

Corporate Profile



ITOCHU Corporation



Chairman & CEO
Masahiro Okafuji



President & COO
Keita Ishii

Category	General Trading Company
Stock Code	8001 (Prime Market)
Address	<p><Tokyo Headquarters> 5-1, Kita-Aoyama 2-chome, Minato-ku, Tokyo 107-8077, Japan</p> <p><Osaka Headquarters> 1-3, Umeda 3-chome, Kita-ku, Osaka, 530-8448, Japan</p>

Stock Price	<u>4,787 Yen</u> (June 1, 2023)
Market Cap ^{*2}	<u>7.59 Tln Yen</u>
Dividend Yield ^{*3}	3.34 %

Founded	<u>1858</u>
Number of Group Companies ^{*1}	271 Companies
Number of Employees ^{*1}	<u>110,698 (Consolidated)</u> 4,112 (Standalone)
Share Trading Unit	100 Shares

Consolidated Net Profit ^{*1}	800.5 Bln
PBR ^{*4}	1.45 Times
PER ^{*5}	8.93 Times
ROE ^{*1}	<u>17.8 %</u>

- *1: Results of FYE 2023 / as of March 31, 2023
 *2: Calculated based on the Number of common shares outstanding and the closing stock price of June 1, 2023.
 *3: Calculated based on DPS forecast of FYE 2024 (160 yen) and the closing stock price of June 1, 2023.

- *4: Calculated based on the results of FYE 2023 and the closing stock price of June 1, 2023.
 *5: Calculated based on the annual plan of FYE 2024 (Consolidated net profit: ¥780.0Bln) and the closing stock price of June 1, 2023.

Consolidated
Net Profit Growth

× 4.97

(FYE 2023 compared to FYE 2011)

Core Profit in the
Non-Resource Sector

¥575Bln

(FYE 2023)

Company Ranking among
Job-Seekers

#1

Expanding Business
into China since

1972

Key Metrics

ROE

16.5 %

(Average of FYE 2011 – FYE 2023)

Credit Ratings

≥A

EPS Growth Rate

13.6 %

(Annual growth rate from FYE 2011 - FYE 2023)

Total Shareholder Return

737 %

(Cumulative from FYE 2011 – FYE 2023)

Who We Are



ITOCHU was founded in 1858, when Chubei Itoh I, a merchant of Ohmi, commenced linen trading. ITOCHU sets “*Sampo-yoshi* (meaning good for the seller, good for the buyer, and good for society)” as its corporate mission. This unwavering ideal has been passed down since its founding.

ITOCHU aims to sustainably enhance its corporate value by realizing a virtuous cycle of resolving social issues through business activities.



Chubei Itoh I

Good for the Seller, Good for the Buyer, and Good for Society



“Sampo-yoshi” calligraphy by Shoko Kanazawa

8 Division Companies

Under eight Division Companies, ITOCHU develops its business in diverse fields through trade and business investment. Among these wide-ranging business fields, we aim to expand the scale and profit of our business by concentrating our capital in fields and regions where we have expertise.

Textile

Providing new values and impressions for everyday life in fields ranging from fashion to high-tech materials.

Machinery

Developing wide-ranging businesses, including plants, infrastructure, aircraft, ships, automobiles, construction/ industrial machinery, and life care.

Metals & Minerals

Contributing to economic development and environmental protection worldwide through the development and safe supply of mineral resources.

Energy & Chemicals

Working in tangible and intangible ways to help improve lives by using overall strength as a global trading company to offer solutions and services.

Food

Expanding globally while contributing to food safety and security from the supply of ingredients to manufacturing, distribution, and retail.

General Products & Realty

Operating on a global scale in fields ranging from general lifestyle products to the development and sale of homes and the goods that support them.

ICT & Financial Business

Creating and expanding new markets by utilizing business development functions based on ICT and BPO along with customer networks.

The 8th

Developing new businesses and customers based on a "market-oriented" perspective by fully leveraging our business platforms.



Consolidated Net Profit Growth



Steadily Improving Earning Power

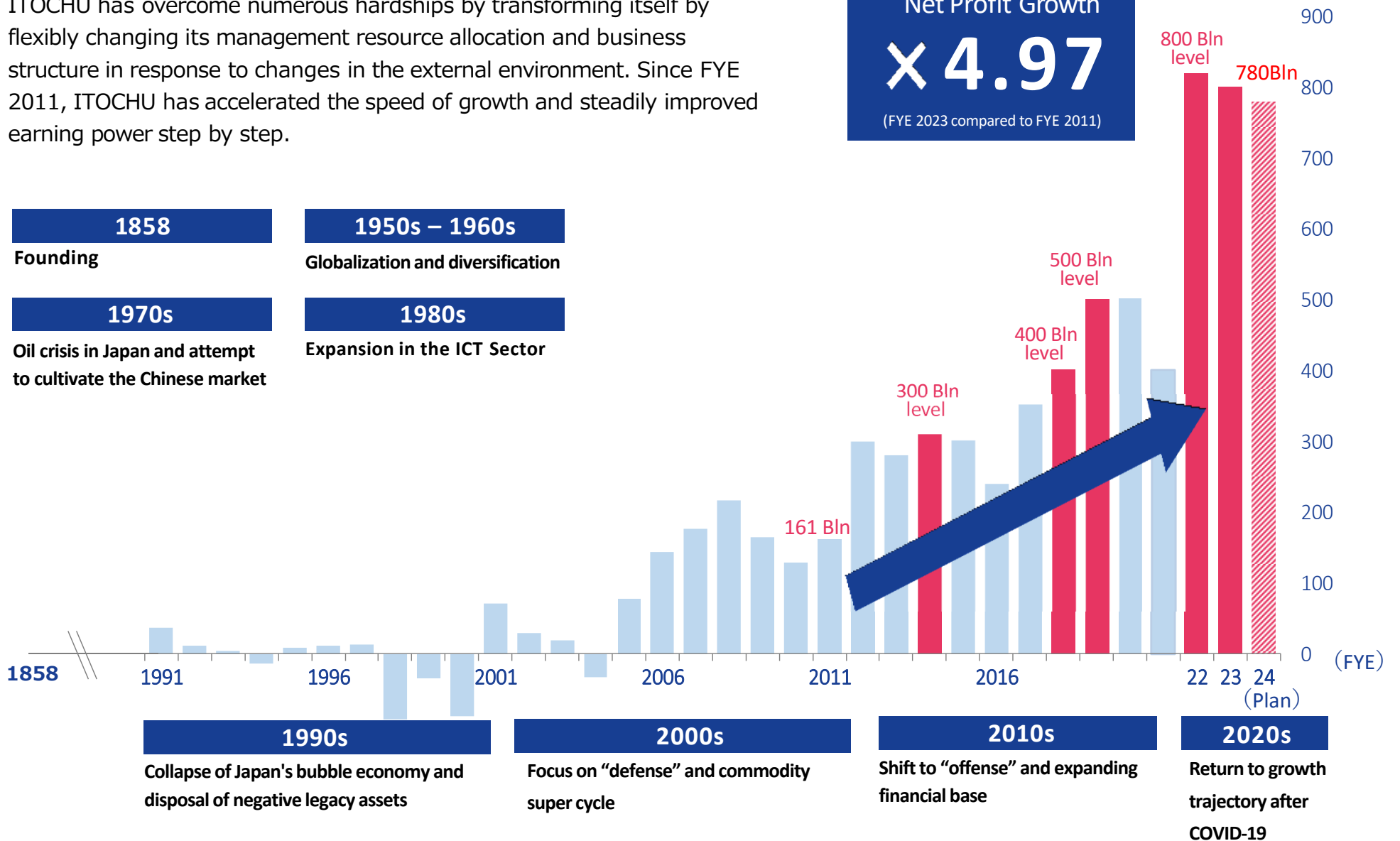
ITOCHU has overcome numerous hardships by transforming itself by flexibly changing its management resource allocation and business structure in response to changes in the external environment. Since FYE 2011, ITOCHU has accelerated the speed of growth and steadily improved earning power step by step.

Consolidated Net Profit Growth

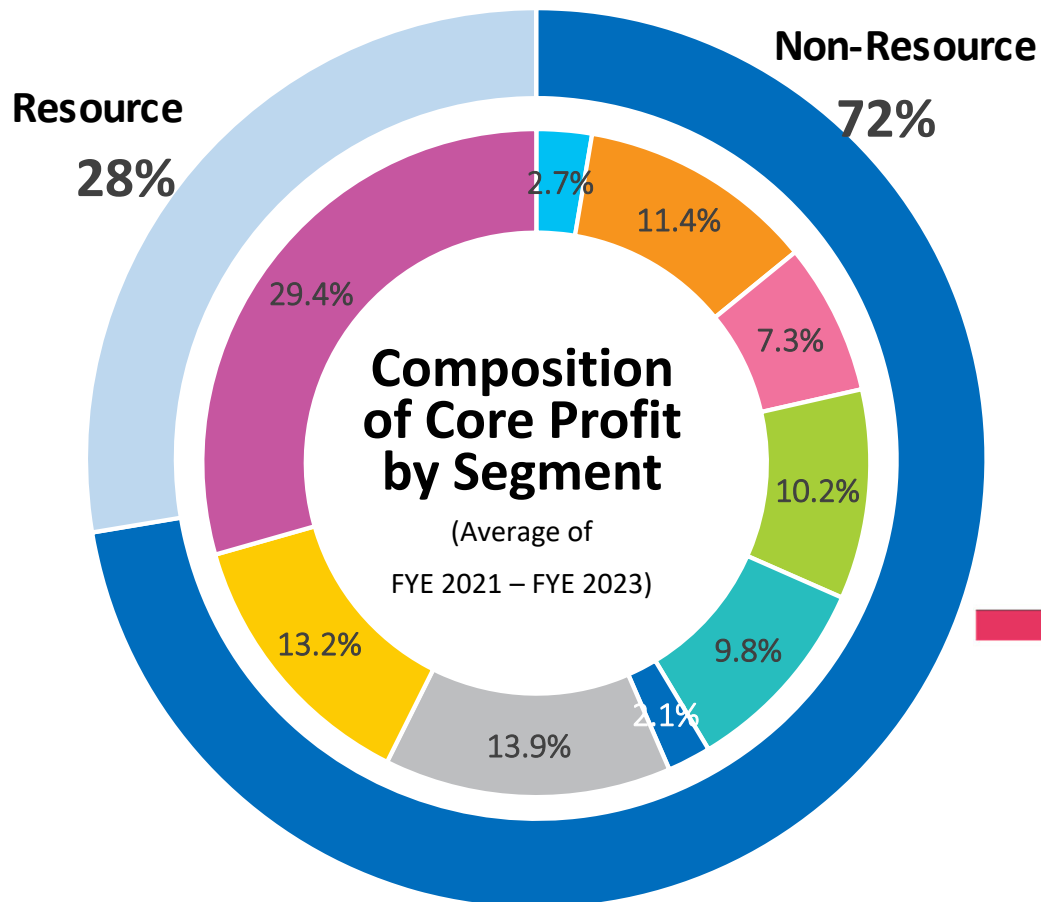
×4.97

(FYE 2023 compared to FYE 2011)

Consolidated net profit (Bln Yen)



Resilient Earnings Base Centered on the Non-Resource Sector



ITOCHU’s wide-ranging business extends from the resource sector to the non-resource sector, consisting of the basic industry and the consumer sectors. Above all, ITOCHU has strengths in the non-resource sector where it has built a stable earnings base that is diversified across many fields. By focusing on the non-resource sector, centered on consumer businesses that are resilient to economic fluctuations, ITOCHU avoids overreliance on businesses that are greatly affected by resource prices.

Core Profit in the Non-Resource Sector

¥575Bln

(FYE 2023)

Ratio of Core Profit from the Non-Resource Sector

72%

(Average of FYE 2021– FYE 2023)

- Textile ● Machinery ● Metals & Minerals ● Energy & Chemicals
- Food ● General Products & Realty ● ICT & Financial Business ● The 8th
- Others, Adjustments & Eliminations

Human Resource Strategy That Directly Links to Corporate Value Enhancement



ITOCHU actively promotes unique human resource measures as part of its management strategy. By maximizing the "individual power" of each employee while raising management awareness and participation, ITOCHU has achieved the highest labor productivity among general trading companies. ITOCHU's human resource strategy is directly linked to enhancing corporate value and has received favorable evaluations from outside the company, including by job seekers.

Improving Employee's Motivation
And Willingness to Contribute

Company Ranking among Job-Seekers*¹

#1

Labor Productivity among General Trading Companies*²

#1

*1 From 2023 graduates, ITOCHU ranked first as the most popular company among all companies in the surveys of GAKUJO Co., Ltd., DIAMOND HUMAN RESOURCE, INC., etc.

*2 ITOCHU reached ¥0.20 bln per employee, No.1 among general trading companies, based on FYE 2022 consolidated net profit per employee (non-consolidated basis).

Robust Business Foundation in China and Other Parts of Asia That Show Great Potential for Business Opportunities

Since taking the lead among Japanese companies in the Chinese market in 1972, we have accumulated rich achievements and networks in China. In 2015, we concluded a strategic business and capital alliance with CITIC and CP Group. To realize future growth, we will develop business centered on consumer businesses, while fully assessing risks, as we work with highly reputable partners in China and other parts of Asia where there is great potential for business opportunities.



Expanding Business into China since

1972



Strategic business and capital alliance with CITIC and CP Group



No. 1 earnings power in the non-resource sector among general trading companies



The largest Chinese state-owned conglomerate, No. 1 in China in various fields



The largest private company and conglomerate in Thailand, expanding business in Asia centered on Thailand and China

Highly Efficient Management Focusing on Earnings Stability and Capital Efficiency

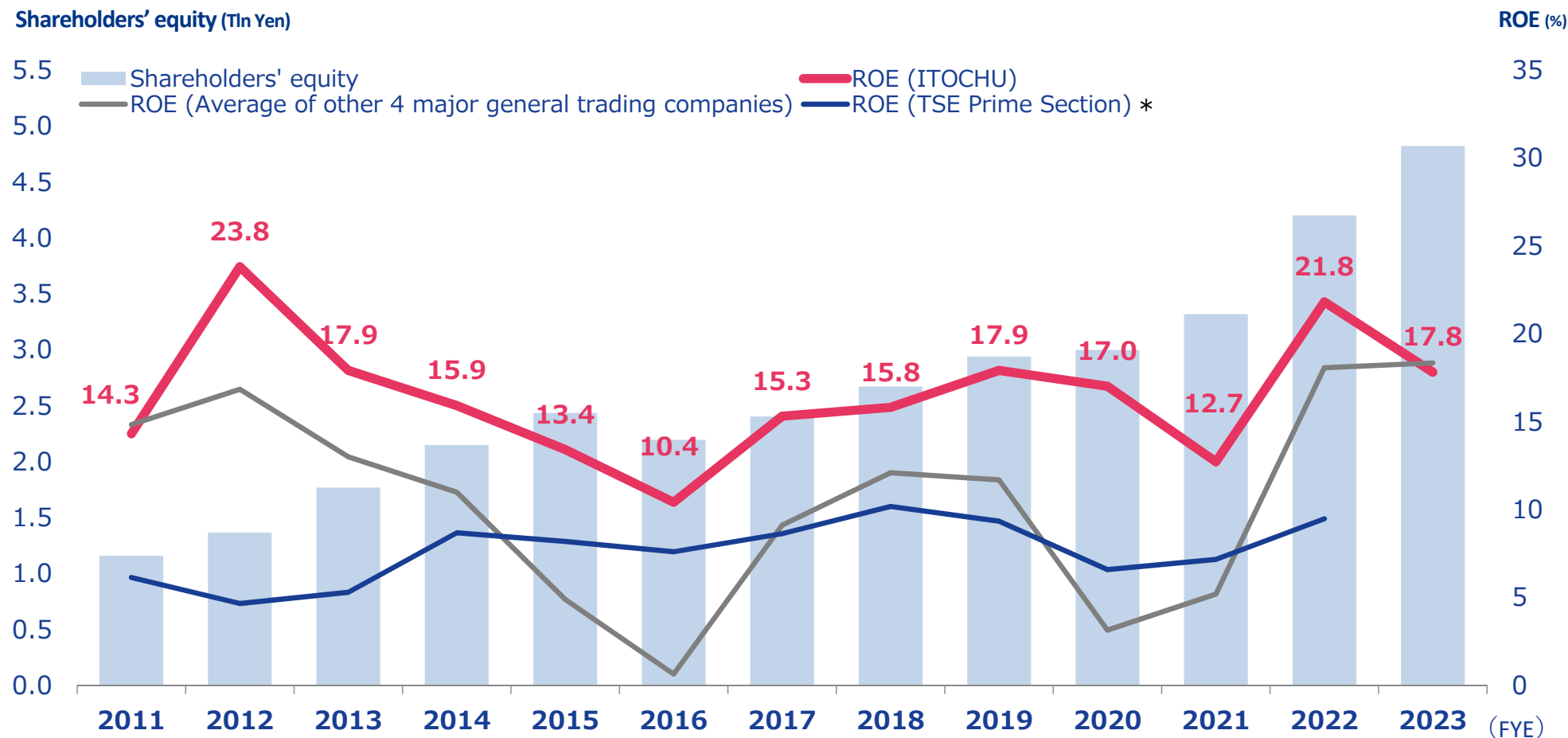
In addition to stable earning power in the non-resource sector and cash generation power, we are practicing management with an awareness of cost of capital by actively promoting the replacement of low-efficiency or peaked-out assets. As a result of focusing on earnings stability and capital efficiency, the average ROE for the past 13 years was 16.5%, significantly exceeding the average of the TSE Prime Section and consistently the highest level in the industry.

ROE

16.5 %

(Average of FYE 2011 – FYE 2023)

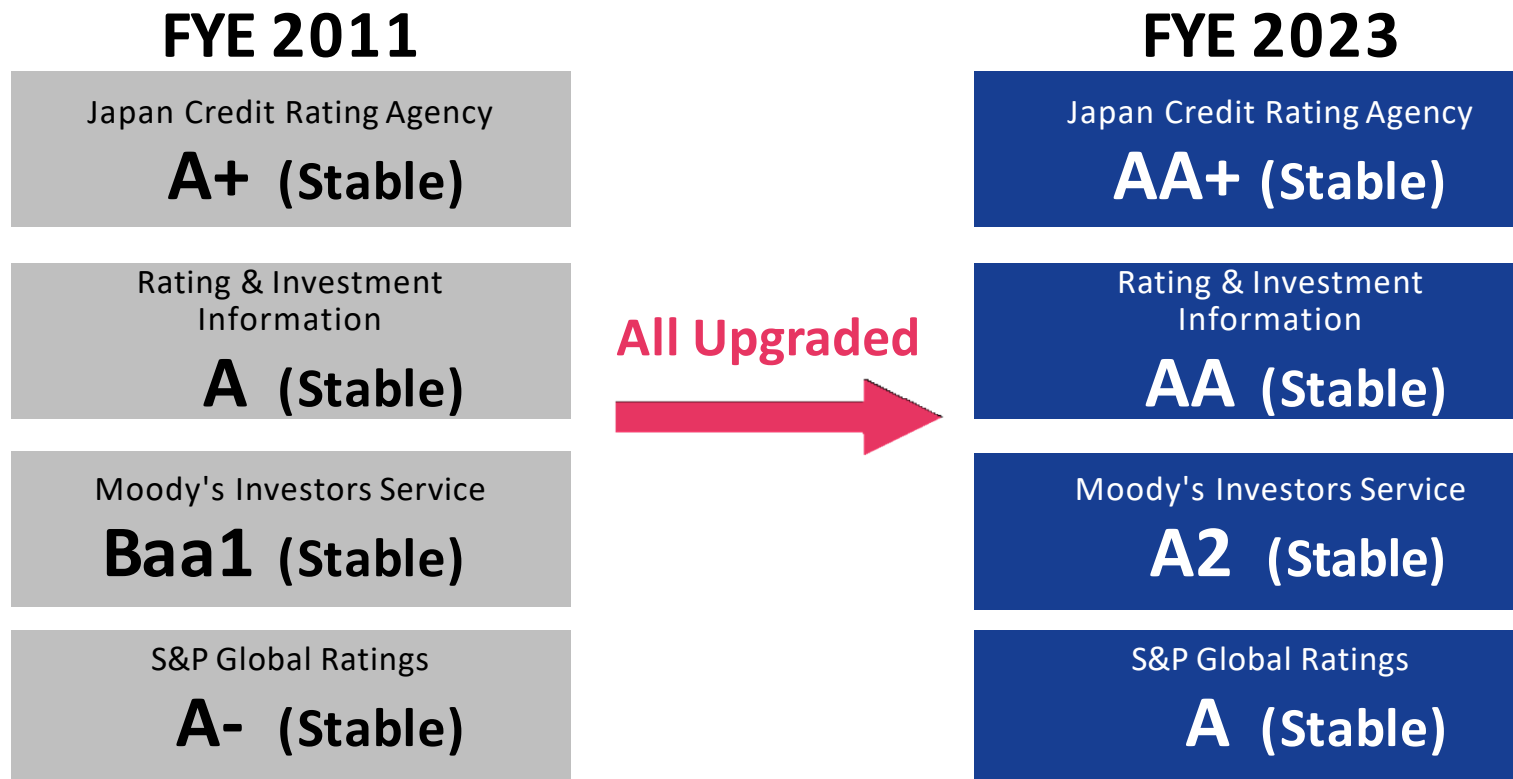
Shareholders' equity (Tln Yen)



*Source: Tokyo Stock Exchange Research Report for the fiscal year ended March 31, 2022 (for the fiscal year ending March 31, 2023, not yet released as of June 1, 2023)

Consistent Financial and Capital Strategy Balances Three Factors: Growth Investments, Shareholder Returns, and Control of Interest-Bearing Debt

ITOCHU's basic policies on financial and capital strategy are "achieving high ROE while balancing three factors (growth investments, shareholder returns, and control of interest-bearing debt)" and "maintaining positive core free cash flows after deducting shareholder returns." As a result of the continuous implementation of a consistent financial and capital strategy, ITOCHU has obtained an A or higher rating from all four major credit rating agencies. In addition in FYE 2023, ITOCHU had received A2 (previously A3) from Moody's Investor Service on the long-term rating scale. This is the first upgrade in Moody's long-term rating for Japanese companies with an A credit rating since 2019.



*As of June 1, 2023

EPS Growth Rate



Sustained EPS Growth

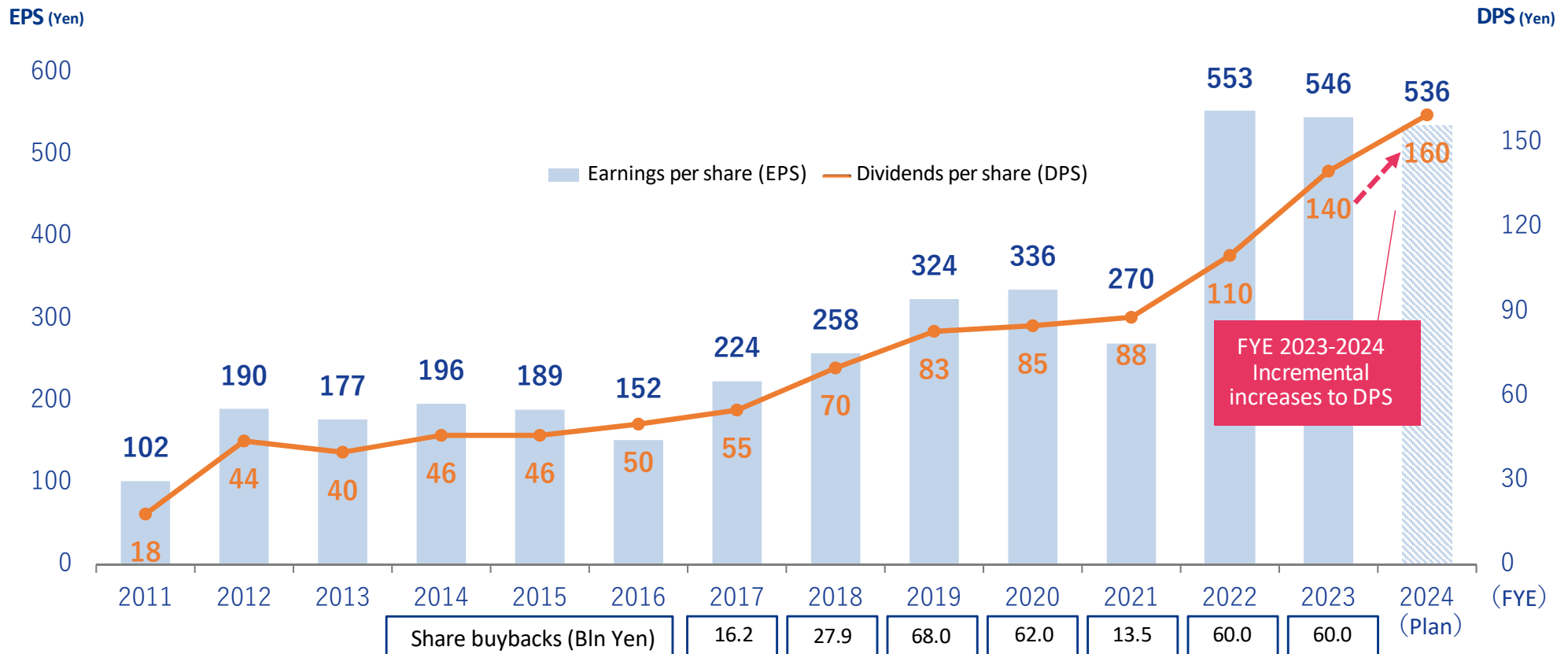
ITOCHU considers sustained earnings per share (EPS) growth as one of its important financial and capital strategies. Our basic policy is to achieve EPS growth through sustained profit growth, but we will also actively and continuously execute share buybacks while considering cash allocation. These measures have led to significant EPS growth over the last decade.

Since FYE 2016, ITOCHU has continuously adhered to a progressive dividend policy in which dividends per share (DPS) are raised annually. In addition to these policies, we have committed to incremental increases to the minimum dividend during the period of Brand-new Deal 2023, setting a DPS of ¥160 for FYE 2024. Consequently, ITOCHU will achieve a payout ratio of 30% in FYE 2024.

EPS Growth Rate

13.6%

(Annual growth rate from FYE 2011 - FYE 2023)



Total Shareholder Return

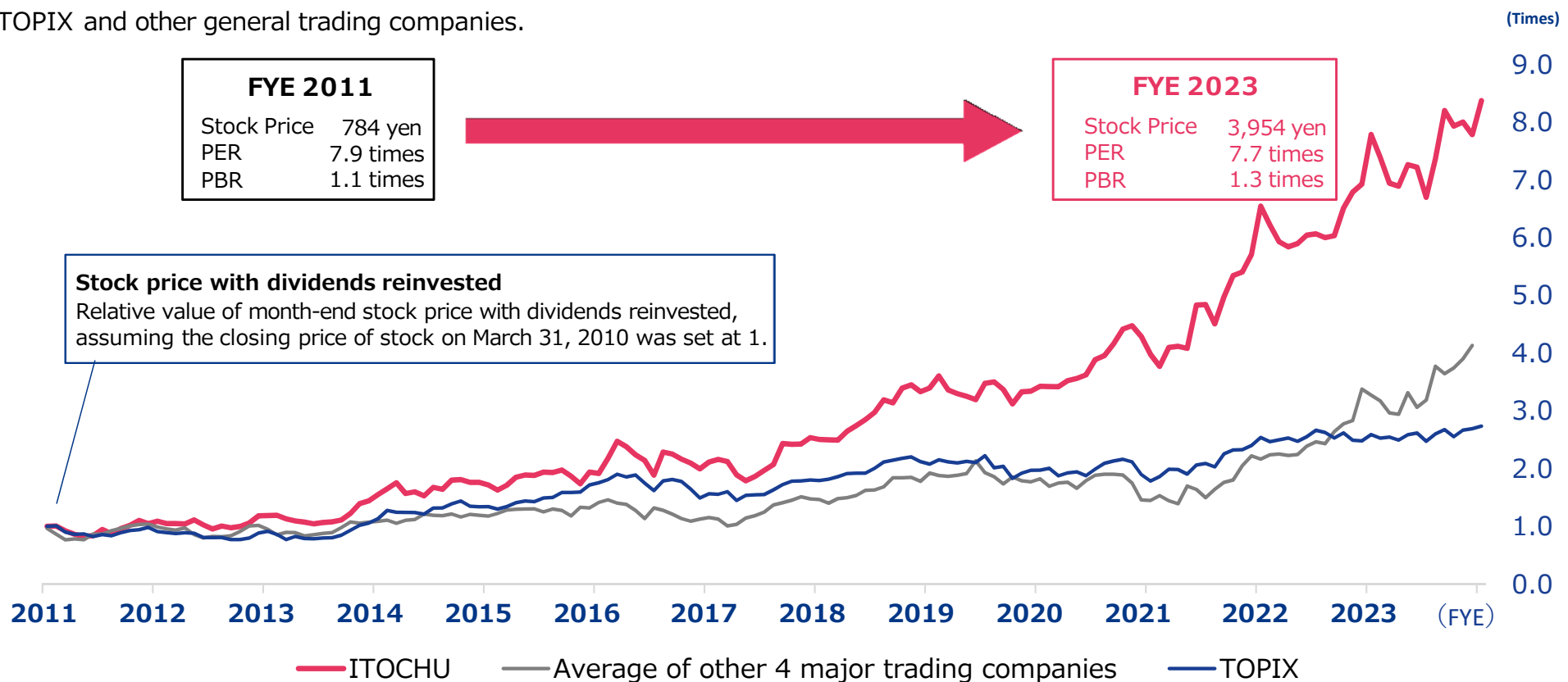


Positive Feedback from the Capital Market for Commitment-Based Management

As a result of positive feedback from the capital market for our earnings stability, consistent financial and capital strategies, and commitment-based management in which we steadily achieve our goals, ITOCHU's stock price has recorded a high rate of increase since FYE 2011.

In addition, partly due to the continuous adoption of progressive dividends, total shareholder return (TSR) for the past 13 years has significantly exceeded that of the TOPIX and other general trading companies.

Total Shareholder Return*	
(Cumulative from FYE 2011 – FYE 2022)	
Cumulative	Annual Average
737 %	17.8 %



*Return on investment assuming that dividends are reinvested. TSR indicates returns on investment during the past 13 years preceding from March 31, 2023.

For further information, please read our Annual Report.

www.itochu.en.jp >
Investor Relations > Annual Report



CEO MESSAGE

In the new era, as we relentlessly bolster our superiority in the non-resource sector, ITOCHU will steadily continue building its foundation to unlock the intrinsic value of a market-oriented perspective.

In FYE 2022, ITOCHU shattered previous results, achieving record-high profit. In FYE 2023, we will keep a watchful eye on the incredibly uncertain economic situation and continue to steadily lay a foundation looking to the time when resource prices and exchange rates have returned to normal with the aim of building an earnings base that stably produces ¥700.0 billion based on the policies laid out in Brand-new Deal 2023.

M. Okafuji

Masahiro Okafuji
Chairman & Chief Executive Officer

Tirelessly Continuing Our Efforts

Why is it good things fade, but bad things persist?
Meiji-era author Ichijo Higuchi lived a life that embodied that conundrum. Graduating from elementary school at the top of her class, she was blocked from pursuing any higher education due to her mother's viewpoint that, "Women do not need any more education than this. They should instead learn needlework and housework at home." Subsequently, her older brother, who stood to inherit everything, died suddenly. Then, her father passed away after racking up massive debts due to his failed business. At just 17 years old, she took on the family's finances and her father's debts. She regularly took out loans and pawned her belongings. The home goods and candy store she started did not do well either. Even amid this poverty, she worked hard as a novelist and put out

one history-making story after another, becoming a very popular writer in just over a year. Alas, at just 24 years old, her life was cut short when she suddenly came down with tuberculosis, which was wide-spread at the time. Despite all her hard work, nothing good lasted long. You cannot help but be moved by her hard life.
And then there is the business of running a company. Some people think corporate leaders should be optimistic, but corporate management fails without the requisite effort. Putting in the work alone does not guarantee success. That, however, does not mean we should give up. I try to reflect on ITOCHU's history, persistently strive, stay ahead, and never neglect preparations so that we never forget this mindset.

Lessons Learned from History

In May 2022, when I heard that our old Tokyo Headquarters in Nihonbashi was being demolished, I decided to visit it one last time. We had used it from 1957 to 1980, but the structure had become run down.
The Japanese garden, which neighbored the office of then-President Echigo, remained just as it had for over

half a century. Standing there, my mind drifted to the time when ITOCHU was overseen by President Echigo. He had likely gazed upon the same scene. That was an era when ITOCHU was accelerating its transition from a textile trading company to a general trading company. Numerous people at ITOCHU helped achieve the



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