

**Consolidated Financial Results for the First Half  
of the Fiscal Year Ending March 31, 2024**

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**-Unaudited-****Consolidated Financial Results for the First Half of the Fiscal Year Ending March 31, 2024**

[Prepared in conformity with International Financial Reporting Standards]

Company name: ITOCHU Corporation  
 Stock exchange code: 8001 <https://www.itochu.co.jp/en/ir/>  
 President and Chief Operating Officer: Keita Ishii  
 General Manager, Investor Relations Division: Suguru Amano TEL: 81 - 3 - 3497 - 7295  
 The date of payout of dividend: December 4, 2023 (Planned)

**1. Consolidated operating results for the first half of the FYE 2024 (from April 1, 2023 to September 30, 2023)****(1) Consolidated operating results (Summary)**

(%: Changes from the same period of the previous fiscal year)

	Revenues		Trading income (*4)		Profit before tax		Net profit		Net profit attributable to ITOCHU		Total comprehensive income attributable to ITOCHU	
	millions of yen	%	millions of yen	%	millions of yen	%	millions of yen	%	millions of yen	%	millions of yen	%
For the first half of												
FYE 2024	6,774,098	(3.1)	350,922	(9.7)	571,824	(10.9)	442,671	(12.3)	412,899	(14.5)	696,261	(9.5)
FYE 2023	6,992,164	19.0	388,533	27.8	641,580	(8.3)	504,644	(5.5)	483,031	(3.5)	769,283	49.2

	Basic earnings per share attributable to ITOCHU		Diluted earnings per share attributable to ITOCHU	
	yen		yen	
For the first half of				
FYE 2024	283.86		-	
FYE 2023	328.74		-	

Equity in earnings of associates and joint ventures (millions of yen) 1st half of FYE 2024: 162,108 [ (12.7)%] 1st half of FYE 2023: 185,615 [ 10.1%]

Total comprehensive income (millions of yen) 1st half of FYE 2024: 743,200 [ (6.7)%] 1st half of FYE 2023: 796,644 [ 45.7%]

**(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
September 30, 2023	14,169,687	5,811,932	5,211,816	36.8	3,592.07
March 31, 2023	13,115,400	5,467,375	4,823,259	36.8	3,314.35

**(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
For the first half of				
FYE 2024	469,213	(90,705)	(397,970)	606,587
FYE 2023	469,136	(306,815)	(175,996)	622,467

**2. Dividend distribution**

	Dividend distribution per share				
	End of first quarter	End of second quarter	End of third quarter	Year-end	Annual
	yen	yen	yen	yen	yen
FYE 2023	-	65.00	-	75.00	140.00
FYE 2024	-	80.00	-	-	-
FYE 2024 (Planned)	-	-	-	80.00	160.00

(Note) Revisions to the plan of dividend distribution announced most recently: None

**3. Outlook of consolidated operating results for the FYE 2024 (from April 1, 2023 to March 31, 2024)**

(%: Changes from the previous fiscal year)

	Net profit attributable to ITOCHU		Basic earnings per share attributable to ITOCHU
	millions of yen	%	yen
FYE 2024	800,000	(0.1)	551.90

(Note) Revisions to the outlook of consolidated operating results announced most recently: Yes

(Note) For more details, please refer to page 11, "3. Qualitative Information of Outlook for the Fiscal Year Ending March 31, 2024".

#### 4. Other information

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries accompanying changes in the consolidation scope) : Yes

New company : 1 (Digital Value Chain Partners GK)

Note: For more details, please refer to page 10, "2. (1) Changes in significant subsidiaries during the period".

(2) Changes in accounting policies and accounting estimates

(a) Changes in accounting policies required by IFRS : Yes

(b) Other changes : None

(c) Changes in accounting estimates : None

(3) Number of common shares issued

(a) Number of common shares outstanding: (including the number of treasury stock)	1st half of FYE 2024	1,584,889,504	FYE 2023	1,584,889,504
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(b) Number of treasury stock:	1st half of FYE 2024	133,965,326	FYE 2023	129,625,295
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(c) Average number of common shares outstanding:	1st half of FYE 2024	1,454,609,639	1st half of FYE 2023	1,469,343,245
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Note: Based on the decision at the meeting of the Board of Directors,

ITOCHU has carried out share buybacks of 4,459,000 own shares during the six-month period ended September 30, 2023.

[Note]

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

\*2. This document is unaudited by certified public accountants or audit firms.

\*3. Data and projections contained in these materials are based on the information available at the time of publication, and various factors may cause the actual results to differ materially from those presented in such forward-looking statements. ITOCHU Corporation, therefore, wishes to caution that readers should not place undue reliance on forward-looking statements, and further, that ITOCHU Corporation has no obligation to update any forward-looking statements as a result of new information, future events or other developments.

\*4. "Trading income" is presented in accordance with Japanese accounting practices.

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

\*5. The consolidated financial statements are expressed in Japanese yen and, solely for the convenience of the reader, have been translated into U.S. dollars at the rate of 149.58 yen = 1 U.S. dollar, the exchange rate prevailing on September 30, 2023.

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.

\*6. "ITOCHU" referred to in the consolidated financial statements represents ITOCHU Corporation.

## **1. Qualitative Information**

### **(1) Consolidated Operating Results**

[For the six-month period ended September 30, 2023]

#### **(a) General Economic Situation**

For the six month period ended September 30, 2023, the global economy generally remained sluggish, although some sectors performed stably. The U.S. economy showed gradual improvement mainly in consumer spending due to a decline in the inflation rate, despite continued interest rate increases by the Federal Reserve. In Europe, the economy remained stagnant as inflation rate remained high despite continued interest rate rises. In China, although interest rate cuts and economic stimulus measures by the government helped halt the economic downturn, weak recovery continued due to a slowdown in the real estate market and other factors. The WTI crude oil price fell from the US\$80 per barrel level at the beginning of the fiscal year to around US \$70 per barrel in May to June due to the stagnation of the global economy, but subsequently trended upward against a backdrop of supply constraints by major oil-producing countries, closing at the US\$90 per barrel level at the end of September.

The Japanese economy continued to recover driven by rising wages and increasing demands from inbound tourism, as economic activity normalized based on the assumption of coexistence with COVID-19. The U.S. dollar-yen exchange rate depreciated from the ¥133 per dollar level at the beginning of the fiscal year to nearly ¥150 per dollar by the end of September due to rising U.S. long-term interest rates and continued monetary easing by the Bank of Japan. The Nikkei Stock Average temporarily rose from the ¥28,000 level at the beginning of the fiscal year to the ¥33,000 level in June due to the recovery of domestic economy, but subsequently subsided and fell below ¥32,000 at the end of September as the uncertainty remained over the global economy. The yield on 10-year Japanese government bonds trended in the 0.4% level from April to July. After the Bank of Japan decided in late July to take flexible approach to its yield curve control policy, allowing long-term interest rates to exceed the upper limit of 0.50%, it followed an upward trend to 0.77% at the end of September.

(b) Consolidated Operating Results

	Billions of Yen				Millions of U.S. Dollars
	Apr.-Sep. 2023	Apr.-Sep. 2022	Increase (Decrease)	%	Apr.-Sep. 2023
Revenues.....	6,774.1	6,992.2	(218.1)	(3.1%)	45,288
Gross trading profit.....	1,067.6	1,084.4	(16.8)	(1.5%)	7,138
Selling, general and administrative expenses.....	(715.0)	(691.9)	(23.0)	3.3%	(4,780)
Gains (losses) on investments.....	35.4	50.3	(14.9)	(29.6%)	237
Net interest expenses (The total of interest income and interest expense).....	(23.2)	(9.8)	(13.5)	-	(155)
Equity in earnings of associates and joint ventures.....	162.1	185.6	(23.5)	(12.7%)	1,084
Income tax expense.....	(129.2)	(136.9)	7.8	(5.7%)	(864)
Net profit.....	442.7	504.6	(62.0)	(12.3%)	2,959
<b>Net profit attributable to ITOCHU.....</b>	<b>412.9</b>	<b>483.0</b>	<b>(70.1)</b>	<b>(14.5%)</b>	<b>2,760</b>
(Reference) Trading income.....	350.9	388.5	(37.6)	(9.7%)	2,346

(i) Revenues (from external customers)

Decreased by 3.1%, or 218.1 billion yen, compared to the same period of the previous fiscal year to 6,774.1 billion yen (45,288 million U.S. dollars).

• Energy & Chemicals Company:

Decreased by 238.0 billion yen compared to the same period of the previous fiscal year to 1,482.7 billion yen (9,913 million U.S. dollars), due to lower market prices in energy trading transactions, energy-related companies, and chemical-related transactions.

• Metals & Minerals Company:

Decreased by 129.3 billion yen compared to the same period of the previous fiscal year to 562.6 billion yen (3,761 million U.S. dollars), due to lower coal and iron ore prices.

• Food Company:

Increased by 128.9 billion yen compared to the same period of the previous fiscal year to 2,425.5 billion yen (16,215 million U.S. dollars), due to expansion of transactions resulting from the recovery of consumer activity and higher sales prices in food-distribution-related companies, and higher transaction volume in provisions-related transactions.

• The 8th Company:

Increased by 30.2 billion yen compared to the same period of the previous fiscal year to 264.6 billion yen (1,769 million U.S. dollars), due to the increase in daily sales along with higher number of customers and spend per customer resulting from enhancement of product appeal and sales promotion in FamilyMart.

(ii) Gross trading profit

Decreased by 1.5%, or 16.8 billion yen, compared to the same period of the previous fiscal year to 1,067.6 billion yen (7,138 million U.S. dollars).

- Metals & Minerals Company:

Decreased by 35.3 billion yen compared to the same period of the previous fiscal year to 92.1 billion yen (616 million U.S. dollars), due to lower coal and iron ore prices.

- Energy & Chemicals Company:

Decreased by 19.6 billion yen compared to the same period of the previous fiscal year to 133.2 billion yen (890 million U.S. dollars), due to the absence of favorable performance in energy trading transactions and chemical-related transactions in the same period of the previous fiscal year.

- The 8th Company:

Increased by 21.4 billion yen compared to the same period of the previous fiscal year to 216.1 billion yen (1,444 million U.S. dollars), due to the increase in daily sales along with higher number of customers and spend per customer resulting from enhancement of product appeal and sales promotion in FamilyMart.

- Food Company:

Increased by 16.2 billion yen compared to the same period of the previous fiscal year to 186.8 billion yen (1,249 million U.S. dollars), due to expansion of transactions resulting from the recovery of consumer activity and higher sales prices in food-distribution-related companies, and higher transaction volume in provisions-related transactions.

(iii) Selling, general and administrative expenses

Increased by 3.3%, or 23.0 billion yen, compared to the same period of the previous fiscal year to 715.0 billion yen (4,780 million U.S. dollars), due to the acquisition of DOME, the increase in personnel expenses, and the depreciation of the yen, partially offset by the decrease because of the de-consolidation of CONEXIO in the fourth quarter of the previous fiscal year.

(iv) Gains (losses) on investments

Decreased by 29.6%, or 14.9 billion yen, compared to the same period of the previous fiscal year to a gain of 35.4 billion yen (237 million U.S. dollars), due to the absence of the gain on the sale of a North American beverage-equipment-maintenance company in the same period of the previous fiscal year, partially offset by the revaluation gain on a lithium-ion batteries company.

(v) Net interest expenses (The total of interest income and interest expense)

Deteriorated by 13.5 billion yen, compared to the same period of the previous fiscal year to expenses of 23.2 billion yen (155 million U.S. dollars), due to the increase in interest expense with higher U.S. dollar interest rates.

(vi) Equity in earnings of associates and joint ventures

Decreased by 12.7%, or 23.5 billion yen, compared to the same period of the previous fiscal year to 162.1 billion yen (1,084 million U.S. dollars).

• Others, Adjustments & Eliminations: (\*)

Decreased by 28.5 billion yen compared to the same period of the previous fiscal year to 48.0 billion yen (321 million U.S. dollars), due to lower earnings in CITIC Limited resulting from the increase in interest expense with higher U.S. dollar interest rates and the absence of revaluation gain on securities business in the same period of the previous fiscal year, partially offset by the stable performance in comprehensive financial services segment, and lower earnings in C.P. Pokphand resulting from lower pork prices.

• General Products & Realty Company:

Decreased by 21.2 billion yen compared to the same period of the previous fiscal year to 3.2 billion yen (21 million U.S. dollars), due to lower earnings in IFL (European pulp-related company) resulting from lower pulp prices and lower sales volume, and the absence of favorable performance in overseas real estate business in the same period of the previous fiscal year.

• Machinery Company:

Increased by 23.0 billion yen compared to the same period of the previous fiscal year to 42.8 billion yen (286 million U.S. dollars), due to higher earnings in North American electric-power-related business, the start of equity pick-up of Hitachi Construction Machinery from the third quarter of the previous fiscal year, and the absence of the losses on aircraft leased to Russian airlines in a leasing-related company in the same period of the previous fiscal year.

• Food Company:

Increased by 8.5 billion yen compared to the same period of the previous fiscal year to 11.6 billion yen (77 million U.S. dollars), due to the stable performance in a North American grain-related company and the gain on the sale of fixed assets in a North American oils and fats company, partially offset by the loss from the withdrawal of a North American meat-products-related company.

(\*) “Others, Adjustments & Eliminations” includes gains and losses, which do not belong to any operating segment and internal eliminations between operating segments. For more details, please refer to page 19, “4. (5) Operating Segment Information”.

(vii) Income tax expense

Decreased by 5.7%, or 7.8 billion yen, compared to the same period of the previous fiscal year to 129.2 billion yen (864 million U.S. dollars), due to lower profit before tax.

(viii) Net profit attributable to ITOCHU

Consequently, net profit attributable to ITOCHU decreased by 14.5%, or 70.1 billion yen, compared to the same period of the previous fiscal year to 412.9 billion yen (2,760 million U.S. dollars).

(Reference) Trading income

“Trading income” in accordance with Japanese accounting practices (“Trading income” = “Gross trading profit” + “Selling, general and administrative expenses” + “Provision for doubtful accounts”) decreased by 9.7%, or 37.6 billion yen, compared to the same period of the previous fiscal year to 350.9 billion yen (2,346 million U.S. dollars).

- Metals & Minerals Company:  
Decreased by 35.8 billion yen compared to the same period of the previous fiscal year to 82.0 billion yen (548 million U.S. dollars), due to lower coal and iron ore prices.
- Energy & Chemicals Company:  
Decreased by 21.4 billion yen compared to the same period of the previous fiscal year to 52.7 billion yen (352 million U.S. dollars), due to the absence of favorable performance in energy trading transactions and chemical-related transactions in the same period of the previous fiscal year.
- The 8th Company:  
Increased by 13.5 billion yen compared to the same period of the previous fiscal year to 43.3 billion yen (289 million U.S. dollars), due to the increase in daily sales along with higher number of customers and spend per customer resulting from enhancement of product appeal and sales promotion, partially offset by the increase in various costs caused by changes in external environment and execution of digital measures to strengthen business foundations in FamilyMart.
- Food Company:  
Increased by 12.6 billion yen compared to the same period of the previous fiscal year to 53.5 billion yen (358 million U.S. dollars), due to expansion of transactions resulting from the recovery of consumer activity and higher sales prices in food-distribution-related companies, and higher transaction volume in provisions-related transactions.



## (2) Consolidated Financial Position

	Billions of Yen				Millions of U.S. Dollars
	Sep. 2023	Mar. 2023	Increase (Decrease)	%	Sep. 2023
Total assets.....	14,169.7	13,115.4	1,054.3	8.0%	94,730
Interest-bearing debt.....	3,248.3	3,006.6	241.7	8.0%	21,716
Net interest-bearing debt.....	2,629.9	2,391.2	238.8	10.0%	17,582
Total shareholders' equity.....	5,211.8	4,823.3	388.6	8.1%	34,843
Ratio of shareholders' equity to total assets.....	36.8%	36.8%	same level		
NET DER (times).....	0.50	0.50	same level		

### (i) Total assets

Increased by 8.0%, or 1,054.3 billion yen, compared to March 31, 2023 to 14,169.7 billion yen (94,730 million U.S. dollars), due to the increase in trade receivables resulting from the increase of trading transactions, the increase in investments accounted for by the equity method, and the depreciation of the yen.

### (ii) Net interest-bearing debt (interest-bearing debt after deducting cash and cash equivalents and time deposits)

Increased by 10.0%, or 238.8 billion yen, compared to March 31, 2023 to 2,629.9 billion yen (17,582 million U.S. dollars), due to the additional investment in shares in ITOCHU Techno-Solutions, dividend payments and share buybacks, and the depreciation of the yen, partially offset by the stable performance in operating revenues.

Interest-bearing debt increased by 8.0%, or 241.7 billion yen, compared to March 31, 2023 to 3,248.3 billion yen (21,716 million U.S. dollars).

### (iii) Total shareholders' equity

Increased by 8.1%, or 388.6 billion yen, compared to March 31, 2023 to 5,211.8 billion yen (34,843 million U.S. dollars), due to net profit attributable to ITOCHU during this fiscal year and the depreciation of the yen, partially offset by the decrease of capital surplus resulting from the additional investment in shares in ITOCHU Techno-Solutions and dividend payments and share buybacks.

### (iv) Ratio of shareholders' equity to total assets and NET DER

Ratio of shareholders' equity to total assets was 36.8% and NET DER (net debt-to-shareholders' equity ratio) was 0.50 times. Both were at the same level compared to March 31, 2023.

### (3) Consolidated Cash Flows

	Billions of Yen		Millions of U.S. Dollars
	Apr.-Sep. 2023	Apr.-Sep. 2022	Apr.-Sep. 2023
Cash flows from operating activities.....	469.2	469.1	3,137
Cash flows from investing activities.....	(90.7)	(306.8)	(606)
<i>Free cash flows</i> .....	<i>378.5</i>	<i>162.3</i>	<i>2,531</i>
Cash flows from financing activities.....	(398.0)	(176.0)	(2,661)

(i) Cash flows from operating activities

Recorded a net cash-inflow of 469.2 billion yen (3,137 million U.S. dollars), due to the stable performance in operating revenues in The 8th, General Products & Realty, and Food Companies and dividends received from equity method investments in Metals & Minerals Company.

(ii) Cash flows from investing activities

Recorded a net cash-outflow of 90.7 billion yen (606 million U.S. dollars), due to the acquisition of equity method investments in Metals & Minerals Company and the purchase of fixed assets in The 8th, Food, and Energy & Chemicals Companies.

(iii) Cash flows from financing activities

Recorded a net cash-outflow of 398.0 billion yen (2,661 million U.S. dollars), due to the additional investment in shares in ITOCHU Techno-Solutions, repayments of lease liabilities, and dividend payments and share buybacks.

As a result of cash flows above and the depreciation of the yen, “Cash and cash equivalents” as of September 30, 2023 increased by 0.6 billion yen compared to March 31, 2023 to 606.6 billion yen (4,055 million U.S. dollars).

## **2. Summary Information (Notes)**

### **(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries accompanying changes in the consolidation scope) :**

Digital Value Chain Partners GK (hereinafter referred to as “DVP”), which was established as a wholly-owned subsidiary of ITOCHU became a specified subsidiary as a result of ITOCHU’s additional contribution in DVP for the purpose of cash settlement related to the tender offer for shares in ITOCHU Techno-Solutions Corporation by DVP.

### **(2) Changes in accounting policies and accounting estimates**

#### **(a) Changes in accounting policies required by IFRS**

ITOCHU Group has applied IFRS 17 “Insurance Contracts”, from the six-month period ended September 30, 2023.

The cumulative effects of this adoption are reflected through adjustment of retained earnings and other components of equity.

(b) Other changes None

(c) Changes in accounting estimates None

With regards to the impacts from the Russia-Ukraine situation, there are no significant changes from the description in the Annual Financial Statements for the year ended March 31, 2023.

### 3. Qualitative Information of Outlook for the Fiscal Year Ending March 31, 2024

Regarding the future business outlook, the global economy is expected to remain sluggish due to the slowdown in the U.S. economy and stagnation in the European economy as interest rate rises have an increasing effect. Although the Chinese economy is likely to be supported by additional economic stimulus measures and monetary easing, any improvement is expected to be limited to a gradual recovery due to weak real estate investment and exports. The Japanese economy is forecast to continue its recovery with rising wages and lower inflation pushing up domestic demand and the expectations for sustained growth in inbound demand and renewed expansion of capital investment, although exports are expected to remain sluggish. With regard to the U.S. dollar-yen exchange rate, the depreciation of the yen is expected to gradually cease due to a pause in the rise of U.S. long-term interest rates and other factors. Crude oil prices are expected to remain firm around US\$90 per barrel in the near future, supported by continued supply constraints by major oil-producing countries.

We will continue to pay close attention to risks that could potentially limit our business activities, including the high level of uncertainty regarding the situations of Russia-Ukraine and Middle East, as well as the possibility of a deterioration in overseas economies due to the postponement of the end of monetary tightening in the U.S. and Europe.

Although we recognize that future business environment is subject to a variety of uncertain factors and accordingly require to maintain conservative business outlook, we revised upward its forecast of “Net profit attributable to ITOCHU” to 800.0 billion yen for the fiscal year ending March 31, 2024, in accordance with the steady accumulation of profit due to the earning base resistant to economic fluctuations and solid, in addition to the initial forecast including conservative buffer.

(Unit: billion yen)				<i>Precondition</i>			
	<b>Results 1st half of FYE 2024</b>	<b>Forecast</b>	<b>Initial Forecast (Disclosed on May 9)</b>	<i>Major Indicators</i>	<i>Results 1st half of FYE 2024</i>	<i>Forecast</i>	<i>Initial Forecast (Disclosed on May 9)</i>
Gross trading profit	1,067.6	2,200.0	2,156.0	Foreign exchange rate (Yen/US\$)	138.51	140	130
Selling, general and administrative expenses	(715.0)	(1,540.0)	(1,524.0)	Interest(JPY 3M TIBOR) (%)	0.07	0.1	0.1
Provision for doubtful accounts	(1.8)	(7.0)	(7.0)	Interest(US\$ 3M SOFR) (%)	5.25	5.5	5.0
Trading income	350.9	653.0	625.0	Crude oil (Brent) (US\$/BBL)	81.86	84	75
Net interest expenses	(23.2)	(57.0)	(55.0)	Iron ore (CFR China) (US\$/ton)	112 <sup>(Note1)</sup>	N.A. <sup>(Note2)</sup>	N.A. <sup>(Note2)</sup>
Dividends received	31.0	76.0	68.0				
Equity in earnings of associates and joint ventures	162.1	330.0	356.0				
Others	51.0	68.0	66.0				
Profit before tax	571.8	1,070.0	1,060.0				
Income tax expense	(129.2)	(220.0)	(225.0)				
Net profit	442.7	850.0	835.0				
Net profit attributable to non-controlling interests	(29.8)	(50.0)	(55.0)				
Net profit attributable to ITOCHU	412.9	800.0	780.0				

(Note1) FYE 2024 1st half prices for iron ore are prices that ITOCHU regards as general transaction prices based on the market.

(Note2) The prices of iron ore used in “Forecast” are assumptions made in consideration of general transaction price based on the market. The actual prices are not presented, as they are subject to negotiation with individual customers and vary by ore type.

These plans are forward-looking statements that are based on management's assumptions and beliefs based on information currently available. Thus, the actual results could be substantially different from the above statements due to such factors including, but not limited to, global economic and market conditions, and currency exchange rate fluctuations.

**4. Quarterly Consolidated Financial Statements [Condensed]****(1) Consolidated Statement of Comprehensive Income [Condensed]**

ITOCHU Corporation and its Subsidiaries

For the six-month periods ended September 30, 2023 and 2022

	Millions of Yen		Millions of U.S. Dollars
	Apr.-Sep. 2023	Apr.-Sep. 2022	Apr.-Sep. 2023
<b>Revenues:</b>			
Revenues from sale of goods.....	¥ 6,103,760	¥ 6,316,257	\$ 40,806
Revenues from rendering of services and royalties.....	670,338	675,907	4,482
Total revenues.....	6,774,098	6,992,164	45,288
<b>Cost:</b>			
Cost of sale of goods.....	(5,357,612)	(5,546,868)	(35,818)
Cost of rendering of services and royalties.....	(348,858)	(360,883)	(2,332)
Total cost.....	(5,706,470)	(5,907,751)	(38,150)
<b>Gross trading profit.....</b>	<b>1,067,628</b>	<b>1,084,413</b>	<b>7,138</b>
<b>Other gains (losses):</b>			
Selling, general and administrative expenses.....	(714,955)	(691,920)	(4,780)
Provision for doubtful accounts.....	(1,751)	(3,960)	(12)
Gains (losses) on investments.....	35,403	50,306	237
Gains (losses) on property, plant, equipment and intangible assets.....	6,309	(7,217)	42
Other-net.....	9,278	23	62
Total other-losses.....	(665,716)	(652,768)	(4,451)
<b>Financial income (loss):</b>			
Interest income.....	25,521	13,753	171
Dividends received.....	31,044	34,087	207
Interest expense.....	(48,761)	(23,520)	(326)
Total financial income.....	7,804	24,320	52
Equity in earnings of associates and joint ventures.....	162,108	185,615	1,084
<b>Profit before tax.....</b>	<b>571,824</b>	<b>641,580</b>	<b>3,823</b>
Income tax expense.....	(129,153)	(136,936)	(864)
<b>Net profit.....</b>	<b>442,671</b>	<b>504,644</b>	<b>2,959</b>
Net profit attributable to ITOCHU.....	412,899	483,031	2,760
Net profit attributable to non-controlling interests.....	29,772	21,613	199

	Millions of Yen		Millions of U.S. Dollars
	Apr.-Sep. 2023	Apr.-Sep. 2022	Apr.-Sep. 2023
<b>Other comprehensive income, net of tax:</b>			
<b>Items that will not be reclassified to profit or loss</b>			
FVTOCI financial assets.....	¥ 41,135	¥ (24,899)	\$ 275
Remeasurement of net defined pension liability.....	149	(1,003)	1
Other comprehensive income in associates and joint ventures.....	6,777	(10,821)	45
<b>Items that will be reclassified to profit or loss</b>			
Translation adjustments.....	224,459	243,036	1,501
Cash flow hedges.....	589	(3,796)	4
Other comprehensive income in associates and joint ventures.....	27,420	89,483	183
<b>Total other comprehensive income, net of tax.....</b>	<b>300,529</b>	<b>292,000</b>	<b>2,009</b>
<b>Total comprehensive income.....</b>	<b>743,200</b>	<b>796,644</b>	<b>4,968</b>
Total comprehensive income attributable to ITOCHU.....	696,261	769,283	4,654
Total comprehensive income attributable to non-controlling interests.....	46,939	27,361	314

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

Note 2 : “Trading income” is presented in accordance with Japanese accounting practices.

“Trading income” = “Gross trading profit” + “Selling, general and administrative expenses”  
+ “Provision for doubtful accounts”

Trading income for the six-month periods ended September 30, 2023 and 2022 were 350,922 million yen (2,346 million U.S. dollars) and 388,533 million yen, respectively.

**(2) Consolidated Statement of Financial Position [Condensed]**

ITOCHU Corporation and its Subsidiaries

As of September 30, 2023 and March 31, 2023

Assets	Millions of Yen		Millions of U.S. Dollars
	Sep. 2023	Mar. 2023	Sep. 2023
<b>Current assets:</b>			
Cash and cash equivalents.....	¥ 606,587	¥ 606,002	\$ 4,055
Time deposits.....	11,802	9,467	79
Trade receivables.....	2,907,752	2,533,297	19,440
Other current receivables.....	232,851	243,043	1,557
Other current financial assets.....	97,101	73,336	649
Inventories.....	1,354,040	1,304,942	9,052
Advances to suppliers.....	160,670	142,862	1,074
Other current assets.....	253,107	208,419	1,692
Total current assets.....	<u>5,623,910</u>	<u>5,121,368</u>	<u>37,598</u>
<b>Non-current assets:</b>			
Investments accounted for by the equity method.....	3,084,773	2,828,850	20,623
Other investments.....	1,092,594	943,270	7,304
Non-current receivables.....	885,227	805,159	5,918
Non-current financial assets other than investments and receivables.....	163,179	162,768	1,091
Property, plant and equipment.....	2,032,310	1,998,485	13,587
Investment property.....	40,666	44,050	272
Goodwill and intangible assets.....	1,103,316	1,079,253	7,376
Deferred tax assets.....	61,352	54,478	410
Other non-current assets.....	82,360	77,719	551
Total non-current assets.....	<u>8,545,777</u>	<u>7,994,032</u>	<u>57,132</u>
<b>Total assets.....</b>	<u>¥ 14,169,687</u>	<u>¥ 13,115,400</u>	<u>\$ 94,730</u>



Liabilities and Equity	Millions of Yen		Millions of
			U.S. Dollars
	Sep. 2023	Mar. 2023	Sep. 2023
<b>Current liabilities:</b>			
Short-term debentures and borrowings.....	¥ 748,964	¥ 659,710	\$ 5,007
Lease liabilities (short-term).....	222,572	238,289	1,488
Trade payables.....	2,426,991	2,042,608	16,226
Other current payables.....	195,680	190,014	1,308
Other current financial liabilities.....	93,025	71,642	622
Current tax liabilities.....	68,281	118,109	457
Advances from customers.....	172,028	162,409	1,150
Other current liabilities.....	474,668	462,044	3,173
Total current liabilities.....	4,402,209	3,944,825	29,431
<b>Non-current liabilities:</b>			
Long-term debentures and borrowings.....	2,499,362	2,346,928	16,709
Lease liabilities (long-term).....	781,161	766,278	5,222
Other non-current financial liabilities.....	64,847	56,543	434
Non-current liabilities for employee benefits.....	98,839	96,942	661
Deferred tax liabilities.....	344,520	273,123	2,303
Other non-current liabilities.....	166,817	163,386	1,115
Total non-current liabilities.....	3,955,546	3,703,200	26,444
Total liabilities.....	8,357,755	7,648,025	55,875
<b>Equity:</b>			
Common stock:			
Authorized: 3,000,000,000 shares;			
issued: 1,584,889,504 shares.....	253,448	253,448	1,694
Capital surplus.....	(347,383)	(169,322)	(2,322)
Retained earnings.....	4,738,373	4,434,463	31,678
Other components of equity:			
Translation adjustments.....	683,100	458,560	4,567
FVTOCI financial assets.....	165,251	117,210	1,105
Cash flow hedges.....	45,732	30,840	305
Total other components of equity.....	894,083	606,610	5,977
Treasury stock.....	(326,705)	(301,940)	(2,184)
Total shareholders' equity.....	5,211,816	4,823,259	34,843
Non-controlling interests.....	600,116	644,116	4,012
Total equity.....	5,811,932	5,467,375	38,855
<b>Total liabilities and equity.....</b>	<b>¥14,169,687</b>	<b>¥13,115,400</b>	<b>\$ 94,730</b>

**(3) Consolidated Statement of Changes in Equity [Condensed]**

ITOCHU Corporation and its Subsidiaries

For the six-month periods ended September 30, 2023 and 2022

(Unit: Millions of Yen)

	Shareholders' equity						Non-controlling interests	Total equity
	Common stock	Capital surplus	Retained earnings	Other components of equity	Treasury stock	Total shareholders' equity		
Balance on Apr. 1, 2023	¥ 253,448	¥ (169,322)	¥ 4,434,463	¥ 606,610	¥ (301,940)	¥ 4,823,259	¥ 644,116	¥ 5,467,375
Net profit			412,899			412,899	29,772	442,671
Other comprehensive income				283,362		283,362	17,167	300,529
Total comprehensive income			412,899	283,362		696,261	46,939	743,200
Cash dividends to shareholders			(109,265)			(109,265)		(109,265)
Cash dividends to non-controlling interests						-	(14,625)	(14,625)
Net change in acquisition (disposition) of treasury stock					(24,765)	(24,765)		(24,765)
Net change in sale (purchase) of subsidiary shares to (from) non-controlling interests		(178,061)		4,387		(173,674)	(76,314)	(249,988)
Transfer to Retained earnings			276	(276)		-		-
Balance on Sep. 30, 2023	253,448	(347,383)	4,738,373	894,083	(326,705)	5,211,816	600,116	5,811,932

(Unit: Millions of Yen)

	Shareholders' equity						Non-controlling interests	Total equity
	Common stock	Capital surplus	Retained earnings	Other components of equity	Treasury stock	Total shareholders' equity		
Balance on Apr. 1, 2022	¥ 253,448	¥ (161,917)	¥ 3,811,991	¥ 537,007	¥ (241,204)	¥ 4,199,325	¥ 564,375	¥ 4,763,700
Cumulative effects of the application of new accounting standards			7,219	(3,471)		3,748		3,748
Net profit			483,031			483,031	21,613	504,644
Other comprehensive income				286,252		286,252	5,748	292,000
Total comprehensive income			483,031	286,252		769,283	27,361	796,644
Cash dividends to shareholders			(92,715)			(92,715)		(92,715)
Cash dividends to non-controlling interests						-	(18,739)	(18,739)
Net change in acquisition (disposition) of treasury stock					(1,256)	(1,256)		(1,256)
Net change in sale (purchase) of subsidiary shares to (from) non-controlling interests		(7,898)		337		(7,561)	96,012	88,451
Transfer to Retained earnings			1,370	(1,370)		-		-
Balance on Sep. 30, 2022	253,448	(169,815)	4,210,896	818,755	(242,460)	4,870,824	669,009	5,539,833

(Unit: Millions of U.S. Dollars)

	Shareholders' equity						Non-controlling interests	Total equity
	Common stock	Capital surplus	Retained earnings	Other components of equity	Treasury stock	Total shareholders' equity		
Balance on Apr. 1, 2023	\$ 1,694	\$ (1,132)	\$ 29,646	\$ 4,056	\$ (2,019)	\$ 32,245	\$ 4,306	\$ 36,551
Net profit			2,760			2,760	199	2,959
Other comprehensive income				1,894		1,894	115	2,009
Total comprehensive income			2,760	1,894		4,654	314	4,968
Cash dividends to shareholders			(730)			(730)		(730)
Cash dividends to non-controlling interests						-	(98)	(98)
Net change in acquisition (disposition) of treasury stock					(165)	(165)		(165)
Net change in sale (purchase) of subsidiary shares to (from) non-controlling interests		(1,190)		29		(1,161)	(510)	(1,671)
Transfer to Retained earnings			2	(2)		-		-
Balance on Sep. 30, 2023	1,694	(2,322)	31,678	5,977	(2,184)	34,843	4,012	38,855

**(4) Consolidated Statement of Cash Flows [Condensed]**

ITOCHU Corporation and its Subsidiaries

For the six-month periods ended September 30, 2023 and 2022

	Millions of Yen		Millions of U.S. Dollars
	Apr.-Sep. 2023	Apr.-Sep. 2022	Apr.-Sep. 2023
<b>Cash flows from operating activities:</b>			
Net profit.....	¥ 442,671	¥ 504,644	\$ 2,959
Adjustments to reconcile net profit to net cash provided by operating activities			
Depreciation and amortization.....	205,793	200,952	1,376
(Gains) losses on investments.....	(35,403)	(50,306)	(237)
(Gains) losses on property, plant, equipment and intangible assets.....	(6,309)	7,217	(42)
Financial (income) loss.....	(7,804)	(24,320)	(52)
Equity in earnings of associates and joint ventures.....	(162,108)	(185,615)	(1,084)
Income tax expense.....	129,153	136,936	864
Provision for doubtful accounts and other provisions.....	(871)	(851)	(6)
Changes in assets and liabilities, other-net.....	(25,954)	(122,863)	(173)
Proceeds from interest.....	23,407	12,585	156
Proceeds from dividends.....	116,621	129,873	780
Payments for interest.....	(44,963)	(19,030)	(301)
Payments for income taxes.....	(165,020)	(120,086)	(1,103)
Net cash provided by (used in) operating activities.....	<u>469,213</u>	<u>469,136</u>	<u>3,137</u>
<b>Cash flows from investing activities:</b>			
Net change in investments accounted for by the equity method.....	(36,687)	(214,302)	(245)
Net change in other investments.....	(8,809)	17,677	(59)
Net change in loans receivable.....	10,710	(25,430)	72
Net change in property, plant, equipment and intangible assets.....	(56,365)	(87,943)	(377)
Net change in time deposits.....	446	3,183	3
Net cash provided by (used in) investing activities.....	<u>(90,705)</u>	<u>(306,815)</u>	<u>(606)</u>
<b>Cash flows from financing activities:</b>			
Net change in debentures and loans payable.....	121,767	(8,549)	814
Repayments of lease liabilities.....	(125,087)	(131,117)	(836)
Cash dividends.....	(109,265)	(92,715)	(730)
Net change in treasury stock.....	(25,033)	(1,735)	(168)
Other.....	(260,352)	58,120	(1,741)
Net cash provided by (used in) financing activities.....	<u>(397,970)</u>	<u>(175,996)</u>	<u>(2,661)</u>
<b>Net change in cash and cash equivalents.....</b>	<u>(19,462)</u>	<u>(13,675)</u>	<u>(130)</u>
Cash and cash equivalents at the beginning of the period.....	606,002	611,715	4,051
Effect of exchange rate changes on cash and cash equivalents.....	20,047	24,427	134
<b>Cash and cash equivalents at the end of the period.....</b>	<u>¥ 606,587</u>	<u>¥ 622,467</u>	<u>\$ 4,055</u>

(5) Operating Segment Information

ITOCHU Corporation and its Subsidiaries

For the six-month periods ended September 30, 2023 and 2022

Information concerning operations in different operating segments for the six-month periods ended September 30, 2023 and 2022 is as follows:

For the six-month period ended September 30, 2023 (April 1, 2023 -September 30, 2023)										Millions of Yen	
	Textile	Machinery	Metals & Minerals	Energy & Chemicals	Food	General Products & Realty	ICT & Financial Business	The 8th	Others, Adjustments & Eliminations	Consolidated total	
Revenues:											
Revenues from external customers...	¥ 258,265	¥ 685,828	¥ 562,629	¥ 1,482,724	¥ 2,425,488	¥ 657,118	¥ 372,750	¥ 264,595	¥ 64,701	¥ 6,774,098	
Intersegment revenues.....	16	49	-	22,551	9,205	8,269	6,903	2,307	(49,300)	-	
Total revenues.....	258,281	685,877	562,629	1,505,275	2,434,693	665,387	379,653	266,902	15,401	6,774,098	
Gross trading profit.....	61,131	114,314	92,099	133,159	186,797	126,925	131,894	216,071	5,238	1,067,628	
Trading income.....	11,588	36,416	81,953	52,715	53,473	47,467	29,293	43,298	(5,281)	350,922	
Net profit attributable to ITOCHU.....	11,526	60,587	102,674	53,822	39,130	34,015	37,848	24,361	48,936	412,899	
[Equity in earnings of associates and joint ventures].....	[2,883]	[42,753]	[28,800]	[2,647]	[11,569]	[3,167]	[21,195]	[1,068]	[48,026]	[162,108]	
Total assets on Sep. 30, 2023.....	496,013	1,793,028	1,391,839	1,768,892	2,425,006	1,281,865	1,369,004	1,944,878	1,699,162	14,169,687	
For the six-month period ended September 30, 2022 (April 1, 2022 -September 30, 2022)											Millions of Yen
	Textile	Machinery	Metals & Minerals	Energy & Chemicals	Food	General Products & Realty	ICT & Financial Business	The 8th	Others, Adjustments & Eliminations	Consolidated total	
Revenues:											
Revenues from external customers...	¥ 254,070	¥ 667,316	¥ 691,940	¥ 1,720,685	¥ 2,296,636	¥ 637,936	¥ 422,462	¥ 234,381	¥ 66,738	¥ 6,992,164	
Intersegment revenues.....	2,831	57	-	21,154	6,970	9,416	6,731	2,009	(49,168)	-	
Total revenues.....	256,901	667,373	691,940	1,741,839	2,303,606	647,352	429,193	236,390	17,570	6,992,164	
Gross trading profit.....	53,415	109,656	127,427	152,752	170,548	115,379	138,880	194,674	21,682	1,084,413	
Trading income.....	8,717	33,659	117,785	74,123	40,843	46,721	25,500	29,793	11,392	388,533	
Net profit attributable to ITOCHU.....	11,582	71,691	135,160	50,049	31,423	63,207	25,568	13,075	81,276	483,031	
[Equity in earnings of associates and joint ventures].....	[2,834]	[19,787]	[31,680]	[5,568]	[3,112]	[24,365]	[21,670]	[63]	[76,536]	[185,615]	
Total assets on Sep. 30, 2022.....	499,785	1,651,865	1,479,356	1,641,595	2,232,468	1,263,440	1,370,819	1,939,698	1,533,388	13,612,414	
Total assets on Mar. 31, 2023.....	457,659	1,664,644	1,274,803	1,552,638	2,146,794	1,223,292	1,308,118	1,906,655	1,580,797	13,115,400	
For the six-month period ended September 30, 2023 (April 1, 2023 -September 30, 2023)										Millions of U.S. Dollars	
	Textile	Machinery	Metals & Minerals	Energy & Chemicals	Food	General Products & Realty	ICT & Financial Business	The 8th	Others, Adjustments & Eliminations	Consolidated total	
Revenues:											
Revenues from external customers...	\$ 1,727	\$ 4,585	\$ 3,761	\$ 9,913	\$ 16,215	\$ 4,393	\$ 2,492	\$ 1,769	\$ 433	\$ 45,288	
Intersegment revenues.....	0	0	-	151	62	56	46	15	(330)	-	
Total revenues.....	1,727	4,585	3,761	10,064	16,277	4,449	2,538	1,784	103	45,288	
Gross trading profit.....	409	764	616	890	1,249	849	882	1,444	35	7,138	
Trading income.....	78	243	548	352	358	317	196	289	(35)	2,346	
Net profit attributable to ITOCHU.....	77	405	686	360	262	227	253	163	327	2,760	
[Equity in earnings of associates and joint ventures].....	[19]	[286]	[193]	[18]	[77]	[21]	[142]	[7]	[321]	[1,084]	
Total assets on Sep. 30, 2023.....	3,316	11,987	9,305	11,826	16,212	8,570	9,152	13,002	11,360	94,730	

Note 1 : "Equity in earnings of associates and joint ventures" is included in "Net profit attributable to ITOCHU".

Note 2 : "Trading income" = "Gross trading profit" + "Selling, general and administrative expenses" + "Provision for doubtful accounts"

Note 3 : "Others, Adjustments & Eliminations" includes gains and losses, which do not belong to any operating segment and internal eliminations between operating segments. The investments in CITIC Limited and C.P. Pokphand Co. Ltd. and the profits and losses from them are included in this segment.

Note 4 : As of October 1, 2022, ITOCHU dissolved the mutual-holdings for certain group companies held by The 8th segment as minority and the other segment as majority, and shares of such group companies are only held by the other segment. Accordingly, the results for the six-month period ended September 30, 2022 are reclassified in the same manner.

**(6) Assumption for Going Concern : None**

**(7) Material Subsequent Events**

The resolution regarding Repurchase of Own Shares

ITOCHU has decided at the meeting of the Board of Directors held on November 6, 2023 to repurchase own shares in accordance with Article 156 of the Companies Act of Japan, as applied pursuant to Paragraph 3, Article 165 of the Companies Act of Japan.

**(a) Reason for Repurchasing Own Shares**

ITOCHU will repurchase its own shares to execute the flexible capital strategy based on the current Shareholder Returns Policy.

**(b) Details of the Repurchase**

- (i) Type of shares to be repurchased : Common stock of ITOCHU
- (ii) Total number of shares to be repurchased : 17,000,000 shares (maximum)  
(Proportion of the total number of shares issued excluding treasury stock : approximately 1.2%)
- (iii) Total amount of shares to be repurchased : ¥75,000 million (maximum)
- (iv) Period : From November 7, 2023 to February 29, 2024
- (v) Methods of repurchase : Purchases on the Tokyo Stock Exchange