

ANNUAL FINANCIAL STATEMENTS [IFRS]
For years ended March 31, 2014 and 2013

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Consolidated Financial Results for Fiscal Year 2014 [IFRS] (Year ended March 31, 2014)

[Prepared in conformity with International Financial Reporting Standards]

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

1. Consolidated operating results for fiscal year 2014 (from April 1, 2013 to March 31, 2014)

(1) Consolidated operating results (Summary)

(%: Changes from the previous fiscal year)

	Gross trading profit		Trading income (*1)		Profit before tax		Net profit attributable to ITOCHU		Total comprehensive income	
	millions of yen	%	millions of yen	%	millions of yen	%	millions of yen	%	millions of yen	%
Fiscal year 2014	1,045,022	10.5	288,992	12.5	360,762	(5.0)	245,312	(5.2)	410,164	(19.1)
Fiscal year 2013	945,778	-	256,858	-	379,639	-	258,843	-	507,060	-

	Basic earnings per share attributable to ITOCHU	Diluted earnings per share attributable to ITOCHU (*2)	Ratio of net profit attributable to ITOCHU to shareholders' equity	Ratio of net profit attributable to ITOCHU to total assets
	yen	yen	%	%
Fiscal year 2014	155.21	154.71	13.0	3.3
Fiscal year 2013	163.77	-	17.1	3.8

Equity in earnings of associates and joint ventures (millions of yen) FY 2014 : 56,036 (down 36.3%) FY 2013 : 87,967 (-%)

Total comprehensive income attributable to ITOCHU (millions of yen) FY 2014 : 391,901 (down 17.4%) FY 2013 : 474,460 (-%)

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

(*2) Diluted earnings per share attributable to ITOCHU for fiscal year 2013 is not presented due to the anti-dilutive effect of convertible preferred stocks issued by associated companies

(2) Consolidated financial position

	Total assets	Total equity	Total shareholders' equity	Ratio of shareholders' equity to total assets	Shareholders' equity per share
	millions of yen	millions of yen	millions of yen	%	yen
March 31, 2014	7,783,756	2,399,537	2,045,683	26.3	1,294.34
March 31, 2013	7,198,501	2,075,194	1,718,980	23.9	1,087.61

(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 2014	428,101	(270,377)	(77,855)	653,739
Fiscal year 2013	236,517	(203,811)	2,978	570,335

2. Dividend distribution

	Dividend distribution per share					Total Dividend distribution (Annual)	Payout ratio (Consolidated)	Ratio of dividend distribution to shareholders' equity (Consolidated)
	End of first quarter	End of second quarter	End of third quarter	Year-end	Annual			
Fiscal year 2013	-	20.00	-	20.00	40.00	63,271	24.4	4.2
Fiscal year 2014	-	21.00	-	25.00	46.00	72,760	29.6	3.9
Fiscal year 2015 (Planned)	-	23.00	-	23.00	46.00		24.2	

3. Outlook of consolidated operating results for fiscal year 2015 [IFRS] (from April 1, 2014 to March 31, 2015)

(%: Changes from the previous fiscal year)

	Gross trading profit		Trading income		Profit before tax		Net profit attributable to ITOCHU		Basic earnings per share attributable to ITOCHU
	millions of yen	%	millions of yen	%	millions of yen	%	millions of yen	%	yen
Fiscal year 2015	1,110,000	6.2	300,000	3.8	438,000	21.4	300,000	22.3	189.81

Outlook of consolidated operating results for the first half of fiscal year 2015 is not prepared.

(Notes) Explanation regarding the appropriate utilization of the Outlook, and other items to note

- This document is an English translation of a statement written initially in Japanese. The Japanese original document should be considered as the primary version.
- The consolidated financial statements and operating segment information are expressed in yen and, solely for the convenience of the reader, have been translated into U.S. dollars at the rate of 102.92 yen = 1 U.S. dollar, the exchange rate prevailing on March 31, 2014. 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.
- The Company has voluntarily adopted the International Financial Reporting Standards ("IFRSs") from the consolidated financial statements of the Annual Report under the Financial Instruments and Exchange Law in Japan from the fiscal year ended March 31, 2014.
- These Consolidated Financial Results for FY2014 are disclosures that provides selected major items from the consolidated financial statements of the Annual Report.
- The Company previously disclosed the Consolidated Financial Results based on U.S.GAAP for FY2014 (Year ended March 31, 2014) on May 1st, 2014.
- 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.

1. Consolidated Financial Statements

Consolidated Financial Statements have been prepared in conformity with IFRSs.

(1) Consolidated Statement of Comprehensive Income

ITOCHU Corporation and its Subsidiaries

Years ended March 31, 2014 and 2013

	Millions of Yen		Millions of U.S. dollars
	2014	2013	2014
Revenues:			
Revenues from sale of goods.....	¥ 5,086,703	¥ 4,227,877	\$ 49,424
Revenues from rendering of services and royalties.....	500,823	471,589	4,866
Total revenues.....	5,587,526	4,699,466	54,290
Cost:			
Cost of sale of goods.....	(4,208,152)	(3,422,763)	(40,888)
Cost of rendering of services and royalties.....	(334,352)	(330,925)	(3,248)
Total cost.....	(4,542,504)	(3,753,688)	(44,136)
Gross trading profit	1,045,022	945,778	10,154
Other gains (losses):			
Selling, general and administrative expenses.....	(749,976)	(688,612)	(7,287)
Provision for doubtful accounts.....	(6,054)	(308)	(59)
Losses on property, plant, equipment and intangible assets...	(36,161)	(9,358)	(351)
Other-net.....	10,324	7,027	100
Total other-losses.....	(781,867)	(691,251)	(7,597)
Financial income (loss):			
Interest income.....	11,610	9,208	113
Dividends received.....	37,191	34,633	361
Interest expense.....	(27,086)	(24,824)	(263)
Other financial income.....	7,581	6,124	74
Total financial income.....	29,296	25,141	285
Equity in earnings of associates and joint ventures.....	56,036	87,967	544
Gains on disposal and remeasurement of investments in subsidiaries, associates and joint ventures	12,275	12,004	119
Profit before tax.....	360,762	379,639	3,505
Income tax expense.....	(106,337)	(97,148)	(1,033)
Net Profit.....	254,425	282,491	2,472
Net profit attributable to ITOCHU.....	245,312	258,843	2,384
Net profit attributable to non-controlling interests.....	9,113	23,648	88

	Millions of Yen		Millions of U.S. dollars
	2014	2013	2014
Other comprehensive income for the year, net of tax:			
Items that will not be reclassified to profit or loss			
FVTOCI financial assets.....	¥ 18,692	¥ 67,042	\$ 182
Remeasurement of net defined pension liability.....	11,235	4,139	109
Other comprehensive income in associates and joint ventures.....	5,924	2,960	58
Items that may be reclassified to profit or loss			
Translation adjustments.....	65,481	114,703	636
Cash flow hedges.....	(4,287)	2,478	(42)
Other comprehensive income in associates and joint ventures.....	58,694	33,247	569
Total other comprehensive income for the year, net of tax.....	155,739	224,569	1,512
Total comprehensive income for the year	410,164	507,060	3,984
Total comprehensive income attributable to ITOCHU	391,901	474,460	3,807
Total comprehensive income attributable to non-controlling interests	18,263	32,600	177

Note 1 : The gains and losses on disposal and remeasurement of financial equity instruments, of which the changes in fair value are recorded in other comprehensive income, are recognized in FVTOCI financial assets.

Note 2 : "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, 2014 and 2013 were 14,645,718 million yen (142,302 million U.S. dollars) and 12,770,465 million yen respectively.

(2) Consolidated Statement of Financial Position (Assets)

ITOCHU Corporation and its Subsidiaries

As of March 31, 2014, 2013 and the date of transition to IFRSs (April 1, 2012)

Assets	Millions of Yen			Millions of U.S. dollars
	Mar 31, 2014	Mar 31, 2013	Apr 1, 2012	Mar 31, 2014
Current assets:				
Cash and cash equivalents.....	¥ 653,739	¥ 570,335	¥ 512,825	\$ 6,352
Time deposits.....	7,653	7,120	5,173	74
Trade receivables.....	2,127,968	2,080,053	1,945,142	20,676
Other current receivables.....	103,019	109,802	115,254	1,001
Other current financial assets.....	29,172	36,191	36,652	283
Inventories.....	744,441	665,330	569,862	7,233
Advances to suppliers.....	94,560	74,900	106,079	919
Other current assets.....	78,984	70,029	81,710	768
Total current assets.....	<u>3,839,536</u>	<u>3,613,760</u>	<u>3,372,697</u>	<u>37,306</u>
Non-current assets:				
Investments accounted for by the equity method.....	1,728,408	1,571,263	1,345,464	16,794
Other investments.....	565,936	541,139	498,346	5,499
Non-current receivables.....	135,033	102,430	86,323	1,312
Non-current financial assets other than investments and receivables.....	125,255	140,092	96,829	1,217
Property, plant and equipment.....	747,664	722,883	620,498	7,265
Investment property.....	29,186	36,958	33,570	284
Goodwill.....	194,934	151,469	140,658	1,894
Intangible assets.....	245,312	181,089	133,071	2,384
Deferred tax assets.....	63,093	61,517	102,126	613
Other non-current assets.....	109,399	75,901	58,573	1,061
Total non-current assets.....	<u>3,944,220</u>	<u>3,584,741</u>	<u>3,115,458</u>	<u>38,323</u>
Total assets.....	<u>¥7,783,756</u>	<u>¥7,198,501</u>	<u>¥6,488,155</u>	<u>\$ 75,629</u>

(2) Consolidated Statement of Financial Position (Liabilities and Equity)

ITOCHU Corporation and its Subsidiaries

As of March 31, 2014, 2013 and the date of transition to IFRSs (April 1, 2012)

Liabilities and Equity	Millions of Yen			Millions of U.S. dollars
	Mar 31, 2014	Mar 31, 2013	Apr 1, 2012	Mar 31, 2014
Current liabilities:				
Short-term debentures and borrowings.....	¥ 472,667	¥ 498,816	¥ 451,618	\$ 4,593
Trade payables.....	1,661,973	1,609,225	1,535,082	16,148
Other current payables.....	70,942	80,032	85,237	689
Other current financial liabilities.....	15,788	21,800	27,615	153
Current tax liabilities.....	36,200	37,741	48,660	352
Advances from customers.....	106,176	67,945	109,918	1,032
Other current liabilities.....	247,581	224,528	203,287	2,405
Total current liabilities	2,611,327	2,540,087	2,461,417	25,372
Non-current liabilities:				
Long-term debentures and borrowings.....	2,420,713	2,282,067	2,084,800	23,520
Other non-current financial liabilities.....	103,279	105,733	100,073	1,003
Non-current liabilities for employee benefits.....	57,022	69,118	83,976	554
Deferred tax liabilities.....	117,438	71,229	48,032	1,141
Other non-current liabilities.....	74,440	55,073	67,227	724
Total non-current liabilities	2,772,892	2,583,220	2,384,108	26,942
Total liabilities	5,384,219	5,123,307	4,845,525	52,314
Equity:				
Common stock:				
Authorized: 3,000,000,000 shares; issued: 1,584,889,504 shares.....	202,241	202,241	202,241	1,965
Capital surplus.....	113,055	113,031	110,094	1,098
Retained earnings.....	1,365,858	1,160,939	962,445	13,271
Other components of equity :				
Translation adjustments.....	255,017	142,766	-	2,478
FVTOCI financial assets.....	116,292	104,709	47,580	1,130
Cash flow hedges.....	(3,980)	(2,003)	(2,747)	(39)
Total other components of equity.....	367,329	245,472	44,833	3,569
Treasury stock.....	(2,800)	(2,703)	(2,685)	(27)
Total shareholders' equity.....	2,045,683	1,718,980	1,316,928	19,876
Non-controlling interests.....	353,854	356,214	325,702	3,439
Total equity.....	2,399,537	2,075,194	1,642,630	23,315
Total liabilities and equity.....	¥7,783,756	¥7,198,501	¥6,488,155	\$ 75,629

(3) Consolidated Statement of Changes in Equity

ITOCHU Corporation and its Subsidiaries

Years ended March 31, 2014 and 2013

	Millions of Yen		Millions of U.S. dollars
	2014	2013	2014
Common stock:			
Balance at the beginning of the year.....	¥ 202,241	¥ 202,241	\$ 1,965
Balance at the end of the year.....	¥ 202,241	¥ 202,241	\$ 1,965
Capital surplus:			
Balance at the beginning of the year.....	¥ 113,031	¥ 110,094	\$ 1,098
Net change in sale (purchase) of subsidiary shares to (from) non-controlling interests.....	24	2,937	0
Balance at the end of the year.....	¥ 113,055	¥ 113,031	\$ 1,098
Retained earnings:			
Balance at the beginning of the year.....	¥ 1,160,939	¥ 962,445	\$ 11,280
Net profit attributable to ITOCHU.....	245,312	258,843	2,384
Transfer from other components of equity.....	24,459	14,785	237
Cash dividends.....	(64,852)	(75,134)	(630)
Balance at the end of the year.....	¥ 1,365,858	¥ 1,160,939	\$ 13,271
Other components of equity:			
Balance at the beginning of the year.....	¥ 245,472	¥ 44,833	\$ 2,385
Other comprehensive income attributable to ITOCHU.....	146,589	215,617	1,424
Transfer to retained earnings.....	(24,459)	(14,785)	(237)
Net change in sale (purchase) of subsidiary shares to (from) non-controlling interests.....	(273)	(193)	(3)
Balance at the end of the year.....	¥ 367,329	¥ 245,472	\$ 3,569
Treasury stock:			
Balance at the beginning of the year.....	¥ (2,703)	¥ (2,685)	\$ (26)
Net change in treasury stock.....	(97)	(18)	(1)
Balance at the end of the year.....	¥ (2,800)	¥ (2,703)	\$ (27)
Total shareholders' equity.....	¥ 2,045,683	¥ 1,718,980	\$ 19,876
Non-controlling interests:			
Balance at the beginning of the year.....	¥ 356,214	¥ 325,702	\$ 3,461
Net profit attributable to non-controlling interests.....	9,113	23,648	88
Other comprehensive income attributable to non-controlling interests.....	9,150	8,952	88
Cash dividends to non-controlling interests.....	(13,415)	(6,812)	(130)
Net change in sale (purchase) of subsidiary shares to (from) non-controlling interests.....	(7,208)	4,724	(68)
Balance at the end of the year.....	¥ 353,854	¥ 356,214	\$ 3,439
Total equity.....	¥ 2,399,537	¥ 2,075,194	\$ 23,315

(4) Consolidated Statement of Cash Flows

ITOCHU Corporation and its Subsidiaries

Years ended March 31, 2014 and 2013

	Millions of Yen		Millions of U.S. dollars
	2014	2013	2014
Cash flows from operating activities :			
Net profit	¥ 254,425	¥ 282,491	\$ 2,472
Adjustments to reconcile net profit to net cash provided by operating activities			
Depreciation and amortization.....	104,736	88,459	1,018
Provision for doubtful accounts.....	6,054	308	59
Losses on property, plant, equipment and intangible assets.....	36,161	9,358	351
Financial income.....	(29,296)	(25,141)	(285)
Equity in earnings of associates and joint ventures.....	(56,036)	(87,967)	(544)
Gains on disposal and remeasurement of investments in subsidiaries, associates and joint ventures.....	(12,275)	(12,004)	(119)
Income tax expense.....	106,337	97,148	1,033
Change in trade receivables.....	2,733	(55,818)	27
Change in inventories.....	15,021	(53,062)	146
Change in trade payables.....	11,796	19,230	115
Other-net.....	9,716	(14,816)	93
Proceeds from interest.....	11,500	9,265	112
Proceeds from dividends.....	93,303	86,065	907
Payments for interest.....	(25,138)	(23,775)	(244)
Payments for income taxes.....	(100,936)	(83,224)	(981)
Net cash provided by operating activities.....	<u>428,101</u>	<u>236,517</u>	<u>4,160</u>
Cash flows from investing activities :			
Payments for purchase of investments accounted for by the equity method.....	(55,933)	(104,024)	(544)
Proceeds from sale of investments accounted for by the equity method.....	45,618	40,633	443
Payments for purchase of other investments.....	(116,770)	(74,313)	(1,135)
Proceeds from sale of other investments.....	96,352	94,131	936
Acquisitions of subsidiaries, net of cash acquired.....	(129,317)	(31,896)	(1,256)
Sales of subsidiaries, net of cash held by subsidiaries.....	2,799	708	27
Origination of loans receivable.....	(76,786)	(44,659)	(746)
Collections of loans receivable.....	48,631	32,022	473
Payments for purchase of property, plant, equipment and intangible assets.....	(120,352)	(130,578)	(1,169)
Proceeds from sale of property, plant, equipment and intangible assets.....	35,673	15,489	347
Net increase in time deposits.....	(292)	(1,324)	(3)
Net cash used in investing activities	<u>(270,377)</u>	<u>(203,811)</u>	<u>(2,627)</u>
Cash flows from financing activities :			
Proceeds from debentures and loans payable.....	537,714	482,125	5,225
Repayments of debentures and loans payable.....	(458,638)	(392,704)	(4,456)
Net increase (decrease) in other loans payable.....	(67,938)	7,160	(660)
Equity transactions with non-controlling interests.....	(12,291)	(11,645)	(120)
Cash dividends.....	(64,852)	(75,134)	(630)
Cash dividends to non-controlling interests.....	(11,814)	(6,812)	(115)
Net increase in treasury stock.....	(36)	(12)	(0)
Net cash provided by (used in) financing activities.....	<u>(77,855)</u>	<u>2,978</u>	<u>(756)</u>
Net increase in cash and cash equivalents.....	<u>79,869</u>	<u>35,684</u>	<u>777</u>
Cash and cash equivalents at the beginning of the year.....	570,335	512,825	5,542
Effect of exchange rate changes on cash and cash equivalents.....	3,535	21,826	33
Cash and cash equivalents at the end of the year.....	<u>¥ 653,739</u>	<u>¥ 570,335</u>	<u>\$ 6,352</u>

(5) Operating Segment Information

ITOCHU Corporation and its Subsidiaries
Years ended March 31, 2014 and 2013

Information concerning operations in different operating segments for the years ended March 31, 2014 and 2013 is as follows:

For the year ended March 31, 2014 (April 1, 2013 -March 31, 2014)								Millions of Yen
	Textile	Machinery	Metals & Minerals	Energy & Chemicals	Food	ICT, General Products & Realty	Others, Adjustments & Eliminations	Consolidated
Revenues:								
Revenues from external customers.....	¥ 533,322	¥ 340,382	¥ 305,495	¥ 2,058,300	¥ 989,477	¥ 1,319,513	¥ 41,037	¥ 5,587,526
Intersegment revenues.....	52	4	-	5	236	19,341	(19,638)	-
Total revenues.....	<u>533,374</u>	<u>340,386</u>	<u>305,495</u>	<u>2,058,305</u>	<u>989,713</u>	<u>1,338,854</u>	<u>21,399</u>	<u>5,587,526</u>
Gross trading profit	<u>131,149</u>	<u>100,834</u>	<u>94,140</u>	<u>174,778</u>	<u>240,817</u>	<u>297,380</u>	<u>5,924</u>	<u>1,045,022</u>
Net profit attributable to ITOCHU.....	<u>23,960</u>	<u>35,945</u>	<u>44,505</u>	<u>12,114</u>	<u>50,838</u>	<u>63,775</u>	<u>14,175</u>	<u>245,312</u>
[Equity in earnings (losses) of associates and joint ventures].....	<u>[11,862]</u>	<u>[19,417]</u>	<u>[9,902]</u>	<u>[(33,013)]</u>	<u>[19,843]</u>	<u>[31,854]</u>	<u>[(3,829)]</u>	<u>[56,036]</u>
Total assets at March 31, 2014.....	<u>475,658</u>	<u>947,466</u>	<u>1,249,174</u>	<u>1,338,161</u>	<u>1,552,021</u>	<u>1,522,416</u>	<u>698,860</u>	<u>7,783,756</u>

For the year ended March 31, 2013 (April 1, 2012 -March 31, 2013)								Millions of Yen
	Textile	Machinery	Metals & Minerals	Energy & Chemicals	Food	ICT, General Products & Realty	Others, Adjustments & Eliminations	Consolidated
Revenues:								
Revenues from external customers.....	¥ 485,776	¥ 265,572	¥ 247,747	¥ 1,792,343	¥ 729,259	¥ 1,137,820	¥ 40,949	¥ 4,699,466
Intersegment revenues.....	20	4	-	6	227	17,109	(17,366)	-
Total revenues.....	<u>485,796</u>	<u>265,576</u>	<u>247,747</u>	<u>1,792,349</u>	<u>729,486</u>	<u>1,154,929</u>	<u>23,583</u>	<u>4,699,466</u>
Gross trading profit	<u>128,922</u>	<u>89,967</u>	<u>81,336</u>	<u>165,391</u>	<u>203,529</u>	<u>262,818</u>	<u>13,815</u>	<u>945,778</u>
Net profit attributable to ITOCHU.....	<u>30,689</u>	<u>29,085</u>	<u>72,985</u>	<u>15,228</u>	<u>43,578</u>	<u>51,777</u>	<u>15,501</u>	<u>258,843</u>
[Equity in earnings (losses) of associates and joint ventures].....	<u>[12,366]</u>	<u>[14,244]</u>	<u>[42,010]</u>	<u>[(28,038)]</u>	<u>[22,705]</u>	<u>[23,916]</u>	<u>[764]</u>	<u>[87,967]</u>
Total assets at March 31, 2013.....	<u>467,501</u>	<u>887,117</u>	<u>1,162,365</u>	<u>1,390,839</u>	<u>1,351,064</u>	<u>1,406,264</u>	<u>533,351</u>	<u>7,198,501</u>

For the year ended March 31, 2014 (April 1, 2013 -March 31, 2014)								Millions of U.S. dollars
	Textile	Machinery	Metals & Minerals	Energy & Chemicals	Food	ICT, General Products & Realty	Others, Adjustments & Eliminations	Consolidated
Revenues:								
Revenues from external customers.....	\$ 5,182	\$ 3,307	\$ 2,968	\$ 19,999	\$ 9,614	\$ 12,821	\$ 399	\$ 54,290
Intersegment revenues.....	1	-	-	-	2	188	(191)	-
Total revenues.....	<u>5,183</u>	<u>3,307</u>	<u>2,968</u>	<u>19,999</u>	<u>9,616</u>	<u>13,009</u>	<u>208</u>	<u>54,290</u>
Gross trading profit	<u>1,274</u>	<u>980</u>	<u>915</u>	<u>1,698</u>	<u>2,340</u>	<u>2,889</u>	<u>58</u>	<u>10,154</u>
Net profit attributable to ITOCHU.....	<u>233</u>	<u>349</u>	<u>432</u>	<u>118</u>	<u>494</u>	<u>620</u>	<u>138</u>	<u>2,384</u>
[Equity in earnings (losses) of associates and joint ventures].....	<u>[115]</u>	<u>[189]</u>	<u>[96]</u>	<u>[(321)]</u>	<u>[193]</u>	<u>[309]</u>	<u>[(37)]</u>	<u>[544]</u>
Total assets at March 31, 2014.....	<u>4,622</u>	<u>9,206</u>	<u>12,137</u>	<u>13,002</u>	<u>15,080</u>	<u>14,792</u>	<u>6,790</u>	<u>75,629</u>

Note : "Equity in earnings (losses) of associates and joint ventures" is included in Net profit attributable to ITOCHU.

(6) Per share Information

The following is the information on shareholders' equity per share and net profit attributable to ITOCHU per share for the years ended March 31, 2014 and 2013.

(Unit: Yen)

	2014	2013
Shareholders' equity per share	1,294.34	1,087.61
Basic earnings per share attributable to ITOCHU	155.21	163.77
Diluted earnings per share attributable to ITOCHU	154.71	—

Diluted earnings per share attributable to ITOCHU for fiscal year 2013 is not presented due to the anti-dilutive effect of convertible preferred stock issued by associated companies.

The calculation of basic and diluted earnings per share attributable to ITOCHU for the years ended March 31, 2014 and 2013, were as follows:

(Numerator)

(Unit: Millions of Yen)

	2014	2013
Net profit attributable to ITOCHU	245,312	258,843
Effect of dilutive securities: Convertible preferred stock	(799)	—
Diluted net profit attributable to ITOCHU	244,513	258,843

(Denominator)

	2014	2013
Average number of common shares outstanding	1,580,494,251	1,580,515,991

2. Disclosure of Transition to IFRS

From the accounting period from April 1, 2013 to March 31, 2014, the consolidated financial statements are prepared in conformity with IFRSs.

The effect of the transition from U.S. GAAP to IFRSs on the Company's consolidated financial position, financial results, and cash flows were as follows:

Reconciliation of comprehensive income for the year ended March 31, 2014

(Unit: Millions of Yen)

U.S. GAAP		Adjustments		IFRS	
Revenue:				Revenues:	
Sales revenue	5,193,867	(107,164)	5,086,703	Revenues from sale of goods	
Trading margins and commissions on trading transactions	337,028	(337,028)		Revenues from rendering of services and royalties	
		500,823	500,823		
Total revenue	5,530,895	56,631	5,587,526	Total revenues	
Cost:				Cost:	
Cost of sales	(4,502,622)	294,470	(4,208,152)	Cost of sale of goods	
		(334,352)	(334,352)	Cost of rendering of services and royalties	
Total cost	(4,502,622)	(39,882)	(4,542,504)	Total cost	
Gross trading profit	1,028,273	16,749	1,045,022	Gross trading profit	
Other income (expenses):				Other gains (losses):	
Selling, general and administrative expenses	(743,117)	(6,859)	(749,976)	Selling, general and administrative expenses	
Provision for doubtful receivables	(6,062)	8	(6,054)	Provision for doubtful accounts	
Loss on property and equipment-net	(1,616)	(34,545)	(36,161)	Losses on property, plant, equipment and intangible assets	
Other - net	13,033	(2,709)	10,324	Other - net	
		(44,105)	(781,867)	Total other losses	
Interest income	11,659	(49)	11,610	Financial income (loss):	
Dividends received	37,079	112	37,191	Interest income	
Interest expense	(24,945)	(2,141)	(27,086)	Dividends received	
		7,581	7,581	Interest expense	
		5,503	29,296	Other financial income	
Gain on investments-net	59,504	(59,504)		Total financial income	
		56,036	56,036	Equity in earnings of associates and joint ventures	
		12,275	12,275	Gains on disposal and remeasurements of investments in subsidiaries, associates and joint ventures	
Total other-expenses	(654,465)				
Income before income taxes and equity in earnings of associated companies	373,808	(13,046)	360,762	Profit before tax	
Income taxes	(130,408)	24,071	(106,337)	Income tax expense	
Income before equity in earnings of associated companies	243,400				
Equity in earnings of associated companies	85,252	(85,252)			
Net income	328,652	(74,227)	254,425	Net profit	
Net income attributable to ITOCHU	310,267	(64,955)	245,312	Net profit attributable to ITOCHU	
Net income attributable to the noncontrolling interest	18,385	(9,272)	9,113	Net profit attributable to non-controlling interests	

(Unit: Millions of Yen)

U.S. GAAP		Adjustments	IFRS	
Other comprehensive income (loss) (net of tax) :				Other comprehensive income for the year, net of tax :
				Items that will not be reclassified to profit or loss
Unrealized holding gains on securities	476	18,216	18,692	FVTOCI financial assets
Pension liability adjustments	12,674	(1,439)	11,235	Remeasurement of net defined pension liability
		5,924	5,924	Other comprehensive income in associates and joint ventures
				Items that may be reclassified to profit or loss
Foreign currency translation adjustments	133,031	(67,550)	65,481	Translation adjustments
Unrealized holding gains on derivative instruments	75	(4,362)	(4,287)	Cash flow hedges
		58,694	58,694	Other comprehensive income in associates and joint ventures
Total other comprehensive income (loss) (net of tax)	146,256	9,483	155,739	Total other comprehensive income for the year, net of tax :
Comprehensive income (loss)	474,908	(64,744)	410,164	Total comprehensive income for the year
Comprehensive income (loss) attributable to ITOCHU	446,214	(54,313)	391,901	Total comprehensive income attributable to ITOCHU
Comprehensive income (loss) attributable to the noncontrolling interest	28,694	(10,431)	18,263	Total comprehensive income attributable to non-controlling interests

Reconciliation of comprehensive income for the year ended March 31, 2013

(Unit: Millions of Yen)

U.S. GAAP		Adjustments	IFRS	
Revenue:				Revenues:
Sales revenue	4,245,976	(18,099)	4,227,877	Revenues from sale of goods
Trading margins and commissions on trading transactions	333,787	(333,787)		
		471,589	471,589	Revenues from rendering of services and royalties
Total revenue	4,579,763	119,703	4,699,466	Total revenues
Cost:				Cost:
Cost of sales	(3,663,884)	241,121	(3,422,763)	Cost of sale of goods
		(330,925)	(330,925)	Cost of rendering of services and royalties
Total cost	(3,663,884)	(89,804)	(3,753,688)	Total cost
Gross trading profit	915,879	29,899	945,778	Gross trading profit
Other income (expenses):				Other gains (losses):
Selling, general and administrative expenses	(671,319)	(17,293)	(688,612)	Selling, general and administrative expenses
Provision for doubtful receivables	(341)	33	(308)	Provision for doubtful accounts
Loss on property and equipment-net	(9,273)	(85)	(9,358)	Losses on property, plant, equipment and intangible assets
Other - net	9,738	(2,711)	7,027	Other - net
		(20,056)	(691,251)	Total other losses
Interest income	9,153	55	9,208	Financial income (loss):
Dividends received	34,626	7	34,633	Interest income
Interest expense	(23,207)	(1,617)	(24,824)	Dividends received
		6,124	6,124	Interest expense
		4,569	25,141	Other financial income
Gain on investments-net	45,856	(45,856)		Total financial income
		87,967	87,967	Equity in earnings of associates and joint ventures
		12,004	12,004	Gains on disposal and remeasurements of investments in subsidiaries, associates and joint ventures
Total other-expenses	(604,767)			
Income before income taxes and equity in earnings of associated companies	311,112	68,527	379,639	Profit before tax
Income taxes	(94,333)	(2,815)	(97,148)	Income tax expense
Income before equity in earnings of associated companies	216,779			
Equity in earnings of associated companies	85,891	(85,891)		
Net income	302,670	(20,179)	282,491	Net profit
Net income attributable to ITOCHU	280,297	(21,454)	258,843	Net profit attributable to ITOCHU
Net income attributable to the noncontrolling interest	22,373	1,275	23,648	Net profit attributable to non-controlling interests

(Unit: Millions of Yen)

U.S. GAAP		Adjustments	IFRS	
Other comprehensive income (loss) (net of tax) :				Other comprehensive income for the year, net of tax :
				Items that will not be reclassified to profit or loss
Unrealized holding gains on securities	35,731	31,311	67,042	FVTOCI financial assets
Pension liability adjustments	10,546	(6,407)	4,139	Remeasurement of net defined pension liability
		2,960	2,960	Other comprehensive income in associates and joint ventures
				Items that may be reclassified to profit or loss
Foreign currency translation adjustments	157,696	(42,993)	114,703	Translation adjustments
Unrealized holding gains on derivative instruments	397	2,081	2,478	Cash flow hedges
		33,247	33,247	Other comprehensive income in associates and joint ventures
Total other comprehensive income (loss) (net of tax)	204,370	20,199	224,569	Total other comprehensive income for the year, net of tax :
Comprehensive income (loss)	507,040	20	507,060	Total comprehensive income for the year
Comprehensive income (loss) attributable to ITOCHU	475,819	(1,359)	474,460	Total comprehensive income attributable to ITOCHU
Comprehensive income (loss) attributable to the noncontrolling interest	31,221	1,379	32,600	Total comprehensive income attributable to non-controlling interests

Reconciliation of equity as of March 31, 2014

(Unit: Millions of Yen)

		Assets		
U.S. GAAP		Adjustments	IFRS	
Cash and cash equivalents	653,332	407	653,739	Cash and cash equivalents
Time deposits	7,653	-	7,653	Time deposits
Short-term investments	4,536	(4,536)		
Trade receivables	1,798,237	329,731	2,127,968	Trade receivables
		103,019	103,019	Other current receivables
Due from associated companies	160,768	(160,768)		
		29,172	29,172	Other current financial assets
Inventories	749,927	(5,486)	744,441	Inventories
Advances to suppliers	79,130	15,430	94,560	Advances to suppliers
Prepaid expenses	52,061	(52,061)		
Deferred tax assets	49,758	(49,758)		
Other current assets	279,467	(200,483)	78,984	Other current assets
Total current assets	3,834,869	4,667	3,839,536	Total current assets
Investments in and advances to associated companies	1,816,796	(1,816,796)		
		1,728,408	1,728,408	Investments accounted for by the equity method
Other investments	575,510	(9,574)	565,936	Other investments
Other non-current receivables	150,735	(15,702)	135,033	Non-current receivables
		125,255	125,255	Non-current financial assets other than investments and receivables
Allowance for doubtful receivables	(27,594)	27,594		
Property and equipment, at cost	856,912	(109,248)	747,664	Property, plant and equipment
		29,186	29,186	Investment property
		194,934	194,934	Goodwill
		245,312	245,312	Intangible assets
Prepaid pension cost	8,057	(8,057)		
Deferred tax assets, non-current	20,906	42,187	63,093	Deferred tax assets
Other assets	612,249	(502,850)	109,399	Other non-current assets
Total non-current assets	4,013,571	(69,351)	3,944,220	Total non-current assets
Total assets	7,848,440	(64,684)	7,783,756	Total assets

(Unit: Millions of Yen)

Liabilities and Equity				
U.S. GAAP		Adjustments	IFRS	
Short-term debt	402,262	(402,262)		
Current maturities of long-term debt	62,730	(62,730)		
		472,667	472,667	Short-term debentures and borrowings
Trade payables	1,545,928	116,045	1,661,973	Trade payables
		70,942	70,942	Other current payables
Due to associated companies	41,526	(41,526)		
Accrued expenses	189,646	(189,646)		
		15,788	15,788	Other current financial liabilities
Income taxes payable	36,389	(189)	36,200	Current tax liabilities
Advances from customers	89,181	16,995	106,176	Advances from customers
Deferred tax liabilities	1,056	(1,056)		
Other current liabilities	214,256	33,325	247,581	Other current liabilities
Total current liabilities	2,582,974	28,353	2,611,327	Total current liabilities
Long-term debt, excluding current maturities	2,628,937	(2,628,937)		
		2,420,713	2,420,713	Long-term debentures and borrowings
		103,279	103,279	Other non-current financial liabilities
Accrued retirement and severance benefits	41,613	(41,613)		
		57,022	57,022	Non-current liabilities for employee benefits
Deferred tax liabilities, non-current	72,093	45,345	117,438	Deferred tax liabilities
		74,440	74,440	Other non-current liabilities
Total non-current liabilities	2,742,643	30,249	2,772,892	Total non-current liabilities
Total liabilities	5,325,617	58,602	5,384,219	Total liabilities
Common stock	202,241	-	202,241	Common stock
Capital surplus	113,820	(765)	113,055	Capital surplus
Retained earnings	1,746,843	(380,985)	1,365,858	Retained earnings
Accumulated other comprehensive income (loss)	86,859	280,470	367,329	Other components of equity
Foreign currency translation adjustments	65,139	189,878	255,017	Translation adjustments
Pension liability adjustments	(75,222)	75,222		
Unrealized holding gains on securities	99,737	16,555	116,292	FVTOCI financial assets
Unrealized holding losses on derivative instruments	(2,795)	(1,185)	(3,980)	Cash flow hedges
Treasury stock, at cost	(2,800)	-	(2,800)	Treasury stock
Total ITOCHU stockholders' equity	2,146,963	(101,280)	2,045,683	Total shareholders' equity
Noncontrolling interest	375,860	(22,006)	353,854	Non-controlling interests
Total equity	2,522,823	(123,286)	2,399,537	Total equity
Total liabilities and equity	7,848,440	(64,684)	7,783,756	Total liabilities and equity

Reconciliation of equity as of the end of March 31, 2013

(Unit: Millions of Yen)

Assets				
U.S. GAAP		Adjustments	IFRS	
Cash and cash equivalents	569,716	619	570,335	Cash and cash equivalents
Time deposits	7,120	-	7,120	Time deposits
Short-term investments	3,655	(3,655)		
Trade receivables	1,696,415	383,638	2,080,053	Trade receivables
		109,802	109,802	Other current receivables
Due from associated companies	194,449	(194,449)		
		36,191	36,191	Other current financial assets
Inventories	657,853	7,477	665,330	Inventories
Advances to suppliers	70,871	4,029	74,900	Advances to suppliers
Prepaid expenses	39,355	(39,355)		
Deferred tax assets	47,810	(47,810)		
Other current assets	268,939	(198,910)	70,029	Other current assets
Total current assets	3,556,183	57,577	3,613,760	Total current assets
Investments in and advances to associated companies	1,645,568	(1,645,568)		
		1,571,263	1,571,263	Investments accounted for by the equity method
Other investments	530,293	10,846	541,139	Other investments
Other non-current receivables	139,790	(37,360)	102,430	Non-current receivables
		140,092	140,092	Non-current financial assets other than investments and receivables
Allowance for doubtful receivables	(35,929)	35,929		
Property and equipment, at cost	804,255	(81,372)	722,883	Property, plant and equipment
		36,958	36,958	Investment property
		151,469	151,469	Goodwill
		181,089	181,089	Intangible assets
Prepaid pension cost	223	(223)		
Deferred tax assets, non-current	51,447	10,070	61,517	Deferred tax assets
Other assets	425,616	(349,715)	75,901	Other non-current assets
Total non-current assets	3,561,263	23,478	3,584,741	Total non-current assets
Total assets	7,117,446	81,055	7,198,501	Total assets

(Unit: Millions of Yen)

Liabilities and Equity				
U.S. GAAP		Adjustments	IFRS	
Short-term debt	435,880	(435,880)		
Current maturities of long-term debt	46,664	(46,664)		
		498,816	498,816	Short-term debentures and borrowings
Trade payables	1,469,155	140,070	1,609,225	Trade payables
		80,032	80,032	Other current payables
Due to associated companies	42,606	(42,606)		
Accrued expenses	166,714	(166,714)		
		21,800	21,800	Other current financial liabilities
Income taxes payable	37,758	(17)	37,741	Current tax liabilities
Advances from customers	66,689	1,256	67,945	Advances from customers
Deferred tax liabilities	574	(574)		
Other current liabilities	209,901	14,627	224,528	Other current liabilities
Total current liabilities	2,475,941	64,146	2,540,087	Total current liabilities
Long-term debt, excluding current maturities	2,447,868	(2,447,868)		
		2,282,067	2,282,067	Long-term debentures and borrowings
		105,733	105,733	Other non-current financial liabilities
Accrued retirement and severance benefits	36,804	(36,804)		
		69,118	69,118	Non-current liabilities for employee benefits
Deferred tax liabilities, non-current	44,214	27,015	71,229	Deferred tax liabilities
		55,073	55,073	Other non-current liabilities
Total non-current liabilities	2,528,886	54,334	2,583,220	Total non-current liabilities
Total liabilities	5,004,827	118,480	5,123,307	Total liabilities
Common stock	202,241	-	202,241	Common stock
Capital surplus	113,408	(377)	113,031	Capital surplus
Retained earnings	1,501,428	(340,489)	1,160,939	Retained earnings
Accumulated other comprehensive income (loss)	(48,939)	294,411	245,472	Other components of equity
Foreign currency translation adjustments	(57,605)	200,371	142,766	Translation adjustments
Pension liability adjustments	(87,373)	87,373		
Unrealized holding gains on securities	99,018	5,691	104,709	FVTOCI financial assets
Unrealized holding losses on derivative instruments	(2,979)	976	(2,003)	Cash flow hedges
Treasury stock, at cost	(2,703)	-	(2,703)	Treasury stock
Total ITOCHU stockholders' equity	1,765,435	(46,455)	1,718,980	Total shareholders' equity
Noncontrolling interest	347,184	9,030	356,214	Non-controlling interests
Total equity	2,112,619	(37,425)	2,075,194	Total equity
Total liabilities and equity	7,117,446	81,055	7,198,501	Total liabilities and equity

		Assets		
U.S. GAAP		Adjustments	IFRS	
Cash and cash equivalents	513,489	(664)	512,825	Cash and cash equivalents
Time deposits	5,173	-	5,173	Time deposits
Short-term investments	2,770	(2,770)		
Trade receivables	1,653,412	291,730	1,945,142	Trade receivables
		115,254	115,254	Other current receivables
Due from associated companies	159,348	(159,348)		
		36,652	36,652	Other current financial assets
Inventories	574,345	(4,483)	569,862	Inventories
Advances to suppliers	91,965	14,114	106,079	Advances to suppliers
Prepaid expenses	31,981	(31,981)		
Deferred tax assets	48,755	(48,755)		
Other current assets	298,848	(217,138)	81,710	Other current assets
Total current assets	3,380,086	(7,389)	3,372,697	Total current assets
Investments in and advances to associated companies	1,395,351	(1,395,351)		
		1,345,464	1,345,464	Investments accounted for by the equity method
Other investments	484,014	14,332	498,346	Other investments
Other non-current receivables	137,199	(50,876)	86,323	Non-current receivables
		96,829	96,829	Non-current financial assets other than investments and receivables
Allowance for doubtful receivables	(42,087)	42,087		
Property and equipment, at cost	707,933	(87,435)	620,498	Property, plant and equipment
		33,570	33,570	Investment property
		140,658	140,658	Goodwill
		133,071	133,071	Intangible assets
Prepaid pension cost	67	(67)		
Deferred tax assets, non-current	80,729	21,397	102,126	Deferred tax assets
Other assets	363,981	(305,408)	58,573	Other non-current assets
Total non-current assets	3,127,187	(11,729)	3,115,458	Total non-current assets
Total assets	6,507,273	(19,118)	6,488,155	Total assets

(Unit: Millions of Yen)

Liabilities and Equity				
U.S. GAAP		Adjustments	IFRS	
Short-term debt	415,268	(415,268)		
Current maturities of long-term debt	35,700	(35,700)		
		451,618	451,618	Short-term debentures and borrowings
Trade payables	1,434,241	100,841	1,535,082	Trade payables
		85,237	85,237	Other current payables
Due to associated companies	38,368	(38,368)		
Accrued expenses	156,787	(156,787)		
		27,615	27,615	Other current financial liabilities
Income taxes payable	48,548	112	48,660	Current tax liabilities
Advances from customers	95,575	14,343	109,918	Advances from customers
Deferred tax liabilities	691	(691)		
Other current liabilities	225,896	(22,609)	203,287	Other current liabilities
Total current liabilities	2,451,074	10,343	2,461,417	Total current liabilities
Long-term debt, excluding current maturities	2,259,717	(2,259,717)		
		2,084,800	2,084,800	Long-term debentures and borrowings
		100,073	100,073	Other non-current financial liabilities
Accrued retirement and severance benefits	64,304	(64,304)		
		83,976	83,976	Non-current liabilities for employee benefits
Deferred tax liabilities, non-current	36,037	11,995	48,032	Deferred tax liabilities
		67,227	67,227	Other non-current liabilities
Total non-current liabilities	2,360,058	24,050	2,384,108	Total non-current liabilities
Total liabilities	4,811,132	34,393	4,845,525	Total liabilities
Common stock	202,241	-	202,241	Common stock
Capital surplus	112,370	(2,276)	110,094	Capital surplus
Retained earnings	1,296,265	(333,820)	962,445	Retained earnings
Accumulated other comprehensive income (loss)	(244,394)	289,227	44,833	Other components of equity
Foreign currency translation adjustments	(208,781)	208,781	-	Translation adjustments
Pension liability adjustments	(97,861)	97,861		
Unrealized holding gains on securities	65,674	(18,094)	47,580	FVTOCI financial assets
Unrealized holding losses on derivative instruments	(3,426)	679	(2,747)	Cash flow hedges
Treasury stock, at cost	(2,685)	-	(2,685)	Treasury stock
Total ITOCHU stockholders' equity	1,363,797	(46,869)	1,316,928	Total shareholders' equity
Noncontrolling interest	332,344	(6,642)	325,702	Non-controlling interests
Total equity	1,696,141	(53,511)	1,642,630	Total equity
Total liabilities and equity	6,507,273	(19,118)	6,488,155	Total liabilities and equity

Differences between U.S. GAAP and IFRS (Fiscal Year Ended March 31, 2014)

1. Net profit attributable to ITOCHU and shareholders' equity

The major differences between U.S. GAAP and IFRSs are as follows:

Reconciliation of Net Profit Attributable to ITOCHU (Unit: Billions of Yen)

	FY 2014	FY 2013
Net income attributable to ITOCHU [U.S. GAAP]	310.3	280.3
FVTOCI financial assets (*1)	(25.1)	(20.0)
Impairment (*2)	(38.1)	(0.6)
Tax effects associated with affiliates (*3)	(4.6)	(5.6)
Others	+ 2.9	+ 4.7
Adjustment Total	(65.0)	(21.5)
Net profit attributable to ITOCHU [IFRS]	245.3	258.8

Reconciliation of Consolidated Shareholders' Equity (Unit: Billions of Yen)

	March 31, 2014	March 31, 2013	April 1, 2012
Total ITOCHU stockholders' equity [U.S. GAAP]	2,147.0	1,765.4	1,363.8
Measurement of nonmarketable securities (*4)	+ 72.4	+ 75.1	+ 62.9
Impairment & Deemed cost (*5)	(97.4)	(58.9)	(60.0)
Tax effects associated with affiliates (*3)	(55.0)	(50.8)	(39.3)
Others	(21.3)	(11.9)	(10.5)
Adjustment Total	(101.3)	(46.5)	(46.9)
Total shareholders' equity [IFRS]	2,045.7	1,719.0	1,316.9

The major differences between U.S. GAAP and IFRSs are as follows:

***1 FVTOCI Financial Assets**

Under IFRSs, the fair value is used to evaluate financial instruments classified as FVTOCI financial assets, which mainly consists of equity securities other than affiliates, regardless of whether an active market exists. Changes in the fair value are recognized in other comprehensive income, and net gains or losses on disposal and remeasurements are not recognized in profit or loss.

***2 Impairment**

Under U.S. GAAP, if there are indications of the possibility of impairment for property, plant and equipment or intangible assets with service lives that can be determined, the amount surpassing the fair value is recognized as impairment of the assets, but only if a comparison of the carrying amount and the undiscounted future cash flows of the assets shows that the carrying amount exceeds the undiscounted future cash flows.

Under IFRSs, if there are indications of the possibility of impairment of assets, the amount by which the carrying amount of the assets exceeds the recoverable amount (the higher of value in use or fair value less costs to sell) is recognized as impairment of property, plant and equipment.

Further, under U.S. GAAP, for impairment tests of goodwill, the fair value of reporting units and their carrying value including goodwill are compared. If the fair value of reporting units is less than the carrying value of reporting units, the fair value of goodwill is calculated, and if the calculated fair value of goodwill is less than the carrying value, the difference is recognized as impairment losses on goodwill.

Under IFRSs, if the carrying value of cash-generating units including goodwill surpasses the recoverable amount, the amount by which it is surpassed is recognized as impairment losses. For impairment losses arising in cash-generating units including goodwill, first goodwill is impaired, and if there is an amount remaining, impairment losses are recognized for other assets within cash-generating units.

***3 Tax Effects Associated with Investments in Affiliates**

Regarding the treatment of temporary differences associated with investments in affiliates, under U.S. GAAP, if there are deductible temporary differences arising from investments in associated companies, after judging the recoverability of the temporary differences, they are recognized in deferred tax assets. Meanwhile, under IFRSs, there is a difference because, if there are deductible temporary differences arising from investments in associated companies, they are recognized in deferred tax assets only if it is probable that the temporary differences will reverse in the foreseeable future and to the extent that taxable amount will be gained.

***4 Fair Value Measurement of Nonmarketable Equity Securities**

FVTOCI financial assets without active markets were recognized at cost under U.S. GAAP. However, at the date of transition, the financial assets were evaluated at fair value, and the effect of this has been recognized in other components of equity.

***5 Deemed Cost**

Electing to apply the exemption, the fair value of certain property, plant and equipment and investment property at the date of transition is used as the deemed cost.

2. Operating Segment Information

Reconciliation of Net Profit Attributable to ITOCHU

(Unit: Billions of Yen)

	FY2014		Adjustments	Major Items
	U.S. GAAP	IFRS		
Textile	32.5	24.0	(8.5)	Decrease due to reclassifications of gains on disposal of equity securities other than affiliates into other comprehensive income, and impairment losses arising due to GAAP differences
Machinery	43.4	35.9	(7.4)	Decrease due to reclassifications of gains on disposal of equity securities other than affiliates into other comprehensive income
Metals & Minerals	74.1	44.5	(29.6)	Decrease due to impairment loss on mineral-resources-related business, arising due to GAAP differences
Energy & Chemicals	16.7	12.1	(4.6)	Decrease due to reclassifications of gains on disposal of equity securities other than affiliates into other comprehensive income, and tax effects associated with investments in affiliates, arising due to GAAP differences
Food	57.5	50.8	(6.6)	Decrease due to reclassifications of gains on disposal of equity securities other than affiliates into other comprehensive income
ICT, General Products & Realty	76.3	63.8	(12.6)	Decrease due to reclassifications of gains on disposal of equity securities other than affiliates into other comprehensive income, and impairment losses arising due to GAAP differences
Others, Adjustments & Eliminations	9.8	14.2	+ 4.4	Increase due to reclassifications of amortization of actuarial loss arising from employee benefits into other comprehensive income
Total	310.3	245.3	(65.0)	