Increase due to higher iron ore sales volume and prices, gain on bargain purchase and remeasuring previously held equity interests in the acquisition of Brazil Japan Iron Ore Corporation at fair value and increase in equity in earnings of associated companies, despite decrease in earnings due to lower coal production and sales volume. In addition, increase due to gain on sale of investment securities in this fiscal year and due to substantial decrease in impairment losses on oil & gas assets
Chemicals, Forest Products & General Merchandise	34.5	26.0	8.5	Increase due to higher prices for organic chemicals throughout this fiscal year compared with the previous fiscal year and higher market prices for plywood in domestic market, as well as gain on sale of tire wholesale business used to consolidated subsidiary.
Food	43.8	22.4	21.4	Increase due to increase in transaction volume in food-distribution-related companies as well as favorable performance by convenience store companies, the absence of impairment losses on investment securities in the same period of the previous fiscal year, as well as the absence of losses as a result of the Great East Japan Earthquake—although it continued to affect certain companies—and income on insurance claims
Construction & Realty	4.5	2.7	1.7	Increase due to higher sales to investors of real estate for leasing and higher sales of newly completed condominiums in favorable locations
Financial & Insurance Services, Logistics Services	2.1	(15.9)	18.0	Upturn due to the absence of impairment losses on common and preferred stocks of Orient Corporation, as well as the absence of losses accompanying restructuring of certain subsidiaries in the previous fiscal year
Adjustments & Eliminations and others	(8.3)	(16.5)	8.3	Improvement due to the absence of impairment losses on property and equipment-net, losses on disposal of three enterprises in North America and business reconstruction costs on equipment-material-related business in the same period of the previous fiscal year as well as the improvement of its business operations, despite the reversal of deferred tax assets
Total	**300.5**	**161.1**	**139.4**	

Total assets

(Unit : billion yen)	Mar. 2012	Mar. 2011	Increase (Decrease)	Main reasons for changes
Textile	433.4	406.4	27.0	Increase due to rise in new investment and increase in trade receivables because of the special factor that the end of this fiscal year was a holiday
ICT & Machinery	1,178.6	1,026.1	152.6	Increase in investments related to IPP in North America, leasing company, rise in the stock market prices and attributable to rise in property and equipment such as ships, additionally attributable to inclusion of assets of healthcare-related business as a result of reorganization
Energy, Metals & Minerals	1,835.9	1,278.2	557.7	Increase due to rise in trade receivables and inventory assets, to new investments in Colombian coal company and U.S. oil & gas development company and to the acquisition of Brazil Japan Iron Ore Corporation
Chemicals, Forest Products & General Merchandise	978.1	774.2	203.9	Increase in inventories, property and equipment and other assets resulted from the acquisition of Kwik-Fit Group as well as increase in trade receivables mainly due to higher prices in transactions for chemicals
Food	1,298.4	1,208.7	89.7	Increase mainly due to rise in trade receivables of food-distribution-related companies because of the special factor that the end of this fiscal year was a holiday
Construction & Realty	150.7	163.7	(13.0)	Decrease mainly due decrease in inventories accompanying sale of real-estate for sale
Financial & Insurance Services, Logistics Services	148.3	190.6	(42.3)	Decrease due to transferring parts of the financial market business to Adjustments & Elimination
Adjustments & Eliminations and others	484.0	629.0	(145.0)	Decrease mainly due to result of reorganization and decrease in cash and cash equivalents
Total	**6,507.3**	**5,676.7**	**830.6**	

ITOCHU Corporation and Subsidiaries

For the three months ended March 31, 2012 and 2011 (Fourth quarter of fiscal year 2012 and 2011)

Information concerning operations in different operating segments for the three months ended March 31, 2012 and 2011 is as follows:

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

Millions of Yen

	Textile	ICT & Machinery	Energy, Metals & Minerals	Chemicals, Forest Products & General Merchandise	Food	Construction & Realty	Others, Adjustments & Eliminations: Financial & Insurance Services, Logistics Services	Others, Adjustments & Eliminations: Adjustments & Eliminations and others	Consolidated
Total trading transactions:									
Unaffiliated customers									
and associated companies	¥ 156,861	¥ 394,407	¥ 1,108,765	¥ 573,823	¥ 766,593	¥ 75,382	¥ 15,214	¥ 5,212	¥ 3,096,257
Transfers between operating segments	165	2,068	264	6,317	1,097	1	4,156	(14,068)	-
Total trading transactions	157,026	396,475	1,109,029	580,140	767,690	75,383	19,370	(8,856)	3,096,257
Gross trading profit	34,892	59,505	51,019	47,943	64,842	10,092	4,365	2,852	275,510
Net income attributable to ITOCHU..............	7,326	12,906	47,050	8,006	8,344	4,664	1,459	(8,154)	81,601
[Equity in earnings of associated companies].............................	[1,253]	[3,528]	[10,310]	[148]	[4,033]	[1,432]	[575]	[69]	[21,348]
Total assets at March 31, 2012.......................	433,372	1,178,648	1,835,887	978,075	1,298,362	150,655	148,284	483,990	6,507,273

For the three months ended March 31, 2011 (January 1, 2011-March 31, 2011)

Millions of Yen

	Textile	ICT & Machinery	Energy, Metals & Minerals	Chemicals, Forest Products & General Merchandise	Food	Construction & Realty	Others, Adjustments & Eliminations: Financial & Insurance Services, Logistics Services	Others, Adjustments & Eliminations: Adjustments & Eliminations and others	Consolidated
Total trading transactions:									
Unaffiliated customers									
and associated companies	¥ 153,424	¥ 378,141	¥ 982,537	¥ 537,847	¥ 733,765	¥ 45,222	¥ 13,718	¥ 30,199	¥ 2,874,853
Transfers between operating segments	175	3,107	86	6,046	767	-	2,963	(13,144)	-
Total trading transactions	153,599	381,248	982,623	543,893	734,532	45,222	16,681	17,055	2,874,853
Gross trading profit	33,582	54,786	62,867	29,980	62,403	7,614	4,545	198	255,975
Net income attributable to ITOCHU..............	2,491	2,747	22,193	4,980	(4,948)	2,322	(3,978)	(13,574)	12,233
[Equity in earnings of associated companies].............................	[1,039]	[2,426]	[8,406]	[1,325]	[(4,107)]	[279]	[1,171]	[(1,539)]	[9,000]
Total assets at March 31, 2011.......................	406,394	1,026,051	1,278,175	774,160	1,208,663	163,702	190,613	628,951	5,676,709

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

Millions of U.S.dollars

	Textile	ICT & Machinery	Energy, Metals & Minerals	Chemicals, Forest Products & General Merchandise	Food	Construction & Realty	Others, Adjustments & Eliminations: Financial & Insurance Services, Logistics Services	Others, Adjustments & Eliminations: Adjustments & Eliminations and others	Consolidated
Total trading transactions:									
Unaffiliated customers									
and associated companies	$ 1,909	$ 4,799	$ 13,490	$ 6,982	$ 9,327	$ 917	$ 185	$ 63	$ 37,672
Transfers between operating segments	2	25	3	77	13	-	51	(171)	-
Total trading transactions	1,911	4,824	13,493	7,059	9,340	917	236	(108)	37,672
Gross trading profit	424	724	621	583	789	123	53	35	3,352
Net income attributable to ITOCHU..............	89	157	572	97	102	57	18	(99)	993
[Equity in earnings of associated companies].............................	[15]	[43]	[126]	[2]	[49]	[17]	[7]	[1]	[260]
Total assets at March 31, 2012.......................	5,273	14,341	22,337	11,900	15,797	1,833	1,804	5,889	79,174

Note :

Refer to "Note" on page 37.

[Explanation for Operating Segment Information]

Trading transactions for unaffiliated customers and associated companies

(Unit : billion yen)	Jan.-Mar. 2012	Jan.-Mar. 2011	Increase (Decrease)	Main reasons for changes
Textile	156.9	153.4	3.4	Increase due to rise in uniform products and textile materials transactions and brisk sales of certain apparel brands as well as strong sales on domestic demand in China
ICT & Machinery	394.4	378.1	16.3	Increase due to higher transaction volume in domestic ICT-related companies and acceptance in healthcare-related business as a result of reorganization, despite lower transactions in automobiles and others
Energy, Metals & Minerals	1,108.8	982.5	126.2	Increase due to the acquisition of energy-related companies and rise in prices for oil & gas compared with the same period of the previous year
Chemicals, Forest Products & General Merchandise	573.8	537.8	36.0	Increase mainly due to the acquisition of Kwik-Fit Group
Food	766.6	733.8	32.8	Increase due to increase in transaction volume in food-distribution-related companies
Construction & Realty	75.4	45.2	30.2	Increase due to sales to investors of real estate for leasing and higher sales of condominiums
Financial & Insurance Services, Logistics Services	15.2	13.7	1.5	Increase due to increase in transaction volume for logistics-related business
Adjustments & Eliminations and others	5.2	30.2	(25.0)	Decrease mainly due to transfer in solar-related and healthcare-related business to other Division Companies as a result of reorganization
Total	**3,096.3**	**2,874.9**	**221.4**	

Gross trading profit

(Unit : billion yen)	Jan.-Mar. 2012	Jan.-Mar. 2011	Increase (Decrease)	Main reasons for changes
Textile	34.9	33.6	1.3	Increase due to brisk sales of certain apparel brands as well as strong sales on domestic demand in China
ICT & Machinery	59.5	54.8	4.7	Increase due to higher transaction volume in construction-machinery-related companies and acceptance in healthcare-related business as a result of reorganization
Energy, Metals & Minerals	51.0	62.9	(11.8)	Decrease due to lower coal sales volume and a fall in iron ore prices, despite increase due to acceptance in solar-related business as a result of reorganization
Chemicals, Forest Products & General Merchandise	47.9	30.0	18.0	Increase mainly due to the acquisition of Kwik-Fit Group
Food	64.8	62.4	2.4	Increase due to increase in transaction volume in food-distribution-related companies
Construction & Realty	10.1	7.6	2.5	Increase due to higher sales of condominiums and sales to investors of real estate for leasing
Financial & Insurance Services, Logistics Services	4.4	4.5	(0.2)	Decrease due to transfer as a result of reorganization, despite increase in transactions at distribution companies
Adjustments & Eliminations and others	2.9	0.2	2.7	Increase mainly due to upturn in equipment-material-related businesses currently undergoing restructuring in North America, despite decrease due to transfer as a result of reorganization
Total	**275.5**	**256.0**	**19.5**	

Net income attributable to ITOCHU

(Unit : billion yen)	Jan.-Mar. 2012	Jan.-Mar. 2011	Increase (Decrease)	Main reasons for changes
Textile	7.3	2.5	4.8	Increase due to the absence of losses on liquidation of subsidiary in apparel-related business recognized in the previous fiscal year-end
ICT & Machinery	12.9	2.7	10.2	Increase due to increase in gross trading profit, gain on sale of some businesses and increase in equity in earnings of associated companies, as well as the absence of losses on investment securities and ship-related losses recognized in the same period of the previous fiscal year
Energy, Metals & Minerals	47.1	22.2	24.9	Increase due to rise in dividends received, gain on sale of investment securities and gain on the acquisition of Brazil Japan Iron Ore Corporation (gain on bargain purchase in acquisition), as well as due to substantial decrease of impairment losses on oil & gas assets, despite decrease in gross trading profit
Chemicals, Forest Products & General Merchandise	8.0	5.0	3.0	Increase due to gain on sale of tire wholesale business used to subsidiaries and the absence of losses on property and equipment-net in the same period of the previous fiscal year, despite decrease due to unordinary cost for restructuring of Kwik-Fit Group and lower equity in earnings of associated companies due to sluggish pulp market
Food	8.3	(4.9)	13.3	Upturn due to the absence of losses on property and equipment-net as a result of the effect of the Great East Japan Earthquake in the same period of previous fiscal year, as well as increase in equity in earnings of associated companies due to the absence of impairment losses
Construction & Realty	4.7	2.3	2.3	Increase due to rise in gross trading profit and the absence of impairment losses on property and equipment-net recognized in the same period of the previous fiscal year, as well as increase in equity in earnings of associated companies
Financial & Insurance Services, Logistics Services	1.5	(4.0)	5.4	Upturn due to the absence of losses accompanying restructuring of finance-related Group companies in the same period of previous fiscal year as well as cost reduction and collection of the allowance for doubtful receivables of the previous fiscal year
Adjustments & Eliminations and others	(8.2)	(13.6)	5.4	Improvement due to rise in gross trading profit and the absence of impairment losses on property and equipment-net in the same period of the previous fiscal year, as well as increase in equity in earnings of associated companies due to the absence of impairment losses
Total	**81.6**	**12.2**	**69.4**	

(11) Per share Information

The following is the information on the ITOCHU stockholders' equity per share and net income attributable to ITOCHU per share for the years ended March 31, 2012 and 2011.

(Unit:Yen)

	2012	2011
ITOCHU stockholders' equity per share	862.88	731.57
Basic net income attributable to ITOCHU per share	190.13	101.93
Diluted net income attributable to ITOCHU per share	―	101.78

Diluted net income attributable to ITOCHU per share for fiscal year 2012 is not presented since antidiluted effect by the convertible preference stocks issued by associated company outstanding.

The base data to compute the basic and diluted net income attributable to ITOCHU per share computations for the years ended March 31, 2012 and 2011 are as follows:

(Numerator) (Unit:Millions of yen)

	2012	2011
Net income attributable to ITOCHU	300,505	161,114
Effect of dilutive securities: Convertible preferred stock	―	(239)
Diluted net income attributable to ITOCHU	300,505	160,875

(Denominator)

	2012	2011
Average number of common shares outstanding	1,580,528,221	1,580,596,737

(12) Subsequent Events

The Company evaluated subsequent events through May 8, 2012.
No material subsequent events have occurred.

5. Financial Highlights

[Consolidated]

(Unit: Billion Yen)

	2008	2009	2010	2011	2012
Total trading transactions	11,729.1	12,065.1	10,308.6	11,393.6	11,978.3
Gross trading profit	994.5	1,060.5	860.2	976.4	1,030.4
Income before income taxes and equity in earnings of associated companies	280.5	208.3	156.3	182.3	341.2
Net income attributable to ITOCHU	217.3	165.4	128.9	161.1	300.5

	Mar. 2008	Mar. 2009	Mar. 2010	Mar. 2011	Mar. 2012
Total assets	5,274.2	5,192.1	5,478.9	5,676.7	6,507.3
Interest-bearing debt	2,104.4	2,389.3	2,209.6	2,268.9	2,533.6
(Cash and cash equivalents, Time deposits)	(449.9)	(632.6)	(488.1)	(638.2)	(518.7)
Net interest-bearing debt	1,654.5	1,756.8	1,721.5	1,630.8	2,014.9

ITOCHU stockholders' equity	973.5	849.4	1,099.6	1,156.3	1,363.8
ITOCHU stockholders' equity per share (Yen)	615.89	537.43	695.75	731.57	862.88

R O A (Return on assets)	4.1%	3.2%	2.4%	2.9%	4.9%
R O E (Return on equity)	23.3%	18.1%	13.2%	14.3%	23.8%
Net debt-to-equity ratio (times) (*1)	1.7	2.1	1.6	1.4	1.5

(*1)Net debt-to-equity ratio: Net interest-bearing debt / ITOCHU stockholders' equity

[Stock price information]

(Unit: Yen)

		2008	2009	2010	2011	2012
Stock price	(Highest)	1,591	1,337	821	930	966
	(Lowest)	804	380	486	659	676
	(Closing)	984	478	819	871	903
(Reference) Nikkei Stock Average index (*2)		12,525	8,109	11,089	9,755	10,083

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

(*3) In the fourth quarter of the fiscal year ended March 31, 2012, certain subsidiaries changed their fiscal periods. The effect of these changes has been reflected in figures of certain items for the previous fiscal year. (Refer to 4.(9) ii), on page 35.)

(*4) As a result of the ITOCHU Group’s integration of food distribution and marketing business, the items in which distribution cost related to these operations has been included were changed from the beginning of fiscal year 2012. The relevant amounts in the same period of the previous fiscal year were reclassified based on this new classification. (Refer to "Note 2" in 4. (1), on page 22.)

[Quarterly Information on Consolidated Operating Results]

Consolidated Statements of Income

(Unit: billion yen)

	Fiscal Year 2011 ended March 31, 2011					Fiscal Year 2012 ended March 31, 2012				
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total
Revenue	833.6	883.9	929.7	1,004.4	3,651.6	902.7	1,019.8	1,056.1	1,292.5	4,271.1
Gross trading profit	228.9	244.0	247.5	256.0	976.4	232.0	262.6	260.4	275.5	1,030.4
Selling, general and administrative expenses	(176.8)	(178.8)	(175.9)	(179.2)	(710.7)	(174.5)	(178.8)	(189.2)	(210.5)	(752.9)
Provision for doubtful receivables	(0.5)	(0.6)	(3.0)	(5.4)	(9.4)	(1.1)	(1.3)	(1.3)	(1.2)	(4.9)
Interest income	2.7	2.5	2.5	2.6	10.3	2.2	3.3	2.2	2.4	10.2
Interest expense	(8.1)	(6.1)	(6.8)	(6.0)	(27.0)	(5.5)	(6.0)	(5.6)	(5.9)	(23.0)
Dividends received	7.0	5.0	5.5	5.9	23.5	7.3	6.4	3.1	11.1	28.0
Gain (loss) on investments-net	(5.7)	(4.7)	(17.5)	(10.2)	(38.1)	20.0	(6.6)	(4.7)	12.3	20.9
Gain (loss) on property and equipment-net	0.1	6.3	(8.0)	(32.2)	(33.7)	0.0	0.8	(1.7)	(6.0)	(6.7)
Gain on bargain purchase in acquisition	-	-	-	-	-	10.5	-	-	5.4	15.9
Other-net	(2.5)	(0.9)	(2.6)	(2.8)	(8.9)	9.3	6.5	0.8	6.7	23.3
Income before income taxes and equity in earnings of associated companies	45.1	66.8	41.8	28.7	182.3	100.3	87.0	64.1	89.8	341.2
Income taxes	(16.5)	(24.7)	(6.6)	(20.7)	(68.6)	(30.0)	(40.3)	(28.0)	(23.8)	(122.0)
Income before equity in earnings of associated companies	28.6	42.0	35.2	8.0	113.7	70.3	46.8	36.1	66.1	219.1
Equity in earnings of associated companies	16.1	21.5	14.0	9.0	60.6	25.8	25.9	29.7	21.3	102.7
Net income	44.7	63.5	49.1	17.0	174.4	96.1	72.6	65.8	87.4	321.9
Net income attributable to the noncontrolling interest	(1.8)	(3.2)	(3.4)	(4.8)	(13.2)	(3.1)	(6.6)	(5.9)	(5.8)	(21.4)
Net income attributable to ITOCHU	42.9	60.3	45.7	12.2	161.1	93.0	66.0	59.9	81.6	300.5
[Adjusted Profit]	[69.8]	[88.2]	[86.8]	[88.3]	[333.1]	[87.3]	[113.5]	[100.7]	[94.0]	[395.5]

Segment Information

(Unit: billion yen)

	Fiscal Year 2011 ended March 31, 2011					Fiscal Year 2012 ended March 31, 2012				
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total
Textile										
Gross trading profit	29.4	31.4	34.0	33.6	128.3	27.9	31.7	33.1	34.9	127.6
Net income attributable to ITOCHU	2.6	4.5	5.7	2.5	15.3	4.0	5.4	7.7	7.3	24.4
ICT & Machinery										
Gross trading profit	39.2	46.9	44.3	54.8	185.1	42.9	51.8	51.1	59.5	205.4
Net income attributable to ITOCHU	2.1	9.0	4.1	2.7	18.0	12.7	5.7	6.1	12.9	37.4
Machinery										
Gross trading profit	15.3	18.2	16.8	19.2	69.4	18.4	21.7	22.5	23.4	85.9
Net income attributable to ITOCHU	0.6	6.3	2.9	0.5	10.3	9.4	3.2	3.9	6.6	23.1
ICT										
Gross trading profit	23.9	28.7	27.5	35.6	115.7	24.5	30.2	28.7	36.1	119.5
Net income attributable to ITOCHU	1.5	2.7	1.2	2.3	7.7	3.4	2.4	2.2	6.3	14.2
Energy, Metals & Minerals										
Gross trading profit	49.8	50.6	48.8	62.9	212.1	49.4	65.2	49.1	51.0	214.8
Net income attributable to ITOCHU	26.2	36.7	24.1	22.2	109.2	47.9	39.4	27.8	47.1	162.2
Metals & Minerals										
Gross trading profit	34.4	26.5	30.6	33.1	124.6	31.5	39.9	28.4	22.7	122.6
Net income attributable to ITOCHU	26.7	28.7	26.8	28.8	111.0	45.1	32.4	26.5	38.1	142.1
Energy										
Gross trading profit	15.4	24.2	18.3	29.7	87.5	17.9	25.3	20.7	28.3	92.2
Net income attributable to ITOCHU	(0.5)	8.0	(2.7)	(6.6)	(1.8)	2.8	7.0	1.4	9.0	20.1
Chemicals, Forest Products & General Merchandise										
Gross trading profit	27.5	31.3	29.5	30.0	118.3	31.1	31.6	39.4	47.9	150.1
Net income attributable to ITOCHU	5.5	8.4	7.1	5.0	26.0	10.6	7.6	8.3	8.0	34.5
Forest Products & General Merchandise										
Gross trading profit	12.6	14.7	13.2	14.3	54.8	15.1	15.7	24.1	31.8	86.7
Net income attributable to ITOCHU	2.7	4.0	2.9	1.9	11.5	4.4	3.8	4.5	4.1	16.8
Chemicals										
Gross trading profit	14.9	16.6	16.4	15.7	63.6	16.0	15.9	15.3	16.1	63.4
Net income attributable to ITOCHU	2.8	4.4	4.2	3.1	14.5	6.2	3.8	3.9	3.9	17.7
Food										
Gross trading profit	66.8	72.6	69.0	62.4	270.8	65.6	72.8	71.4	64.8	274.7
Net income attributable to ITOCHU	7.8	7.5	12.0	(4.9)	22.4	12.4	14.4	8.7	8.3	43.8
Construction & Realty										
Gross trading profit	2.6	3.8	4.7	7.6	18.7	3.4	3.3	5.9	10.1	22.7
Net income attributable to ITOCHU	(1.5)	0.7	1.2	2.3	2.7	(0.4)	(0.7)	1.0	4.7	4.5
Others, Adjustments & Eliminations										
Gross trading profit	13.6	7.5	17.2	4.7	43.0	11.6	6.1	10.2	7.2	35.2
Net income attributable to ITOCHU	0.1	(6.5)	(8.5)	(17.6)	(32.5)	5.8	(5.7)	0.3	(6.7)	(6.2)
Financial & Insurance Services, Logistics Services										
Gross trading profit	5.5	4.8	4.4	4.5	19.2	3.6	4.0	3.7	4.4	15.7
Net income attributable to ITOCHU	0.0	1.0	(13.0)	(4.0)	(15.9)	1.6	1.8	(2.8)	1.5	2.1
Adjustments & Eliminations and others										
Gross trading profit	8.1	2.7	12.8	0.2	23.8	8.0	2.0	6.5	2.9	19.5
Net income attributable to ITOCHU	0.1	(7.5)	4.5	(13.6)	(16.5)	4.2	(7.5)	3.2	(8.2)	(8.3)

Note: 1. As of April 1, 2011, ITOCHU reorganized its seven Division Companies into five Division Companies. As a result, the former Machinery Company and the former ICT, Aerospace & Electronics Company were merged to ICT & Machinery Company. Also, the Company reorganized the former Finance, Realty, Insurance & Logistics Services Company as a division not belonging to a Division Company and divided it into the Construction & Realty Division, the Financial & Insurance Services Department, and the Logistics Services Department. Further, above-mentioned figures of "Machinery" includes the former Machinery Company and Aerospace & Industrial Systems-related business and "ICT" includes ICT business included in former ICT, Aerospace & Electronics Company.

2. As a result of the above-mentioned reorganization, the Healthcare Business Department and the Solar Business Department, which have been included in Other, Adjustments & Eliminations, were transferred to the ICT & Machinery Company and the Energy, Metals & Minerals Company respectively. Further, the figures affected by this transfer for the same period of the previous fiscal year have not been adjusted to reflect this change.

3. In the fourth quarter of the fiscal year ended March 31, 2012, certain subsidiaries changed their fiscal periods. The effect of these changes has been reflected in figures of certain items for the previous fiscal year. (Refer to 4.(9) ii), on page 35.)

4. As a result of the ITOCHU Group's integration of food distribution and marketing business, the items in which distribution cost related to these operations has been included were changed from the beginning of fiscal year 2012. The relevant amounts for the same period of the previous fiscal year were reclassified based on this new classification. (Refer to "Note 2" in 4. (1), on page 22.)

5. As of April 1, 2012, ITOCHU reorganized its five Division Companies into six Division Companies. As a result of this reorganization, ICT & Machinery Company, Energy, Metals & Minerals Company and Chemicals, Forest Products & General Merchandise Company have been reorganized into Machinery Company, Metals & Minerals Company, Energy & Chemicals Company and ICT, General Products & Realty Company. Further, the Construction & Realty Division, the Financial & Insurance Services Department and the Logistics Services Department, which did not belong to a Division Company, have been reorganized into ICT, General Products & Realty Company.