

Consolidated Financial Results for the Third Quarter of Fiscal Year 2009 ending March 31, 2009

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- Unaudited -

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Consolidated Financial Results for the Third Quarter of Fiscal Year 2009 ending March 31, 2009

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

Company name: ITOCHU Corporation

Stock exchange code: 8001

URL: http://www.itochu.co.jp/main/ir/index_e.html

President and Chief Executive Officer: Eizo Kobayashi

General Manager of Corporate Communications Division: Isamu Nakayama

TEL: 81 - 3 - 3497 - 7291

1. Consolidated operating results for the third quarter of fiscal year 2009 (from April 1, 2008 to December 31, 2008)

(1) Consolidated operating results (Summary)

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

	Total trading transactions		Trading income (*)		Income before income taxes, minority interests and equity in earnings of associated companies		Net income	
	millions of yen	%	millions of yen	%	millions of yen	%	millions of yen	%
For the first to third quarter of								
Fiscal year 2009	9,936,068	9.8	241,874	23.6	188,656	-9.9	162,675	-4.4
Fiscal year 2008	9,052,991	5.7	195,714	2.8	209,452	-2.5	170,226	13.8

	Net income per share (basic)		Net income per share (diluted)	
	yen		yen	
For the first to third quarter of				
Fiscal year 2009	102.92		102.33	
Fiscal year 2008	107.67		98.61	

(2) Consolidated financial position

	Total assets	Stockholders' equity	Ratio of stockholders' equity to total assets	Stockholders' equity per share
	millions of yen	millions of yen	%	yen
December 31, 2008	5,726,607	937,034	16.4	592.84
March 31, 2008	5,274,199	973,545	18.5	615.89

2. Dividend distribution

(Record date)	Dividend distribution per share				
	End of first quarter	End of second quarter	End of third quarter	Year-end	Annual
	yen	yen	yen	yen	yen
Fiscal year 2008	-	8.50	-	9.50	18.00
Fiscal year 2009	-	10.50	-	10.50 (Planned)	21.00 (Planned)

(Note) No changes from the plan of dividend distribution previously announced on April 30, 2008

3. Outlook of consolidated operating results for fiscal year 2009 (from April 1, 2008 to March 31, 2009)

(%: Changes from the previous fiscal year)

	Total trading transactions		Trading income (*)		Income before income taxes, minority interests and equity in earnings of associated companies		Net income		Net income per share (basic)
	millions of yen	%	millions of yen	%	millions of yen	%	millions of yen	%	yen
Fiscal year 2009	12,900,000	4.1	285,000	7.5	230,000	-18.0	180,000	-17.2	113.88

(Note) changes from the forecast announced on October 30, 2008

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

[Qualitative Information & Consolidated Financial Statements]

1. Qualitative Information on Consolidated Operating Results

[For the nine months ended December 31, 2008 (from April 1, 2008 to December 31, 2008)]

Revenue for the nine months ended December 31, 2008 increased by 18.0% or 385.6 billion yen to 2,529.9 billion yen (27,792 million U.S. dollars) compared with the same period of the previous fiscal year, mainly due to rise in prices of metal and energy resources, and expansion of sales volume of iron ore as well as increase resulting from turning ITOCHU ENEX CO., LTD. into a consolidated subsidiary in Energy, Metals & Minerals; and expansion of food distribution business in Food; though there was some decrease in Textile due to market slowdown in textile raw materials, fabrics and apparels, and the effect from leaving of several subsidiaries, despite the contribution of a newly consolidated subsidiary, SANKEI CO., LTD. ; in Machinery due to declined automobile sales as a result of sluggish market conditions in U.S.; and also decrease in Chemicals, Forest Products & General Merchandise due to plunge in chemical market and the effect from leaving of a U.S. subsidiary, in addition to negative effect caused by yen's appreciation throughout all segments.

Total trading transactions in accordance with Japanese accounting practice increased by 9.8% or 883.1 billion yen to 9,936.1 billion yen (109,152 million U.S. dollars) compared with the same period of the previous fiscal year, mainly due to increase in Energy, Metals & Minerals for the above mentioned reasons; and higher prices and sales volume increase in food resources such as feed grains, oilseeds, oil and fats and expansion of food distribution business in Food; in spite of decrease in Textile for the above mentioned reasons; and in Chemicals, Forest Product & General Merchandise because of plunge in chemical market and slowdown in domestic housing market.

Gross trading profit increased by 11.6% or 85.9 billion yen to 824.5 billion yen (9,058 million U.S. dollars) compared with the same period of the previous fiscal year, due to rise in prices of metal resources and energy, and expansion of sales volume of iron ore as well as increase resulting from turning ITOCHU ENEX CO., LTD. into a consolidated subsidiary in Energy, Metals & Minerals; and expansion of food distribution business in Food; though there was some decrease in Textile due to market slowdown in textile raw materials, fabrics and apparels, and the effect from leaving of several subsidiaries despite the contribution of a newly consolidated subsidiary, SANKEI CO., LTD. as a consolidated subsidiary; in Machinery due to declined automobile sales as a result of sluggish market conditions in U.S.; and also decrease in Chemicals, Forest Products & General Merchandise due to plunge in chemical market and the effect from leaving of a U.S. subsidiary.

Selling, general and administrative expenses increased by 5.1% or 27.9 billion yen to 570.2 billion yen (6,264 million U.S. dollars) compared with the same period of the previous fiscal year, mainly due to expansion of business and increase in pension cost, as well as increase resulting from turning ITOCHU ENEX CO., LTD. into a consolidated subsidiary and newly joining of SANKEI CO., LTD. , despite decrease in Textile and in Chemicals, Forest Products & General Merchandise due to the effect of the leaving of subsidiaries.

Provision for doubtful receivables increased by 11.8 billion yen to 12.5 billion yen (137 million U.S. dollars) compared with the same period of the previous fiscal year, mainly due to the provision of 10.8 billion yen for doubtful receivables from Machinery-related customers in Mongolia (refer to "Note 1").

Net interest expenses improved by 7.7% or 1.9 billion yen to 22.1 billion yen (242 million U.S. dollars) compared with the same period of the previous fiscal year, because of the positive effect in trade finance due to decline in U.S. dollars interest rate, and **Dividends received** increased by 39.3% or 7.7 billion yen to 27.2 billion yen (298 million U.S. dollars) compared with the same period of the previous fiscal year, mainly due to increase in dividends from LNG-related investments. Therefore, **Net financial income (expenses)**, or total of Net interest expenses and Dividends received, improved by 9.5 billion yen to 5.1 billion yen (56 million U.S. dollars) compared with the same period of the previous fiscal year.

Concerning the other profits and losses, compared with the same period of the previous fiscal year, **Gain (loss) on disposal of investments and marketable securities, net of write-down** decreased by 30.3 billion yen to a loss of 13.6 billion yen (149 million U.S. dollars), due to increase in impairment loss accompanied by sharp decline in stock market prices, in addition to decrease in gain on sales of investments and marketable securities. **Loss on property and equipment-net** worsened by 34.7 billion yen to a loss of 35.1 billion yen (386 million U.S. dollars), due to the impairment loss (26.6 billion yen) from suspension of US Gulf of Mexico Entrada Oil/Natural Gas Field development (refer to "Note 2"), and the impairment loss on long-lived assets in several subsidiaries. **Other-net** worsened by 11.4 billion yen to a loss of 9.6 billion yen (105 million U.S. dollars), due to the loss (10.5 billion yen) from suspension of Entrada Oil/Natural Gas Field development (refer to "Note 2").

As a result, **Income before income taxes, minority interests and equity in earnings of associated companies** decreased by 9.9% or 20.8 billion yen to 188.7 billion yen (2,072 million U.S. dollars) compared with the same period of the previous fiscal year.

Income taxes decreased by 27.6% or 26.7 billion yen to 70.3 billion yen (772 million U.S. dollars) compared with the same period of the previous fiscal year, and **Minority interests** decreased by 21.7% or 1.8 billion yen to a loss of 6.4 billion yen (70 million U.S. dollars).

Equity in earnings of associated companies decreased by 23.1% or 15.3 billion yen to 50.7 billion yen (557 million U.S. dollars) compared with the same period of the previous fiscal year, due to decrease in the equity in earnings from Orient Corporation (hereafter "Orico") resulting from the absence of the gain recorded in the same period of the previous fiscal year from reverse split of preferred stocks less impairment loss of Orico common stocks (with net gain of 26.1 billion yen, refer to "Note 3"); in spite of increase in the equity in earnings from a newly joined associated company in Textile, an existing steel-product-related associated company and a pulp-related associated company.

As a result, **Net income** decreased by 4.4% or 7.6 billion yen to 162.7 billion yen (1,787 million U.S. dollars) compared with the same period of the previous fiscal year.

<Note 1> Refer to "Report on the Discovery of Delays in Collections of Receivables under the Tri-Nation Trade Transactions and the Uncovering of a Financial Assistance Scheme Disguised as Sales Transactions" announced on January 28, 2009.

<Note 2> Refer to "Regarding the Loss related to US Gulf of Mexico, Entrada Oil/Natural Gas Project" announced on February 2, 2009.

<Note 3> In the third quarter of fiscal year 2008, the following gain and loss arising from the investment in Orico was included respectively in "Equity in earnings of associated companies", "Income taxes", and "Net income".

Factor	Recognized items in Consolidated Statements of Operations		
	Equity in earnings (losses) of assoc. companies	Income taxes	Net income
1) Equity in earnings and its tax effect recognized regarding exemption from obligation to redeem preferred stocks, which was brought by the reverse split of the preferred stocks in Orico	52.2	(21.4)	30.8
2) Impairment loss and its tax effect related to Orico common stocks	(26.2)	10.7	(15.4)
	26.1	(10.7)	15.4

[For the three months ended December 31, 2008 (from October 1, 2008 to December 31, 2008)]

Revenue for the three months ended December 31, 2008 increased by 43.3% or 312.0 billion yen to 1,033.2 billion yen (11,350 million U.S. dollars) compared with the same period of the previous fiscal year, mainly due to the contribution of a newly consolidated subsidiary, SANKEI CO., LTD. despite decrease from market slowdown in textile raw materials, fabrics and apparels in Textile; rise in prices of metal resources and increase resulting from turning ITOCHU ENEX CO., LTD. into a consolidated subsidiary in Energy, Metals & Minerals; and expansion of food distribution business in Food; though there was some decrease in Machinery due to declined automobile sales as a result of sluggish market conditions in U.S. and emerging countries; and also decrease in Chemicals, Forest Products & General Merchandise due to plunge in chemical market and the effect from leaving of a U.S. subsidiary.

Total trading transactions in accordance with Japanese accounting practice increased by 4.9% or 156.5 billion yen to 3,323.8 billion yen (36,513 million U.S. dollars) compared with the same period of the previous fiscal year, mainly due to increase in Energy, Metals & Minerals for the above mentioned reasons; and expansion of food distribution business and higher prices in feed grains in Food; in spite of decrease in Textile due to market slowdown in textile raw materials, fabrics and apparels, and the effect from leaving of several subsidiaries despite the contribution of a newly consolidated subsidiary, SANKEI CO., LTD.; and decrease in Chemicals, Forest Product & General Merchandise for the above mentioned reasons.

Gross trading profit increased by 13.9% or 34.5 billion yen to 282.5 billion yen (3,103 million U.S. dollars) compared with the same period of the previous fiscal year, due to increase resulting from turning ITOCHU ENEX CO., LTD. into a consolidated subsidiary and rise in prices of metal resources in Energy, Metals & Minerals; and expansion of food distribution business in Food; though there was some decrease in Textile due to market slowdown in textile raw materials, fabrics and apparels, and the effect from leaving of several subsidiaries despite the contribution of a newly consolidated subsidiary, SANKEI CO., LTD.; in Machinery due to declined automobile sales; and also decrease in Chemicals, Forest Products & General Merchandise due to plunge in chemical market and the effect from leaving of a U.S. subsidiary.

Selling, general and administrative expenses increased by 11.1% or 20.5 billion yen to 204.7 billion yen (2,249 million U.S. dollars) compared with the same period of the previous fiscal year, mainly due to expansion of business and increase in pension cost, in addition to increase resulting from turning ITOCHU ENEX CO., LTD. into a consolidated subsidiary and newly joining of SANKEI CO., LTD. as a consolidated subsidiary.

Provision for doubtful receivables decreased by 0.4 billion yen to 0.1 billion yen (2 million U.S. dollars) compared with the same period of the previous fiscal year.

Net interest expenses improved by 6.1% or 0.5 billion yen to 7.6 billion yen (83 million U.S. dollars) compared with the same period of the previous fiscal year, because of the positive effect in trade finance due to decline in U.S. dollars interest rate, and **Dividends received** increased by 64.8% or 3.7 billion yen to 9.3 billion yen (103 million U.S. dollars) compared with the same period of the previous fiscal year, mainly due to increase in dividends from LNG-related investments. Therefore, **Net financial income (expenses)**, or total of Net interest expenses and Dividends received, improved by 4.2 billion yen to 1.8 billion yen (19 million U.S. dollars) compared with the same period of the previous fiscal year.

Concerning the other profits and losses, compared with the same period of the previous fiscal year, **Gain (loss) on sale of investments and marketable securities, net of write-down** decreased by 24.8 billion yen to a loss of 18.6 billion yen (204 million U.S. dollars), due to increase in impairment loss accompanied by sharp decline in stock market prices, in addition to decrease in gain on sales of investments and marketable securities. **Loss on property and equipment-net** worsened by 33.7 billion yen to a loss of 34.3 billion yen (377 million U.S. dollars), due to the impairment loss (26.6 billion yen) from suspension of Entrada Oil/Natural Gas Field development (refer to "Note 2"), and the impairment loss on long lived assets in several subsidiaries. **Other-net** worsened by 6.6 billion yen to a loss of 7.1 billion yen (78 million U.S. dollars), due to the loss (10.5 billion yen) from suspension of Entrada Oil/Natural Gas Field development (refer to "Note 2"), even with improvement of miscellaneous profit and loss in domestic subsidiaries.

As a result, **Income before income taxes, minority interests and equity in earnings of associated companies** decreased by 70.6% or 46.5 billion yen to 19.4 billion yen (213 million U.S. dollars) compared with the same period of the previous fiscal year.

Income taxes decreased by 63.9% or 15.6 billion yen to 8.8 billion yen (97 million U.S. dollars) compared with the same period of the previous fiscal year (refer to "Note 2"), and **Minority interests** decreased by 11.5% or 0.4 billion yen to a loss of 2.8 billion yen (30 million U.S. dollars).

Equity in earnings of associated companies increased by 1.3% or 0.2 billion yen to 15.7 billion yen (173 million U.S. dollars) compared with the same period of the previous fiscal year, due to increase in the equity in earnings from a pulp-related associated company despite decrease in automobile-related associated companies.

As a result, **Net income** decreased by 56.3% or 30.3 billion yen to 23.6 billion yen (259 million U.S. dollars) compared with the same period of the previous fiscal year.

2. Qualitative Information on Consolidated Financial Position

(1) Consolidated Financial Position

Total assets as of December 31, 2008 increased by 8.6% or 452.4 billion yen compared with March 31, 2008, to 5,726.6 billion yen (62,909 million U.S. dollars). Despite decrease in **Other investments** due to stock market slowdown, **Trade receivables** increased in Energy, Metals & Minerals (including the effect of turning ITOCHU ENEX CO., LTD. into a consolidated subsidiary) and in Food (mainly caused by expansion of food distribution business); **Inventories** increased mainly in Aerospace, Electronics & Multimedia, in Machinery, and in Construction & Realty; **Investments in and advances to associated companies** increased resulting from investment in iron ore production and wholesale business; and **Net property and equipment** increased due to newly joining of a subsidiary in Machinery.

Interest-bearing debt increased by 13.9% or 291.8 billion yen compared with March 31, 2008, to 2,396.2 billion yen (26,323 million U.S. dollars), and **Net interest-bearing debt** (interest-bearing debt after deducting **Cash and cash equivalents** and **Time deposits**) increased by 15.9% or 262.5 billion yen compared with March 31, 2008, to 1,917.0 billion yen (21,059 million U.S. dollars).

Stockholders' equity decreased by 3.8% or 36.5 billion yen compared with March 31, 2008, to 937.0 billion yen (10,294 million U.S. dollars) in spite of accumulation of Net income, due to decrease from dividend payment, worsening of Unrealized holding gains on securities resulting from stock market slowdown, and significant worsening of Foreign currency translation adjustments through yen's appreciation. As a result, **Ratio of stockholders' equity to total assets** dropped by 2.1 points compared with March 31, 2008, to 16.4%. **NET DER** (Net Debt-to-Equity Ratio) worsened by 0.3 points compared with March 31, 2008, to 2.0 times.

(2) Consolidated Cash Flows Information

Cash flows from operating activities for the nine months ended December 31, 2008 recorded net cash-inflow of 112.7 billion yen (1,238 million U.S. dollars) due to good performances in operating revenue mainly in overseas natural resource-related business.

Cash flows from investing activities recorded net cash-outflow of 287.5 billion yen (3,158 million U.S. dollars) mainly due to investment in iron ore production and wholesale business, increased capital expenditure in overseas natural resource development sector, and investment in new equity-method associated company in Machinery.

Cash flows from financing activities recorded net cash-inflow (net borrowing) of 214.7 billion yen (2,358 million U.S. dollars) as a result of increased capital demand mainly due to business expansion. Consequently, the current balance of **Cash and cash equivalents** as of December 31, 2008 increased by 15.9 billion yen to 462.2 billion yen (5,078 million U.S. dollars) compared with March 31, 2008.

4. Other information

(1) Changes of classification of specified subsidiaries(*) accompanied by changes in the consolidation scope during the period: N/A

(*) Specified subsidiaries: Major subsidiaries selected according to the Japanese Cabinet Office Ordinance

(2) Adoption of simplified or specific accounting methods for quarterly financial reporting: N/A

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

(a) Changes due to amendment of accounting standards: N/A

(b) Other changes: N/A

(4) Number of common shares issued

(a) Number of common shares outstanding : 3rd quarter of FY 2009 1,584,889,504 Fiscal year 2008 1,584,889,504
(including the number of treasury stock)

(b) Number of treasury stock: 3rd quarter of FY 2009 4,313,035 Fiscal year 2008 4,183,607

(c) Average number of common shares outstanding : 3rd quarter of FY 2009 1,580,613,666 3rd quarter of FY 2008 1,580,930,970

[Note]

1. This document is an English translation of a statement written initially in Japanese. The Japanese original should be considered the primary version.
2. The financial statements contain forward-looking statements regarding ITOCHU Corporation's corporate plans, strategies, forecasts, and other statements that are not historical facts. They are based on current expectations, estimates, forecasts and projections about the industries in which ITOCHU Corporation operates. As the expectations, estimates, forecasts and projections are subject to a number of risks, uncertainties and assumptions, including without limitation, changes in economic conditions; fluctuations in currency exchange rates; changes in the competitive environment; the outcome of pending and future litigation; and the continued availability of financing, financial instruments and financial resources, they may cause actual results to differ materially from those presented in such forward-looking statements. ITOCHU Corporation, therefore, wishes to caution that readers should not place undue reliance on forward-looking statements, and, further that ITOCHU Corporation undertakes no obligation to update any forward-looking statements as a result of new information, future events or other developments.
3. "Total trading transactions" and "Trading income" are presented in accordance with Japanese accounting practice.
 - "Total trading transactions" in the consolidated statements of operations consists of sales with respect to transactions in which the companies act as principal and the total amount of transactions in which the companies act as agent.
 - "Trading income" = "Gross trading profit" + "Selling, general and administrative expenses" + "Provision for doubtful receivables"
4. The consolidated financial statements are expressed in yen and, solely for the convenience of the reader, have been translated into U.S. dollars at the rate of 91.03 yen = 1 U.S. dollar, the exchange rate prevailing on December 31, 2008. The translation should not be construed as a representation that the Japanese yen amounts could be converted into U.S. dollars at the above or any other rate.
5. As announced dated January 28, 2009 in "Report on the Discovery of Delays in Collections of Receivables under the Tri-Nation Trade Transactions and the Uncovering of a Financial Assistance Scheme Disguised as Sales Transactions", the disclosed consolidated financial statements figures in the past are restated in this booklet.

3. Outlook for Fiscal Year 2009

The subprime loan problem made U.S. and European financial institutes go bankrupt from last September, which caused economic turbulence in U.S. and Europe. This situation, viewing the fourth quarter of this fiscal year, leads to world-wide market plunge and credit crunch, moreover, the world economy is falling into a serious recession. In addition, it's afraid for the emerging countries that reduced export level and low prices in primary commodities will be remained for the time being. Thus the economic recovery for those countries is expected to be difficult.

Focusing on the Japanese economy, it's also expected that the economic recovery will be unachievable for some time, as the lower corporate profit due to rapid and radical yen's appreciation and stock prices' fall causes capital investment and employment level to shrink, with the estimate for more reduced consumption.

Considering those economic circumstances, ITOCHU expects the annual consolidated operating result in this fiscal year as indicated in the following table.

For your attention, these forecasts are forward looking statements that are based on 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.

Consolidated	Results 3Q of FY2009	Revised Forecast FY2009	Previous Forecast (Announced on Oct.30)	Results FY2008
Total trading transactions	9.9 trillion yen	12.9 trillion yen	12.8 trillion yen	12.4 trillion yen
Gross trading profit	824.5 billion yen	1,065.0 billion yen	1,100.0 billion yen	994.5 billion yen
Selling, general and administrative expenses	(570.2)	(765.0)	(755.0)	(723.4)
Provision for doubtful receivables	(12.5)	(15.0)	(15.0)	(6.0)
Net interest expenses	(22.1)	(31.0)	(35.0)	(32.2)
Dividends received	27.2	31.0	38.0	24.4
Other-net	(58.3)	(55.0)	(13.0)	23.1
Income before income taxes, minority interests and equity in earnings of associated companies	188.7	230.0	320.0	280.5
Income taxes	(70.3)	(92.0)	(127.0)	(121.1)
Income before minority interests and equity in earnings of associated companies	118.4	138.0	193.0	159.4
Minority interests	(6.4)	(12.0)	(17.0)	(12.4)
Equity in earnings of associated companies	50.7	54.0	64.0	70.2
Net income	162.7	180.0	240.0	217.3
Net income per share (basic)	102.92 yen	113.88 yen	151.84 yen	137.46 yen
Total assets	5,726.6 billion yen	5,500.0 billion yen	5,800.0 billion yen	5,274.2 billion yen
Gross interest-bearing debt	2,396.2	2,300.0	2,300.0	2,104.4
Net interest-bearing debt	1,917.0	1,900.0	1,900.0	1,654.5
Total stockholders' equity	937.0	900.0	1,180.0	973.5

(Note)	Results 3Q of FY2009	Revised Forecast FY2009	Previous Forecast (Announced on Oct.30)	Results FY2008
Foreign exchange rate (Yen/US\$)	103.74	100.00	100.00	115.56
Crude oil (Brent) (US\$/BBL)	112.10 (Jan-Sep result)	98.52 (Jan-Dec result)	105.00 (Jan-Dec forecast)	72.67 (Jan-Dec result)
Iron ore, fine (US\$/ton)	90	90	90	50
Iron ore, lump (US\$/ton)	129	129	129	66
Coking coal (US\$/ton)	300	300	300	98
Thermal coal (US\$/ton)	125	125	125	55

Distribution of the current fiscal year's profit

For the annual dividend of the current fiscal year, ITOCHU Corporation intends to pay 21 yen per share, including 10.5 yen per share paid in December 2008 as interim dividend.

Major Group Companies' Forecasts of Fiscal Year 2009

As for listed group companies which are scheduled to announce their forecasts of fiscal year 2009 on and after ITOCHU's announcement date of 3rd quarter of Fiscal Year 2009, please refer to their announcement.

The following list is to be updated after all major group companies finish announcement of their forecasts of fiscal year 2009 (scheduled around end of February), and is to be uploaded into ITOCHU website accordingly.

【Major Group Companies' (unlisted companies) forecasts of fiscal year 2009】

		(Unit: billion yen)		
	Name	Shares	ITOCHU's share of Net income [Forecasts]	ITOCHU's share of Net income [3rd quarter FY 2009] (Note 2)
Textile	IJFX CORPORATION	100.0%	0.6	(0.1)
	Prominent Apparel Ltd. (Hong Kong)	100.0%	0.6	0.3
	ITOCHU TEXTILE (CHINA) CO., Ltd. (China)	100.0%	1.0	0.6
Machinery	ITOCHU Sanki Corporation	100.0%	0.4	0.1
	ITOCHU CONSTRUCTION MACHINERY CO., LTD.	100.0%	0.8	0.4
	MCL Group Limited (U.K.)	100.0%	(1.6)	(0.4)
	ITOCHU Automobile America Inc. (U.S.A.)	100.0%	(1.7)	(0.5)
Energy, Metals & Minerals	ITOCHU Metals Corporation	100.0%	1.3	1.2
	ITOCHU Petroleum Japan Ltd.	100.0%	4.4	5.8
	ITOCHU Minerals & Energy of Australia Pty Ltd (Australia)	100.0%	68.4	64.6
	ITOCHU Oil Exploration (Azerbaijan) Inc. (Cayman)	100.0%	26.5	20.6
	Marubeni-Itchu Steel Inc.	50.0%	15.0	13.9
Chemicals, Forest Products & General Merchandise	ITOCHU Kenzai Corp.	86.9%	(0.2)	(0.2)
	ITOCHU Pulp & Paper Corp.	100.0%	0.3	0.3
	ITOCHU CHEMICAL FRONTIER Corporation	98.0%	1.4	1.0
	ITOCHU PLASTICS INC.	100.0%	2.0	1.4
Finance, Realty, Insurance & Logistics Services	ITOCHU Finance Corporation	99.1%	1.3	1.6
Other	Century Medical, Inc.	100.0%	0.4	0.3
Overseas	ITOCHU International Inc. (U.S.A.)	100.0%	8.6	8.0
	ITOCHU Europe PLC. (U.K.)	100.0%	0.2	(0.2)
	ITOCHU Hong Kong Ltd. (Hong Kong)	100.0%	2.1	1.8
	ITOCHU (China) Holding Co., Ltd. (China)	100.0%	2.8	2.8
	ITOCHU Australia Ltd. (Australia)	100.0%	3.2	2.8

【Major Group Companies' (listed companies) forecasts of fiscal 2009】

		(Unit: billion yen)					
	Name	Date of Forecasts Announcement	Companies' Forecasts	Shares	ITOCHU's share of Net income [Forecasts] (Note 1)	ITOCHU's share of Net income [3rd quarter FY 2009]	Date of Announcement of Result for 3rd quarter FY 2009
Machinery	Century Leasing System, Inc.	Nov.7	7.5	20.3%	1.5	Note2	Feb.6
Aerospace, Electronics & Multimedia	ITOCHU Techno-Solutions Corporation	Oct.28	13.5	52.6%	7.1	Note2	Feb.12
	Excite Japan Co., Ltd.	Nov.4	(2.3)	59.0%	(1.3)	Note2	Feb.4
	ITC NETWORKS CORPORATION	Oct.14	2.6	60.7%	1.5	1.0	Jan.30
	NANO Media Inc.	Jan.29	(1.1)	51.3%	(0.5)	Note2	Feb.2
	SPACE SHOWER NETWORKS INC.	Oct.16	0.3	50.8%	0.1	0.2	Jan.29
	JAMCO Corporation	Nov.5	0.2	33.3%	0.1	Note2	Feb.10
	SUNCALL CORPORATION	Nov.4	1.4	25.1%	0.4	Note2	Feb.2
Energy, Metals & Minerals	ITOCHU ENEX CO., LTD.	May.2	6.0	52.3%	(Note 3)	1.2	Jan.30
Chemicals, Forest Products & General Merchandise	DAIKEN CORPORATION	Dec.2	1.1	19.9%	0.2	0.1	Jan.30
	TAKIRON Co., Ltd.	Oct.22	0.7	27.0%	0.2	Note2	Feb.10
	C.I. KASEI Co., Ltd.	Jan.30	(2.1)	36.1%	(0.8)	0.0	Jan.30
Food	ITOCHU SHOKUHIN Co., Ltd.	Oct.29	1.8	50.9%	(Note 4)	Note2	Feb.9
	Yoshinoya Holdings Co., Ltd.	Oct.3	0.1	21.0%	0.0	(0.2)	Dec.29
	Japan Foods Co., Ltd.	Sep.25	0.4	34.8%	0.1	0.1	Jan.30
	Fuji Oil Co., Ltd.	Oct.31	5.2	25.6%	1.3	Note2	Feb.5
	FamilyMart Co., Ltd.	Oct.9	18.7	31.0%	5.8	4.8	Jan.9
	Prima Meat Packers, Ltd.	Oct.27	3.1	39.8%	1.2	Note2	Feb.6
Finance, Realty, Insurance & Logistics Services	CENTURY 21 REAL ESTATE OF JAPAN LTD.	Oct.24	0.6	59.2%	0.3	0.2	Jan.23
	FX PRIME Corporation (Note 5)	Oct.30	1.5	55.0%	0.8	0.8	Jan.30
	Orient Corporation	Oct.30	17.3	32.2%	(Note 6)	5.1	Jan.30
	i-LOGISTICS CORP.	Oct.21	0.8	49.7%	0.4	0.2	Jan.30
	eGuarantee, Inc.	Nov.12	0.2	31.7%	0.1	Note2	Feb.12

(Note 1) ITOCHU's share of Net income [Forecasts] for Major Group Companies'(listed companies) described above excludes U.S. GAAP adjustments.

(Note 2) ITOCHU's share of Net income [3rd quarter of FY 2009] is the figures after adjusting to U.S. GAAP. As for listed group companies which are scheduled to announce their results on and after ITOCHU's announcement date of 3rd quarter of Fiscal Year 2009, refer to the updated information to be released through ITOCHU website around end of February.

(Note 3) ITOCHU ENEX CO., LTD. has turned into a consolidated subsidiary from October 1, 2008.

ITOCHU refrains from showing the figure here because 39.2% of profit of this company was recorded as an equity-method associated company for the period from April 1 to September 30, and, therefore, the figure obtained by multiplying the company's announced annual estimated income by its share does not show the corresponding ITOCHU's estimated income for this fiscal year.

(Note 4) The fiscal year of ITOCHU SHOKUHIN Co., Ltd. ends in September, which is different from that of ITOCHU. As ITOCHU's accounting policy, the total of second half of the previous fiscal year and the first half of the current fiscal year for ITOCHU SHOKUHIN Co., Ltd. is recognized in the consolidated financial statements. Therefore, since the figure obtained by multiplying the company's announced annual estimated income by its share does not show the corresponding ITOCHU's estimated income for this fiscal year, ITOCHU refrains from describing the figure.

(Note 5) FX PRIME Corporation has been listed on JASDAQ market since September 18, 2008.

(Note 6) ITOCHU has adopted U.S. GAAP, which prescribes a substantial number of different accounting treatments from Japanese GAAP with regard to financial transactions for consumer credit companies. Therefore, for Orient Corporation, ITOCHU has declined to announce the figures in the above table since a discrepancy may occur between the estimation announced by the said company and that of ITOCHU, which is calculated by multiplying the figures after U.S. GAAP adjustments by the share.

4. Quarterly Consolidated Financial Statements

-Unaudited-

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

(1) Consolidated Statements of Operations [Condensed]

ITOCHU Corporation and Subsidiaries

For the nine months ended December 31, 2008 and 2007

	Millions of Yen		Millions of
	Apr.-Dec.2008	Apr.-Dec.2007	U.S. dollars
			Apr.-Dec.2008
Revenue:			
Sales revenue.....	¥ 2,078,978	¥ 1,678,961	\$ 22,838
Trading margins and commissions on trading transactions.....	450,911	¥ 465,326	4,954
Total trading transactions :			
Apr.-Dec.2008: 9,936,068 million yen (109,152 million U.S.dollars)			
Apr.-Dec.2007: 9,052,991 million yen			
Total revenue.....	2,529,889	2,144,287	27,792
Cost of sales.....	(1,705,345)	(1,405,632)	(18,734)
Gross trading profit	824,544	738,655	9,058
Selling, general and administrative expenses.....	(570,163)	(542,258)	(6,264)
Provision for doubtful receivables.....	(12,507)	(683)	(137)
Interest income.....	12,608	12,784	138
Interest expense.....	(34,681)	(36,710)	(381)
Dividends received.....	27,165	19,507	298
Gain (loss) on disposal of investments and marketable securities, net of write-down.....	(13,592)	16,723	(149)
Loss on property and equipment-net.....	(35,147)	(426)	(386)
Other-net.....	(9,571)	1,860	(105)
Total other expenses.....	(635,888)	(529,203)	(6,986)
Income before income taxes, minority interests and equity in earnings of associated companies.....	188,656	209,452	2,072
Income taxes.....	(70,293)	(97,034)	(772)
Income before minority interests and equity in earnings of associated companies.....	118,363	112,418	1,300
Minority interests.....	(6,357)	(8,119)	(70)
Equity in earnings of associated companies.....	50,669	65,927	557
Net income.....	¥ 162,675	¥ 170,226	\$ 1,787

Note :

"Total trading transactions" is presented in accordance with Japanese accounting practice.

Total trading transactions in the consolidated statements of operations consist of sales with respect to transactions in which the companies act as principal and the total amount of transactions in which the companies act as agent.

(2) Consolidated Statements of Comprehensive income [Condensed]

ITOCHU Corporation and Subsidiaries

For the nine months ended December 31, 2008 and 2007

	Millions of Yen		Millions of
	Apr.-Dec.2008	Apr.-Dec.2007	U.S. dollars
			Apr.-Dec.2008
Comprehensive income :			
Net income.....	¥ 162,675	¥ 170,226	\$ 1,787
Other comprehensive income (loss) (net of tax):			
Net change in foreign currency translation adjustments during the period.....	(109,217)	(3,533)	(1,200)
Pension liability adjustments.....	1,504	1,564	16
Net change in unrealized holding losses on securities during the period.....	(52,550)	(28,371)	(577)
Net change in unrealized holding losses on derivative instruments during the period.....	(7,131)	(1,473)	(78)
Total other comprehensive income (loss) (net of tax).....	(167,394)	(31,813)	(1,839)
Total.....	¥ (4,719)	¥ 138,413	\$ (52)

[Explanation for Consolidated Statements of Operations]

	(Unit : billion yen)	Apr-Dec 2008	Apr-Dec 2007	Increase (Decrease)	Reasons for changes
Revenue	Revenue	2,529.9	2,144.3	385.6	Increase resulting from turning ITOCHU ENEX CO., LTD. into a consolidated subsidiary(*), and rise in prices of metal and energy resources as well as expansion of food distribution business
Gross trading profit	Gross trading profit	824.5	738.7	85.9	Increase due to good performance in ITOCHU Corporation and existing subsidiaries : +105.8 Increase due to joining of subsidiaries : +26.5(*) Decrease due to leaving of subsidiaries : -17.6 Decrease due to exchange rate fluctuations : -28.8 Refer to "(7) Segment Information" on page 16-17
Selling, general and administrative expenses	Total of SG & A	(570.2)	(542.3)	(27.9)	Pension cost : -4.5 Increase due to expansion of business in ITOCHU Corporation and existing subsidiaries : -25.2 Increase due to joining of subsidiaries : -23.2(*) Decrease due to leaving of subsidiaries : +14.7 Decrease due to exchange rate fluctuations : +10.3
	Personnel expenses	(220.5)	(208.7)	(11.7)	
	Other expenses	(349.7)	(333.5)	(16.2)	
	(Service charge, distribution costs)	(191.6)	(180.5)	(11.1)	
	(Rent, depreciation and amortization)	(61.8)	(60.2)	(1.6)	
	(Travel expenses)	(19.6)	(19.1)	(0.5)	
	(Others)	(76.6)	(73.7)	(3.0)	
Provision for doubtful receivables	Provision for doubtful receivables	(12.5)	(0.7)	(11.8)	Increase due to provision for doubtful receivables from Machinery-related customers in Mongolia. -10.8 Refer to "Note 1" (Note 1) Refer to the "Note 1" in "Qualitative Information & Consolidated Financial Statements" on page 3-4
Net financial income (expenses)	Net financial income (expenses)	5.1	(4.4)	9.5	Increase in dividends received, improvement of net interest expenses
	Interest income	12.6	12.8	(0.2)	
	Interest expense	(34.7)	(36.7)	2.0	
	Net interest expenses	(22.1)	(23.9)	1.9	Improvement of trade finance due to decline in U.S. dollars interest rate
	Dividends received	27.2	19.5	7.7	Dividends received from LNG-related investments +5.2 (11.0 → 16.2) Dividends received in an overseas financing subsidiary +1.2 (- → 1.2) Dividends received in a pipeline subsidiary +1.2 (- → 1.2)
Gain (loss) on disposal of investments and marketable securities, net of write-down	Gain (loss) on disposal of investments and marketable securities, net of write-down	(13.6)	16.7	(30.3)	Net gain on sales of securities and exchange of securities -8.9 (34.2 → 25.3) Impairment loss on securities -24.0 (-11.7 → -35.7) Loss on business disposals and others +2.6 (-5.8 → -3.1)
Loss on property and equipment-net	Loss on property and equipment-net	(35.1)	(0.4)	(34.7)	Impairment loss on property and equipment -33.6 (-1.9 → -35.4) due to the impairment loss from suspension of Entrada Oil/Natural Gas Field development (-26.6) Refer to "Note 2", Others -1.1 (1.4 → 0.3)
Other-net	Other-net	(9.6)	1.9	(11.4)	Loss from suspension of Entrada Oil/Natural Gas Field development -10.5 Refer to "Note 2"
Income taxes	Income taxes	(70.3)	(97.0)	26.7	Absence of the special factors regarding the investment in Orico in the same period of the previous fiscal year 10.7 Refer to "Note 3" Tax effect of the loss from suspension of Entrada Oil/Natural Gas Field development 15.2 Refer to "Note 2"
Minority interests	Minority interests	(6.4)	(8.1)	1.8	
Equity in earnings of associated companies	Equity in earnings of associated companies	50.7	65.9	(15.3)	Orient Corporation -24.4 [The absence of the special factors -26.1 Refer to "Note 3", increase in ordinary equity P/L +1.7] (29.5 → 5.1) Japan Brazil Paper and Pulp Resources Development Co.,Ltd. +2.5(0.8 → 3.3) DESCENTE.LTD. +2.2(- → 2.2)/equity-method associated companies of ITOCHU Minerals & Energy of Australia Pty Ltd +2.1(3.8 → 6.0) On Demand TV,Inc. +1.3(-1.3 → -)/Marubeni-Itochu Steel Inc. +1.3(12.6 → 13.9) Refer to "Performance of Group Companies" on page 23 (Note 2) Refer to the "Note 2" in "Qualitative Information & Consolidated Financial Statements" on page 3-4 (Note 3) Refer to the "Note 3" in "Qualitative Information & Consolidated Financial Statements" on page 3-4
Total trading transactions	Total trading transactions	9,936.1	9,053.0	883.1	Refer to "(7) Segment Information" on page 16-17
	Gross trading profit ratio	8.3%	8.2%	0.1%	Effect of exchange rate fluctuations: Approximately -610.0
Adjusted profit	Adjusted profit	310.1	257.9	52.2	Adjusted profit (+52.2)= Gross trading profit (+85.9) + SG&A expenses (-27.9) + Net financial income (+9.5)+ Equity in earnings of associated companies(-15.3) The amount () represents changes from the same period of the previous fiscal year (Note 3) Refer to the "Note 3" in "Qualitative Information & Consolidated Financial Statements" on page 3-4

[Reference] Effect from turning ITOCHU ENEX CO., LTD. into a consolidated subsidiary	
(Unit: billion yen)	
Revenue	275.2
Gross trading profit	19.9
SG & A	-18.1

[Average exchange rate Yen/US\$]

[For March closing companies]		Changes
Apr-Dec 2008	Apr-Dec 2007	
103.74	117.69	(13.95)
[For December closing companies]		Changes
Jan-Sep 2008	Jan-Sep 2007	
117.69	116.49	1.20

[For March closing companies]		Changes
Jan-Sep 2008	Jan-Sep 2007	
106.47	119.74	(13.27)
[For December closing companies]		Changes
Jan-Sep 2007	Jan-Sep 2006	
119.74	116.21	3.53

(3) Consolidated Statements of Operations [Condensed]

-Unaudited-

ITOCHU Corporation and Subsidiaries

For the three months ended December 31, 2008 and 2007

	Millions of Yen		Millions of U.S. dollars
	Oct.-Dec.2008	Oct.-Dec.2007	Oct.-Decp.2008
Revenue:			
Sales revenue.....	¥ 888,842	¥ 570,488	\$ 9,764
Trading margins and commissions on trading transactions.....	144,326	¥ 150,642	1,586
Total trading transactions :			
Oct.-Dec.2008: 3,323,813 million yen (36,513 million U.S.dollars)			
Oct.-Dec.2007: 3,167,318 million yen			
Total revenue.....	1,033,168	721,130	11,350
Cost of sales.....	(750,716)	(473,144)	(8,247)
Gross trading profit	282,452	247,986	3,103
Selling, general and administrative expenses.....	(204,715)	(184,258)	(2,249)
Provision for doubtful receivables.....	(138)	(585)	(2)
Interest income.....	4,241	4,448	47
Interest expense.....	(11,814)	(12,510)	(130)
Dividends received.....	9,335	5,664	103
Gain (loss) on disposal of investments and marketable securities, net of write-down.....	(18,594)	6,234	(204)
Loss on property and equipment-net.....	(34,324)	(674)	(377)
Other-net.....	(7,053)	(428)	(78)
Total other expenses.....	(263,062)	(182,109)	(2,890)
Income before income taxes, minority interests and equity in earnings of associated companies.....	19,390	65,877	213
Income taxes.....	(8,835)	(24,447)	(97)
Income before minority interests and equity in earnings of associated companies.....	10,555	41,430	116
Minority interests.....	(2,753)	(3,112)	(30)
Equity in earnings of associated companies.....	15,748	15,540	173
Net income.....	¥ 23,550	¥ 53,858	\$ 259

Note :

"Total trading transactions" is presented in accordance with Japanese accounting practice.

Total trading transactions in the consolidated statements of operations consist of sales with respect to transactions in which the companies act as principal and the total amount of transactions in which the companies act as agent.

(4) Consolidated Statements of Comprehensive income [Condensed]

ITOCHU Corporation and Subsidiaries

For the three months ended December 31, 2008 and 2007

	Millions of Yen		Millions of U.S. dollars
	Oct.-Dec.2008	Oct.-Dec.2007	Oct.-Dec.2008
Comprehensive income :			
Net income.....	¥ 23,550	¥ 53,858	\$ 259
Other comprehensive income (loss) (net of tax):			
Net change in foreign currency translation adjustments during the period.....	(67,424)	(28,201)	(741)
Pension liability adjustments.....	988	371	11
Net change in unrealized holding losses on securities during the period.....	(19,454)	(31,132)	(214)
Net change in unrealized holding losses on derivative instruments during the period.....	(1,216)	(4,068)	(13)
Total other comprehensive loss (net of tax).....	(87,106)	(63,030)	(957)
Total.....	¥ (63,556)	(¥ 9,172)	\$ (698)

[Explanation for Consolidated Statements of Operations]

	(Unit : billion yen)	Oct-Dec 2008	Oct-Dec 2007	Increase (Decrease)	
Revenue	Revenue	1,033.2	721.1	312.0	Reasons for changes Increase resulting from turning ITOCHU ENEX CO., LTD. into a consolidated subsidiary(*), and rise in prices of metal resources as well as expansion of food distribution business
Gross trading profit	Gross trading profit	282.5	248.0	34.5	(*) See the "Reference" below Increase due to good performance in ITOCHU Corporation and existing subsidiaries : +31.1 Increase due to joining of subsidiaries : +25.6(*) Decrease due to leaving of subsidiaries : -6.8 Decrease due to exchange rate fluctuations : -15.4 Refer to "(7) Segment Information" on page 18-19
Selling, general and administrative expenses	Total of SG & A	(204.7)	(184.3)	(20.5)	Pension cost : -1.6 Increase due to expansion of business in ITOCHU Corporation and existing subsidiaries : -5.7 Increase due to joining of subsidiaries : -22.5(*) Decrease due to leaving of subsidiaries : +5.8 Decrease due to exchange rate fluctuations : +3.5
	Personnel expenses	(79.7)	(71.0)	(8.7)	
	Other expenses	(125.0)	(113.2)	(11.7)	
	(Service charge, distribution costs)	(67.0)	(63.3)	(3.7)	
	(Rent, depreciation and amortization)	(23.9)	(20.2)	(3.6)	
	(Travel expenses)	(6.5)	(6.3)	(0.2)	
	(Others)	(27.6)	(23.4)	(4.1)	
Provision for doubtful receivables	Provision for doubtful receivables	(0.1)	(0.6)	0.4	
Net financial income (expenses)	Net financial income (expenses)	1.8	(2.4)	4.2	Increase in dividends received, improvement of net interest expenses
	Interest income	4.2	4.4	(0.2)	
	Interest expense	(11.8)	(12.5)	0.7	
	Net interest expenses	(7.6)	(8.1)	0.5	Improvement of trade finance due to decline in U.S. dollars interest rate
	Dividends received	9.3	5.7	3.7	Dividends received from LNG-related investments +1.8 (3.7→ 5.5) Dividends in from a pipeline subsidiary +1.2 (→ 1.2)
Gain (loss) on disposal of investments and marketable securities, net of write-down	Gain (loss) on disposal of investments and marketable securities, net of write-down	(18.6)	6.2	(24.8)	Net gain on sales of securities and exchange of securities -7.2 (12.4→ 5.3) Impairment loss on securities -18.6 (-4.9→ -23.4) Loss on business disposals and others +0.9 (-1.3→ -0.4)
Loss on property and equipment-net	Loss on property and equipment-net	(34.3)	(0.7)	(33.7)	Impairment loss on property and equipment -32.6 (-0.9→ -33.5) due to the impairment loss from suspension of Entrada Oil/Natural Gas Field development (-26.6) Refer to "Note" , Others -1.0 (0.2→ -0.8)
Other-net	Other-net	(7.1)	(0.4)	(6.6)	Loss from suspension of Entrada Oil/Natural Gas Field development -10.5 Refer to "Note"
Income taxes	Income taxes	(8.8)	(24.4)	15.6	Tax effect of the loss from suspension of Entrada Oil/Natural Gas Field development 15.2 Refer to "Note"
Minority interests	Minority interests	(2.8)	(3.1)	0.4	
Equity in earnings of associated companies	Equity in earnings of associated companies	15.7	15.5	0.2	Japan Brazil Paper and Pulp Resources Development Co.,Ltd. +2.1(0.3+ 2.4) IPC(USA),Inc. +0.6(-0.2→ 0.4)/CIECO E&P(Namibia) Co.,Ltd. +0.5(-0.6→ -0.0) Al Beverage Holding Co., Ltd. +0.4(0.4→ 0.8)/Orient Corporation -2.4(3.0→ 0.6) Marubeni-Itochu Steel Inc. -0.6(4.4→ 3.8) Refer to "Performance of Group Companies" on page 24
(Note) Refer to the "Note 2" in "Qualitative Information & Consolidated Financial Statements" on page 3-4					
Total trading transactions	Total trading transactions	3,323.8	3,167.3	156.5	Refer to "(7) Segment Information" on page 18-19
	Gross trading profit ratio	8.5%	7.8%	0.7%	Effect of exchange rate fluctuations: Approximately -180.0
Adjusted profit	Adjusted profit	95.2	76.9	18.4	Adjusted profit (+18.4)= Gross trading profit (+34.5)+ SG&A expenses (-20.5) + Net financial income (+4.2)+ Equity in earnings of associated companies(+0.2) The amount () represents changes from the same period of the previous fiscal year

[Reference] Effect from turning ITOCHU ENEX CO., LTD. into a consolidated subsidiary

(Unit: billion yen)	
Revenue	275.2
Gross trading profit	19.9
SG & A	-18.1

(5) Consolidated Balance Sheets (Assets) [Condensed]

-Unaudited-

ITOCHU Corporation and Subsidiaries

As of December 31, 2008 and March 31, 2008

Assets	Millions of Yen		Millions of U.S. dollars
	Dec. 2008	Mar. 2008	Dec. 2008
Current assets:			
Cash and cash equivalents.....	¥ 462,247	¥ 446,311	\$ 5,078
Time deposits.....	16,944	3,559	186
Marketable securities.....	17,434	30,776	191
Trade receivables:			
Notes.....	202,287	189,446	2,222
Accounts.....	1,448,374	1,390,770	15,911
Allowance for doubtful receivables.....	(15,103)	(15,781)	(166)
Net trade receivables.....	<u>1,635,558</u>	<u>1,564,435</u>	<u>17,967</u>
Due from associated companies.....	136,981	105,993	1,505
Inventories.....	638,175	531,534	7,011
Advances to suppliers.....	103,598	100,973	1,138
Prepaid expenses.....	34,661	29,797	381
Deferred tax assets.....	33,820	38,564	372
Other current assets.....	306,810	257,900	3,370
Total current assets.....	<u>3,386,228</u>	<u>3,109,842</u>	<u>37,199</u>
Investments and non-current receivables:			
Investments in and advances to associated companies.....	768,548	656,884	8,443
Other investments.....	441,056	547,790	4,845
Other non-current receivables.....	164,280	149,600	1,805
Allowance for doubtful receivables.....	(61,618)	(53,167)	(677)
Total investments and net non-current receivables.....	<u>1,312,266</u>	<u>1,301,107</u>	<u>14,416</u>
Property and equipment, at cost:			
Land.....	150,340	121,977	1,651
Buildings.....	356,213	303,790	3,913
Machinery and equipment.....	333,682	288,542	3,666
Furniture and fixtures.....	69,878	57,163	768
Mineral rights.....	63,549	85,396	698
Construction in progress.....	15,566	10,629	171
Total property and equipment, at cost.....	<u>989,228</u>	<u>867,497</u>	<u>10,867</u>
Less accumulated depreciation.....	<u>416,564</u>	<u>354,480</u>	<u>4,576</u>
Net property and equipment.....	<u>572,664</u>	<u>513,017</u>	<u>6,291</u>
Prepaid pension cost.....	29,951	30,077	329
Deferred tax assets, non-current.....	108,873	52,875	1,196
Other assets.....	316,625	267,281	3,478
Total.....	¥ 5,726,607	¥ 5,274,199	\$ 62,909

(5) Consolidated Balance Sheets (Liabilities and Stockholders' Equity) [Condensed]

-Unaudited-

ITOCHU Corporation and Subsidiaries

As of December 31, 2008 and March 31, 2008

Liabilities and Stockholders' Equity	Millions of Yen		Millions of U.S. dollars
	Dec. 2008	Mar. 2008	Dec. 2008
Current liabilities:			
Short-term debt	¥ 626,914	¥ 307,446	\$ 6,887
Current maturities of long-term debt.....	78,548	76,017	863
Trade payables:			
Notes and acceptances.....	150,677	152,041	1,655
Accounts.....	1,230,976	1,133,282	13,523
Total trade payables.....	1,381,653	1,285,323	15,178
Due to associated companies.....	17,250	19,382	189
Accrued expenses.....	127,093	135,430	1,396
Income taxes payable.....	34,191	46,898	376
Advances from customers.....	115,309	118,351	1,267
Deferred tax liabilities.....	879	908	10
Other current liabilities.....	283,889	223,408	3,118
Total current liabilities	2,665,726	2,213,163	29,284
Long-term debt, excluding current maturities.....	1,894,130	1,895,088	20,808
Accrued retirement and severance benefits.....	25,177	19,602	276
Deferred tax liabilities, non-current.....	18,291	27,183	201
Commitments and contingent liabilities			
Minority interests.....	186,249	145,618	2,046
Stockholders' equity:			
Common stock:			
Authorized: 3,000,000,000 shares; issued:			
1,584,889,504 shares.....	202,241	202,241	2,222
Capital surplus.....	137,182	137,211	1,507
Retained earnings:			
Legal reserve.....	13,189	10,373	145
Other retained earnings	780,981	652,757	8,579
Total retained earnings.....	794,170	663,130	8,724
Accumulated other comprehensive income (loss) :			
Foreign currency translation adjustments.....	(134,165)	(24,948)	(1,474)
Pension liability adjustments.....	(71,875)	(73,379)	(789)
Unrealized holding gains on securities.....	21,839	74,389	240
Unrealized holding losses on derivative instruments.....	(9,641)	(2,510)	(106)
Total accumulated other comprehensive loss.....	(193,842)	(26,448)	(2,129)
Treasury stock, at cost.....	(2,717)	(2,589)	(30)
Total stockholders' equity.....	937,034	973,545	10,294
Total.....	¥ 5,726,607	¥ 5,274,199	\$ 62,909

[Explanation for Consolidated Balance Sheets]

Assets

	(Unit: billion yen)			Reasons for changes:
	Dec 2008	Mar 2008	Increase (Decrease)	
Net trade receivables	1,635.6	1,564.4	71.1	Increase in Energy, Metals & Minerals; and Food
Due from associated companies	137.0	106.0	31.0	Increase in Machinery; Food; and Finance, Insurance & Logistics Services
Inventories	638.2	531.5	106.6	Increase in Machinery; Aerospace, Electronics & Multimedia; and Construction & Realty
Other current assets	306.8	257.9	48.9	Increase in derivative assets and other account receivables
Investments in and advances to associated companies	768.5	656.9	111.7	Increase in Machinery; and Energy, Metals & Minerals
Other investments	441.1	547.8	(106.7)	Decrease due to stock market plunge
Other non-current receivables, less allowance for doubtful	102.7	96.4	6.2	Increase in long-term loans in Machinery
Net property and equipment	572.7	513.0	59.6	Increase due to newly joining of /turning into subsidiaries
Deferred tax assets, non-current	108.9	52.9	56.0	Increase in Machinery; and Energy, Metals & Minerals
Other assets	316.6	267.3	49.3	Increase due to newly joining of /turning into subsidiaries
Total Assets	5,726.6	5,274.2	452.4	Total assets as of December 31, 2008 increased by 8.6% or 452.4 billion yen compared with March 31, 2008, to 5,726.6 billion yen (62,909 million U.S. dollars). Despite decrease in Other investments due to stock market slowdown, Trade receivables increased in Energy, Metals & Minerals (including the effect of turning ITOCHU ENEX CO., LTD. into a subsidiary) and in Food (mainly caused by expansion of food distribution business); Inventories increased mainly in Aerospace, Electronics & Multimedia, in Machinery, and in Construction & Realty; Investments in and advances to associated companies increased resulting from investment in iron ore production and wholesale business; and Net property and equipment increased due to newly joining of a subsidiary in Machinery.

Liabilities

	(Unit: billion yen)			Reasons for changes:
	Dec 2008	Mar 2008	Increase (Decrease)	
Total trade payables	1,381.7	1,285.3	96.3	Increase in Energy, Metals & Minerals; and Food
Other current liabilities	283.9	223.4	60.5	Increase in derivative liabilities, Increase due to newly joining of a subsidiaries
[Interest-bearing debt]				
Short-term debt	626.9	307.4	319.5	
Current maturities of long-term debt	69.5	72.0	(2.5)	
Current maturities of debentures	9.0	4.0	5.0	
Short-term total	705.5	383.5	322.0	
Long-term debt	1,537.2	1,519.8	17.4	
Debentures	153.5	201.1	(47.6)	
Long-term total	1,690.7	1,720.9	(30.2)	
Total interest-bearing debt	2,396.2	2,104.4	291.8	Interest-bearing debt increased by 13.9% or 291.8 billion yen compared with March 31, 2008, to 2,396.2 billion yen (26,323 million U.S. dollars), and Net interest-bearing debt increased by 15.9% or 262.5 billion yen compared with March 31, 2008, to 1,917.0 billion yen (21,059 million U.S. dollars). NET DER (Net Debt-to-Equity Ratio) worsened by 0.3 points compared with March 31, 2008, to 2.0 times.
Cash, cash equivalents and time deposits	479.2	449.9	29.3	
Net interest-bearing debt	1,917.0	1,654.5	262.5	
Net debt-to-equity ratio [times]	2.0	1.7	0.3 worsened	

Stockholders' equity

	(Unit: billion yen)			Reasons for changes:
	Dec 2008	Mar 2008	Increase (Decrease)	
Common stock	202.2	202.2	-	
Capital surplus	137.2	137.2	(0.0)	
Retained earnings:	794.2	663.1	131.0	
Legal reserve	13.2	10.4	2.8	
Other retained earnings	781.0	652.8	128.2	Net income +162.7, Distribution of dividends -31.6, Transfer to legal reserve -2.9
Accumulated other comprehensive income (loss):	(193.8)	(26.4)	(167.4)	
Foreign currency translation adjustments	(134.2)	(24.9)	(109.2)	Effect of yen's appreciation compared with March 31, 2008
Pension liability adjustments	(71.9)	(73.4)	1.5	
Unrealized holding gains on securities	21.8	74.4	(52.6)	Effect of stock market plunge compared with March 31, 2008
Unrealized holding losses on derivative instruments	(9.6)	(2.5)	(7.1)	Effect of depreciation of foreign exchange rates in overseas subsidiaries
Treasury stock, at cost	(2.7)	(2.6)	(0.1)	
Total stockholders' equity	937.0	973.5	(36.5)	Stockholders' equity decreased by 3.8% or 36.5 billion yen compared with March 31, 2008, to 937.0 billion yen (10,294 million U.S. dollars) in spite of accumulation of Net income, due to decrease from dividend payment, worsening of Unrealized holding gains on securities resulting from stock market slowdown, and significant worsening of Foreign currency translation adjustments through yen's appreciation. As a result, Ratio of stockholders' equity to total assets dropped by 2.1 points compared with March 31, 2008, to 16.4%.
Ratio of stockholders' equity to total assets	16.4%	18.5%	(2.1%)	

[Reference]	
Effect from turning ITOCHU ENEX CO., LTD. into a consolidated subsidiary	
(Unit: billion yen)	
Total Assets*	186.9
(Trade Receivables)	63.4
(Net P & E and intangible assets)	72.4
(Other assets)	51.1
(Trade Payables)	58.9
(Interest-bearing debt)	41.9

[Current exchange rate Yen/US\$]			
[For March closing companies]			
Dec 2008	Mar 2008	Changes	
91.03	100.19	(9.16)	
Dec 2007	Mar 2007	Changes	
114.15	118.05	(3.90)	
[The Nikkei stock average index]			
Dec 2008	Mar 2008	Changes	
8,859	12,525	(3,666)	

[For December closing companies]					
Sep 2008	Dec 2007	Changes			
103.57	114.15	(10.58)			
Sep 2007	Dec 2006	Changes			
115.43	119.11	(3.68)			

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

ITOCHU Corporation and Subsidiaries

For the nine months ended December 31, 2008 and 2007

	Millions of Yen		Millions of U.S. dollars
	<u>Apr.-Dec. 2008</u>	<u>Apr.-Dec. 2007</u>	<u>Apr.-Dec. 2008</u>
Cash flows from operating activities :			
Net income	¥ 162,675	¥ 170,226	\$ 1,787
Adjustments to reconcile net income to net cash provided by operating activities :			
Depreciation and amortization	49,710	52,113	546
Provision for doubtful receivables	12,507	683	137
(Gain) loss on disposal of investments and marketable securities, net of write-down.....	13,592	(16,723)	149
Loss on property and equipment-net.....	35,147	426	386
Equity in earnings of associated companies, less dividends received	(34,545)	(52,550)	(379)
Deferred income taxes	(15,067)	17,559	(166)
Minority interests	6,357	8,119	70
Changes in assets and liabilities, other-net	(117,678)	(161,706)	(1,292)
Net cash provided by operating activities	<u>112,698</u>	<u>18,147</u>	<u>1,238</u>
Cash flows from investing activities :			
Net purchases of property, equipment and other assets	(96,433)	(77,722)	(1,059)
Net increase in investments in and advances to associated companies	(152,811)	(14,098)	(1,679)
Net (purchases) proceeds of other investments	(3,174)	(4,200)	(35)
Net (origination) collection of other non-current loan receivables	(14,868)	4,132	(163)
Net increase in time deposits.....	(19,328)	(2,981)	(212)
Net (increase) decrease in marketable securities.....	(880)	1,274	(10)
Net cash used in investing activities	<u>(287,494)</u>	<u>(93,595)</u>	<u>(3,158)</u>
Cash flows from financing activities :			
Net repayment of long-term debt	(46,975)	(40,198)	(516)
Net increase (decrease) in short-term debt	298,097	(39,708)	3,275
Other	(36,432)	(34,763)	(401)
Net cash provided by (used in) financing activities	<u>214,690</u>	<u>(114,669)</u>	<u>2,358</u>
Effect of exchange rate changes on cash and cash equivalents	(23,958)	(1,018)	(263)
Net increase (decrease) in cash and cash equivalents	15,936	(191,135)	175
Cash and cash equivalents at beginning of period	446,311	532,856	4,903
Cash and cash equivalents at end of period	¥ 462,247	¥ 341,721	\$ 5,078

[Explanation for Consolidated Statements of Cash Flows]

Note :
Explanation for indication

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

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

Cash flows from operating activities

(Unit: billion yen)

	<u>Apr-Dec 2008</u>	<u>Apr-Dec 2007</u>	Increase (Decrease)	Major items
Net income	162.7	170.2	(7.6)	
Non-cash charges of P/L	67.7 a	9.6 b	58.1	a: Depreciation and amortization +49.7, Loss on property and equipment-net +35.1 (Gain) loss on disposal of investments and marketable securities, net of write-down +13.6 Equity in earnings of associated companies, less dividends received -34.5 b: Equity in earnings of associated companies, less dividends received -52.6 (Gain) loss on disposal of investments and marketable securities, net of write-down -16.7 Deferred income taxes +17.6, Depreciation and amortization +52.1
Changes in assets and liabilities, other-net	(117.7) a	(161.7) b	44.0	a: Inventories -113.7 [Net payment] b: Trade receivables / payables -75.4 [Net payment] Inventories -81.4 [Net payment]
Net cash provided by operating activities	112.7	18.1	94.6	

Cash flows from investing activities

(Unit: billion yen)

	<u>Apr-Dec 2008</u>	<u>Apr-Dec 2007</u>	Increase (Decrease)	
Net purchases of property, equipment and other assets	(96.4) a	(77.7) b	(18.7)	a : Net purchases by natural resources development-related subsidiaries -47.1 Net purchases by airline-related subsidiaries -9.8 b : Net purchases by natural resources development-related subsidiaries -55.8 Net sales of stocks by ITOCHU Corporation -3.1
Net increase in investments in and advances to associated companies	(152.8) a	(14.1) b	(138.7)	a : Investment in iron ore production and wholesale business -112.6 Net increase in loans to equity-method associated companies in Machinery -27.6 b : Additional investment in Orient Corporation -30.0 Net decrease in investment and advances to construction-related equity-method associated companies +11.3
Net (purchases) proceeds of other investments	(3.2) a	(4.2)	1.0	a : Net purchases of investment in Machinery and energy-development sector -31.8 Net purchase of investment in Chemicals, Forest Products & General Merchandise subsidiaries -3.5 Effect of acquisition of subsidiaries in Energy, Metals & Minerals and in Textile +28.5 Sales of securities by ITOCHU Corporation +11.4 b : Net purchases of investment in energy-development sector -14.5 Sales of listed marketable securities by ITOCHU Corporation +10.2
Net (origination) collection of other non-current loan receivables	(14.9) a	4.1 b	(19.0)	a : Net origination of loan receivables by Machinery subsidiaries -10.2 b : Net collection of loan receivables by financing subsidiaries +18.4 Net collection of loan receivables by ITOCHU Corporation -7.6 Net collection of loan receivables by Machinery subsidiaries -6.6
Net increase in time deposits	(19.3) a	(3.0)	(16.3)	a : Net increase by a natural resources development-related subsidiary -17.9
Net (increase) decrease in marketable securities	(0.9)	1.3	(2.2)	
Net cash used in investing activities	(287.5)	(93.6)	(193.9)	

Cash flows from financing activities

(Unit: billion yen)

	<u>Apr-Dec 2008</u>	<u>Apr-Dec 2007</u>	Increase (Decrease)	
Net repayment of long-term debt	(47.0) a	(40.2) b	(6.8)	a : Net repayment by ITOCHU Corporation -5.8 Net repayment by construction subsidiaries -13.0 Net repayment by natural resources development-related subsidiary -11.7 b : Net repayment by construction subsidiaries -29.6 Net repayment by food subsidiaries -24.4
Net increase (decrease) in short-term debt	298.1 a	(39.7) b	337.8	a : Net increase by ITOCHU Corporation +257.3 Net increase by overseas trading subsidiaries +58.0 b : Net decrease by food subsidiaries -25.9 and financing subsidiaries -20.5
Other	(36.4) a	(34.8) b	(1.7)	a : Dividends paid -31.6, dividends paid to minority shareholders -6.8 b : Dividends paid -27.7, dividends paid to minority shareholders -6.6
Net cash provided by (used in) financing activities	214.7	(114.7)	329.4	

(Note)

Changes in current maturities of long-term debt are included in "Net repayment of long-term debt" on the statements of cash flows.

(7) Segment Information

ITOCHU Corporation and Subsidiaries

For the nine months ended December 31, 2008 and 2007

ITOCHU Corporation and its subsidiaries are engaged in a wide range of business activities such as worldwide trading operations in various commodities, financing for customers and suppliers, organizing and coordinating industrial projects, and investing in resource development, advanced technology, information and multimedia.

ITOCHU Corporation has introduced a division company system, and information on operating segments is prepared and presented according to this system.

This system is regularly used for decisions in operations, including resource allocations, and evaluations by the management.

Information concerning operations in different operating segments for the nine months ended December 31, 2008 and 2007 is as follows:

For the nine months ended December 31, 2008 (April 1, 2008 -December 31, 2008)									Millions of Yen
Textile	Machinery	Aerospace, Electronics & Multimedia	Energy, Metals & Minerals	Chemicals, Forest Products & General Merchandise	Food	Finance, Realty, Insurance & Logistics Services	Other, Adjustments & Eliminations	Consolidated	
Total trading transactions:									
Unaffiliated customers									
and associated companies	¥ 441,259	¥ 1,107,577	¥ 433,282	¥ 3,576,296	¥ 1,636,861	¥ 2,478,468	¥ 123,067	¥ 139,258	¥ 9,936,068
Transfers between operating segments	454	929	2,766	325	15,450	420	7	(20,351)	—
Total trading transactions	441,713	1,108,506	436,048	3,576,621	1,652,311	2,478,888	123,074	118,907	9,936,068
Gross trading profit	74,343	66,806	94,017	184,394	91,843	255,743	33,208	24,190	824,544
Net income	16,323	(2,991)	2,609	102,686	18,222	18,514	3,872	3,440	162,675
[Equity in earnings of associated companies].....	[3,320]	[1,960]	[38]	[23,075]	[3,630]	[10,909]	[7,394]	[343]	[50,669]
Identifiable assets at December 31, 2008.....	388,638	743,431	522,574	1,187,159	752,707	1,240,846	397,413	493,839	5,726,607

For the nine months ended December 31, 2007 (April 1, 2007 -December 31, 2007)									Millions of Yen
Textile	Machinery	Aerospace, Electronics & Multimedia	Energy, Metals & Minerals	Chemicals, Forest Products & General Merchandise	Food	Finance, Realty, Insurance & Logistics Services	Other, Adjustments & Eliminations	Consolidated	
Total trading transactions:									
Unaffiliated customers									
and associated companies	¥ 513,227	¥ 1,027,265	¥ 475,524	¥ 2,682,981	¥ 1,744,732	¥ 2,326,915	¥ 108,583	¥ 173,764	¥ 9,052,991
Transfers between operating segments	445	489	1,763	262	14,382	230	110	(17,681)	—
Total trading transactions	513,672	1,027,754	477,287	2,683,243	1,759,114	2,327,145	108,693	156,083	9,052,991
Gross trading profit	84,030	75,793	94,312	94,116	94,160	246,757	28,286	21,201	738,655
Net income	11,809	21,461	6,175	73,635	15,358	17,817	17,973	5,998	170,226
[Equity in earnings (losses) of associated companies].....	[1,919]	[3,977]	[(1,229)]	[17,861]	[1,705]	[9,860]	[31,992]	[(158)]	[65,927]
Identifiable assets at December 31, 2007.....	388,808	711,246	546,790	901,427	814,369	1,219,974	516,422	440,658	5,539,694
Identifiable assets at March 31, 2008.....	364,349	709,708	513,870	916,571	766,790	1,064,825	420,501	517,585	5,274,199

For the nine months ended December 31, 2008 (April 1, 2008 -December 31, 2008)									Millions of U.S.dollars
Textile	Machinery	Aerospace, Electronics & Multimedia	Energy, Metals & Minerals	Chemicals, Forest Products & General Merchandise	Food	Finance, Realty, Insurance & Logistics Services	Other, Adjustments & Eliminations	Consolidated	
Total trading transactions:									
Unaffiliated customers									
and associated companies	\$ 4,848	\$ 12,167	\$ 4,760	\$ 39,287	\$ 17,981	\$ 27,227	\$ 1,352	\$ 1,530	\$ 109,152
Transfers between operating segments	5	10	30	4	170	5	0	(224)	—
Total trading transactions	4,853	12,177	4,790	39,291	18,151	27,232	1,352	1,306	109,152
Gross trading profit	817	734	1,033	2,025	1,009	2,809	365	266	9,058
Net income	179	(33)	29	1,128	200	203	43	38	1,787
[Equity in earnings of associated companies].....	[37]	[22]	[0]	[253]	[40]	[120]	[81]	[4]	[557]
Identifiable assets at December 31, 2008.....	4,269	8,167	5,741	13,041	8,269	13,631	4,366	5,425	62,909

Note :

1. "Equity in earnings of associated companies" is included in Net income.

2. "Total trading transactions" is presented in accordance with Japanese accounting practice.

Total trading transactions consist of sales with respect to transactions in which the companies act as principal and the total amount of transactions in which the companies act as agent.

[Explanation for Operating Segment Information]

	(Unit : billion yen)	Increase		Reasons for changes
		Apr-Dec 2008	Apr-Dec 2007	
Trading transactions for unaffiliated customers and associated companies				
Textile	...	441.3	513.2	(72.0) ... Decrease due to leaving of several subsidiaries as well as market slowdown in textile raw materials, fabrics and apparels despite the contribution of a newly consolidated subsidiary
Machinery	...	1,107.6	1,027.3	80.3 ... Increase due to multiple deliveries of newly-built ships
Aerospace, Electronics & Multimedia	...	433.3	475.5	(42.2) ... Decrease due to adoption of new sales system for domestic mobile phones sales business and low performance in mobile phones sales in Latin America and domestic IT-related business
Energy, Metals & Minerals	...	3,576.3	2,683.0	893.3 ... Significant increase due to rise in prices of metal and energy resources, and the contribution of turning ITOCHU ENEX CO., LTD. into a consolidated subsidiary
Chemicals, Forest Products & General Merchandise	...	1,636.9	1,744.7	(107.9) ... Decrease due to chemical market plunge and slowdown in domestic housing market
Food	...	2,478.5	2,326.9	151.6 ... Increase due to rise in sales volume in food distribution business and price rise in food resources such as feed grains, oilseeds, oils and fats in the first half of this fiscal year
Finance, Realty, Insurance & Logistics Services	...	123.1	108.6	14.5 ... Increase due to sales increase in rental properties for investors
Other, Adjustments & Eliminations	...	139.3	173.8	(34.5) ... Decrease due to negative effect of yen's appreciation
Total		9,936.1	9,053.0	883.1
Gross trading profit				
(Unit : billion yen)				
Textile	...	74.3	84.0	(9.7) ... Decrease due to leaving of several subsidiaries as well as market slowdown in textile raw materials, fabrics and apparels despite the contribution of a newly consolidated subsidiary
Machinery	...	66.8	75.8	(9.0) ... Decrease in automobile and construction machinery business despite increase in ship trading transactions
Aerospace, Electronics & Multimedia	...	94.0	94.3	(0.3) ... Almost the same level as the same period of the previous fiscal year due to sales increase in domestic mobile phones business offset by the absence of gain on disposal of leased aircraft
Energy, Metals & Minerals	...	184.4	94.1	90.3 ... Significant increase due to rise in prices of metal and energy resources and the contribution of turning ITOCHU ENEX CO., LTD. into a consolidated subsidiary despite reduction of entitlement in the oil fields owned
Chemicals, Forest Products & General Merchandise	...	91.8	94.2	(2.3) ... Decrease due to chemical market plunge and leaving of a subsidiary in U.S. despite steady growth in housing material business in North America
Food	...	255.7	246.8	9.0 ... Increase due to rise in sales volume in food distribution business and price rise in feed grains in the first half of this fiscal year
Finance, Realty, Insurance & Logistics Services	...	33.2	28.3	4.9 ... Increase due to the absence of devaluation loss on real-estate business for long-term development recorded in the same period of the previous fiscal year
Other, Adjustments & Eliminations	...	24.2	21.2	3.0 ... Increase due to improvement in equipment materials transactions in North America
Total		824.5	738.7	85.9
Net income				
(Unit : billion yen)				
Textile	...	16.3	11.8	4.5 ... Increase due to improvement of gain on sales of investments and marketable securities in addition to contribution of a newly consolidated equity-method associated company
Machinery	...	(3.0)	21.5	(24.5) ... Decrease due to impairment loss on investments and marketable securities and worsened equity in earnings of associated companies as well as provision for doubtful receivables from Machinery-related customers in Mongolia
Aerospace, Electronics & Multimedia	...	2.6	6.2	(3.6) ... Decrease due to increase in SG & A expenses despite improved equity in earnings of associated companies
Energy, Metals & Minerals	...	102.7	73.6	29.1 ... Increase due to gross trading profit and dividends received from LNG-related investments despite impairment loss from suspension of Entrada Oil/Natural Gas Field development
Chemicals, Forest Products & General Merchandise	...	18.2	15.4	2.9 ... Increase due to equity in earnings of associated companies despite decrease in gross trading profit
Food	...	18.5	17.8	0.7 ... Increase due to gross trading profit and equity in earnings of associated companies despite worsened gain on sales of investments and marketable securities
Finance, Realty, Insurance & Logistics Services	...	3.9	18.0	(14.1) ... Decrease due to worsened gain on sales of investments and marketable securities as well as the absence of the gain and loss regarding the capital restructuring and the impairment of the finance business (Orico) in the same period of the previous fiscal year despite increase in gross trading profit
Other, Adjustments & Eliminations	...	3.4	6.0	(2.6) ... Decrease due to impairment loss on investments and marketable securities and increased pension cost
Total		162.7	170.2	(7.6)
Identifiable assets				
(Unit : billion yen)				
Textile	...	388.6	364.3	24.3 ... Increase due to effect of a newly consolidated subsidiary
Machinery	...	743.4	709.7	33.7 ... Increase in advances to associated companies, and property and equipment due to newly joining of a subsidiary
Aerospace, Electronics & Multimedia	...	522.6	513.9	8.7 ... Increase due to purchase of leased aircraft
Energy, Metals & Minerals	...	1,187.2	916.6	270.6 ... Increase due to turning ITOCHU ENEX CO., LTD. into a consolidated subsidiary and acquisition of iron ore production and wholesale business in Brazil
Chemicals, Forest Products & General Merchandise	...	752.7	766.8	(14.1) ... Decrease of total assets resulting from a decrease in trade receivables due to chemical market plunge despite increase in trade receivables and inventories as a result of an acquisition of distribution center in North America
Food	...	1,240.8	1,064.8	176.0 ... Seasonal increase in trade receivables mainly from sales of year-end in food distribution business
Finance, Realty, Insurance & Logistics Services	...	397.4	420.5	(23.1) ... Decrease due to fund management assets in financing subsidiaries
Other, Adjustments & Eliminations	...	493.8	517.6	(23.7) ... Decrease mainly in cash and cash equivalents
Total		5,726.6	5,274.2	452.4

ITOCHU Corporation and Subsidiaries
For the three months ended December 31, 2008 and 2007 (Third quarter of fiscal year 2009 and 2008)

Information concerning operations in different operating segments for the three months ended December 31, 2008 is as follows:

For the three months ended December 31, 2008 (October 1, 2008 -December 31, 2008)									Millions of Yen
	Textile	Machinery	Aerospace, Electronics & Multimedia	Energy, Metals & Minerals	Chemicals, Forest Products & General Merchandise	Food	Finance, Realty, Insurance & Logistics Services	Other, Adjustments & Eliminations	Consolidated
Total trading transactions:									
Unaffiliated customers and associated companies	¥ 154,115	¥ 344,517	¥ 147,244	¥ 1,247,795	¥ 497,359	¥ 838,695	¥ 49,009	¥ 45,079	¥ 3,323,813
Transfers between operating segments	138	334	545	126	5,281	121	3	(6,548)	—
Total trading transactions	154,253	344,851	147,789	1,247,921	502,640	838,816	49,012	38,531	3,323,813
Gross trading profit	27,447	21,482	32,950	72,937	26,875	85,909	10,665	4,187	282,452
Net income	3,084	(6,652)	735	16,273	5,019	6,104	(2,755)	1,742	23,550
[Equity in earnings (losses) of associated companies].....	[1,234]	[8]	[(296)]	[7,999]	[1,630]	[3,962]	[1,374]	[(163)]	[15,748]
Identifiable assets at December 31, 2008....	388,638	743,431	522,574	1,187,159	752,707	1,240,846	397,413	493,839	5,726,607

For the three months ended December 31, 2008 (October 1, 2008 -December 31, 2008)									Millions of Yen
	Textile	Machinery	Aerospace, Electronics & Multimedia	Energy, Metals & Minerals	Chemicals, Forest Products & General Merchandise	Food	Finance, Realty, Insurance & Logistics Services	Other, Adjustments & Eliminations	Consolidated
Total trading transactions:									
Unaffiliated customers and associated companies	¥ 168,892	¥ 354,992	¥ 159,444	¥ 986,881	¥ 610,361	¥ 795,832	¥ 32,558	¥ 58,358	¥ 3,167,318
Transfers between operating segments	153	147	(233)	71	4,683	73	39	(4,933)	—
Total trading transactions	169,045	355,139	159,211	986,952	615,044	795,905	32,597	53,425	3,167,318
Gross trading profit	28,277	25,029	30,931	30,121	32,529	83,742	9,867	7,490	247,986
Net income	4,617	5,632	1,616	23,808	4,905	6,671	3,510	3,099	53,858
[Equity in earnings (losses) of associated companies].....	[1,211]	[1,607]	[(118)]	[5,519]	[118]	[3,639]	[3,437]	[127]	[15,540]
Identifiable assets at December 31, 2007....	388,808	711,246	546,790	901,427	814,369	1,219,974	516,422	440,658	5,539,694

For the three months ended December 31, 2008 (October 1, 2008 -December 31, 2008)									Millions of U.S.dollars
	Textile	Machinery	Aerospace, Electronics & Multimedia	Energy, Metals & Minerals	Chemicals, Forest Products & General Merchandise	Food	Finance, Realty, Insurance & Logistics Services	Other, Adjustments & Eliminations	Consolidated
Total trading transactions:									
Unaffiliated customers and associated companies	\$ 1,693	\$ 3,784	\$ 1,617	\$ 13,708	\$ 5,464	\$ 9,214	\$ 538	\$ 495	\$ 36,513
Transfers between operating segments	2	4	6	1	58	1	0	(72)	—
Total trading transactions	1,695	3,788	1,623	13,709	5,522	9,215	538	423	36,513
Gross trading profit	302	236	362	801	295	944	117	46	3,103
Net income	34	(73)	8	179	55	67	(30)	19	259
[Equity in earnings (losses) of associated companies].....	[14]	[0]	[(3)]	[88]	[18]	[43]	[15]	[(2)]	[173]
Identifiable assets at December 31, 2008....	4,269	8,167	5,741	13,041	8,269	13,631	4,366	5,425	62,909

Note :

- "Equity in earnings of associated companies" is included in Net income.
- "Total trading transactions" is presented in accordance with Japanese accounting practice.
Total trading transactions consist of sales with respect to transactions in which the companies act as principal and the total amount of transactions in which the companies act as agent.

[Explanation for Operating Segment Information]

<u>Trading transactions for unaffiliated customers and associated companies</u>	(Unit : billion yen)	Increase		Reasons for changes
		Oct-Dec 2008	Oct-Dec 2007	
Textile	...	154.1	168.9	(14.8) ... Decrease due to leaving of several subsidiaries as well as market slowdown in textile raw materials, fabrics and apparels despite the contribution of a newly consolidated subsidiary
Machinery	...	344.5	355.0	(10.5) ... Decrease due to declined automobile sales for North America and emerging countries
Aerospace, Electronics & Multimedia	...	147.2	159.4	(12.2) ... Decrease due to adoption of new sales system for domestic mobile phones sales business
Energy, Metals & Minerals	...	1,247.8	986.9	260.9 ... Increase due to rise in prices of metal resources and the contribution of turning ITOCHU ENEX CO., LTD. into a consolidated subsidiary
Chemicals, Forest Products & General Merchandise	...	497.4	610.4	(113.0) ... Decrease due to chemical market plunge
Food	...	838.7	795.8	42.9 ... Increase due to rise in sales volume of feed grains and food distribution business
Finance, Realty, Insurance & Logistics Services	...	49.0	32.6	16.5 ... Increase due to sales increase in rental properties for investors
Other, Adjustments & Eliminations	...	45.1	58.4	(13.3) ... Decrease due to negative effect of yen's appreciation
Total		3,323.8	3,167.3	156.5
<u>Gross trading profit</u>	(Unit : billion yen)	Increase		Reasons for changes
		Oct-Dec 2008	Oct-Dec 2007	
Textile	...	27.4	28.3	(0.8) ... Decrease due to leaving of several subsidiaries as well as market slowdown in textile raw materials, fabrics and apparels despite the contribution of a newly consolidated subsidiary
Machinery	...	21.5	25.0	(3.5) ... Decrease in automobile and construction machinery business
Aerospace, Electronics & Multimedia	...	33.0	30.9	2.0 ... Increase due to sales expansion in domestic mobile phones business and improvement mainly resulting from absence of temporary factor in domestic IT-related business in the same period of the previous fiscal year
Energy, Metals & Minerals	...	72.9	30.1	42.8 ... Increase due to rise in prices of metal resources and the contribution of turning ITOCHU ENEX CO., LTD. into a consolidated subsidiary
Chemicals, Forest Products & General Merchandise	...	26.9	32.5	(5.7) ... Decrease due to chemical market plunge and leaving of a subsidiary in U.S. despite steady growth in housing material business in North America
Food	...	85.9	83.7	2.2 ... Increase due to rise in sales volume of food distribution business
Finance, Realty, Insurance & Logistics Services	...	10.7	9.9	0.8 ... Increase due to sales increase in rental properties for investors
Other, Adjustments & Eliminations	...	4.2	7.5	(3.3) ... Decrease due to negative effect of yen's appreciation
Total		282.5	248.0	34.5
<u>Net income</u>	(Unit : billion yen)	Increase		Reasons for changes
		Oct-Dec 2008	Oct-Dec 2007	
Textile	...	3.1	4.6	(1.5) ... Decrease due to reduced gross trading profit and impairment loss on investments and marketable securities
Machinery	...	(6.7)	5.6	(12.3) ... Decrease due to impairment loss on investments and marketable securities and worsened equity in earnings of associated companies
Aerospace, Electronics & Multimedia	...	0.7	1.6	(0.9) ... Decrease due to worsened gain on sales of investments and marketable securities
Energy, Metals & Minerals	...	16.3	23.8	(7.5) ... Decrease due to impairment loss from suspension of Entrada Oil / Natural Gas Field development despite increase in gross trading profit
Chemicals, Forest Products & General Merchandise	...	5.0	4.9	0.1 ... Almost the same level as the same period of the previous fiscal year due to increase in equity in earnings of associated companies from a pulp-related company in Brazil despite decrease in gross trading profit
Food	...	6.1	6.7	(0.6) ... Decrease due to absence of gain on sales of investments and marketable securities in the same period of the previous fiscal year despite increase in gross trading profit
Finance, Realty, Insurance & Logistics Services	...	(2.8)	3.5	(6.3) ... Decrease due to gain on sales of investments and marketable securities and worsened equity in earnings of associated companies in finance-related business despite increase in gross trading profit
Other, Adjustments & Eliminations	...	1.7	3.1	(1.4) ... Decrease mainly due to impairment loss on investments and marketable securities
Total		23.6	53.9	(30.3)

(8) Assumption for Going Concern N/A

(9) Significant Changes in Stockholders' Equity N/A

(10) Information Concerning Dividends Payment for the nine months ended December 31, 2008

(Resolution)	Stock type	Total dividend amount	Dividend per share	Record date	Effective date	Dividend resource
General meeting of stockholders on June 25, 2008	Common stock	millions of yen 15,028	yen 9.50	March 31, 2008	June 26, 2008	Retained earnings
Board of directors' meeting on October 30, 2008	Common stock	millions of yen 16,608	yen 10.50	September 30, 2008	December 2, 2008	Retained earnings

Performance of Group Companies

For the nine months ended December 31, 2008 and 2007

Components of Consolidated Net Income

[For the nine months ended December 31]

(Unit: billion yen)	2008	2007	Increase (Decrease)
	Apr-Dec	Apr-Dec	
Parent company	45.0	67.0	(22.0)
Group companies excluding overseas trading subsidiaries	(*) 133.0	(**) 119.4	13.6
Overseas trading subsidiaries	18.4	17.4	1.0
Subtotal	196.5	203.8	(7.3)
Consolidation adjustments	(33.8)	(33.6)	(0.2)
Consolidated net income	162.7	170.2	(7.6)
Earnings from overseas businesses (***)	(*) 100.1	77.8	22.3
Share of earnings from overseas businesses	62%	46%	
Exclude Orico's special factors (****)		50%	

(*) includes the tax effect relating to the loss relating to the Entrada Oil/Natural Gas Field.

(**) includes the tax effect relating to the equity in investment in Orient Corporation.

(***) "Earnings from overseas businesses" is the total of net incomes of overseas trading subsidiaries and overseas group companies, plus net incomes of overseas branch of parent company and domestic group companies substantially operating in overseas.

(****) Refer to <Note 3> on page 3 for the special factors on share of net income for Orient Corporation included in the same period of the previous fiscal year.

[For the three months ended December 31]

(Unit: billion yen)	2008	2007	Increase (Decrease)
	Oct-Dec	Oct-Dec	
Parent company	(17.0)	37.5	(54.5)
Group companies excluding overseas trading subsidiaries	(*) 25.6	37.6	(11.9)
Overseas trading subsidiaries	6.0	6.2	(0.3)
Subtotal	14.6	81.3	(66.7)
Consolidation adjustments	8.9	(27.4)	36.4
Consolidated net income	23.6	53.9	(30.3)
Earnings from overseas businesses (***)	(*) 18.3	24.9	(6.6)
Share of earnings from overseas businesses	78%	46%	

Number of Group Companies

	December 31, 2008			March 31, 2008			Increase	Decrease	Changes within Group	Net changes	
	Domestic	Overseas	Total	Domestic	Overseas	Total					
Subsidiaries	229	250	479	191	223	414	+ 81	(22)	+ 7	(1)	+ 65
Equity-method associated companies	112	113	225	94	118	212	+ 39	(20)	(7)	+ 1	+ 13
Total	341	363	704	285	341	626	+ 120	(42)			+ 78

Number of Direct Controlled Companies

	December 31, 2008			March 31, 2008			Increase	Decrease	Changes within Group	Net changes	
	Domestic	Overseas	Total	Domestic	Overseas	Total					
Subsidiaries	109	148	257	111	141	252	+ 12	(12)	+ 6	(1)	+ 5
Equity-method associated companies	70	86	156	69	93	162	+ 12	(13)	(6)	+ 1	(6)
Total	179	234	413	180	234	414	+ 24	(25)			(1)

(Note) Direct controlled companies are directly monitored by ITOCHU Corporation to implement its group management strategy.

Profits/Losses of Group Companies Reporting Profits/Losses

	Apr - Dec 2008			Apr - Dec 2007			Increase (Decrease)		
	Profits	Losses	Total	Profits	Losses	Total	Profits	Losses	Total
	(Unit: billion yen)								
Group companies excluding overseas trading subsidiaries	175.7	(*) (42.6)	133.0	(**) 141.5	(22.1)	119.4	34.1	(20.5)	13.6
Overseas trading subsidiaries	18.8	(0.4)	18.4	17.7	(0.3)	17.4	1.1	(0.1)	1.0
Total	194.5	(43.0)	151.5	159.3	(22.4)	136.8	35.2	(20.6)	14.6

Number/Share of Group Companies Reporting Profits

		Apr - Dec 2008			Apr - Dec 2007			Increase (Decrease)		
		Profits	Losses	Total	Profits	Losses	Total	Profits	Losses	Total
Subsidiaries	Domestic	190	39	229	161	38	199	29	1	30
	Overseas	194	56	250	184	36	220	10	20	30
	Total	384	95	479	345	74	419	39	21	60
Equity-method associated companies	Share (%)	80.2%	19.8%	100.0%	82.3%	17.7%	100.0%	(2.2%)	2.2%	
	Domestic	81	31	112	68	30	98	13	1	14
	Overseas	85	28	113	84	32	116	1	(4)	(3)
Total	Total	166	59	225	152	62	214	14	(3)	11
	Share (%)	73.8%	26.2%	100.0%	71.0%	29.0%	100.0%	2.7%	(2.7%)	
	Domestic	271	70	341	229	68	297	42	2	44
Total	Overseas	279	84	363	268	68	336	11	16	27
	Total	550	154	704	497	136	633	53	18	71
	Share (%)	78.1%	21.9%	100.0%	78.5%	21.5%	100.0%	(0.4%)	0.4%	

Profits/Losses of Group Companies Reporting Profits/Losses

		Apr - Dec 2008			Apr - Dec 2007			Increase (Decrease)		
		Profits	Losses	Total	Profits	Losses	Total	Profits	Losses	Total
Subsidiaries	Domestic	30.3	(6.9)	23.4	29.8	(11.9)	17.9	0.5	5.0	5.5
	Overseas (****)	107.6	(*) (30.2)	77.4	69.5	(4.4)	65.1	38.1	(25.8)	12.3
	Total	137.9	(37.1)	100.8	99.3	(16.3)	83.0	38.7	(20.8)	17.8
Equity-method associated companies	Domestic	39.5	(2.9)	36.6	(**) 47.1	(3.8)	43.3	(7.5)	0.8	(6.7)
	Overseas	17.0	(2.9)	14.1	12.9	(2.4)	10.5	4.1	(0.6)	3.5
	Total	56.6	(5.9)	50.7	60.0	(6.1)	53.8	(3.4)	0.3	(3.2)
Total	Domestic	69.8	(9.9)	60.0	76.9	(15.7)	61.2	(7.0)	5.8	(1.2)
	Overseas	124.7	(33.1)	91.5	82.4	(6.7)	75.7	42.3	(26.4)	15.8
	Total	194.5	(43.0)	151.5	159.3	(22.4)	136.8	35.2	(20.6)	14.6

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

	Apr - Dec 2008			Apr - Dec 2007			Increase (Decrease)		
	Profits	Losses	Total	Profits	Losses	Total	Profits	Losses	Total
Overseas trading subsidiaries	18.8	(0.4)	18.4	17.7	(0.3)	17.4	1.1	(0.1)	1.0

Major New Group Companies

Business Field	Name	Country	Voting Shares	Categories
Textile	DESCENTE,LTD.	Japan	(20.0%)	Manufacture and sale of sportswear and related products
Textile	SANKEI COMPANY LIMITED	Japan	(90.5%)	Sale of garment accessories
Machinery	TYR CHESAPEAKE, LLC	U.S.A.	(100.0%)	Project of Independent Power Producer
Machinery	YANASE&CO.,LTD.	Japan	(22.0%)	Sale and maintenance services of motor vehicles and car parts
Energy	JB BioEnergy, Inc.	Japan	(100.0%)	Investment in bio-ethanol project in Brazil
Energy	Brazil Japan Iron Ore Corporation	Japan	(47.7%)	Investment in projects of iron ore
Food	ITO EN ITOCHU Mineral Waters Co.	Japan	(35.0%)	Import/sale of mineral water and plan/implement structure of marketing and sale
Other	Japan Medical Dynamic Marketing, INC.	Japan	(30.0%)	Import/sale of medical equipment
Other	GOODMAN CO., LTD.	Japan	(36.3%)	Import/sale of medical equipment

Performance of Group Companies

For the nine months ended December 31, 2008 and 2007

Major Group Companies

(Unit: billion yen)

	Name	Shares	Method of Consolidation	ITOCHU's share of Net income (*1)				Categories
				Apr-Dec 2008		Apr-Dec 2007		
				3Q		3Q		
Textile	JOIX CORPORATION	100.0%	Consolidation	0.0	(0.1)	0.1	0.2	Manufacture, retail and sale of men's apparel
	Prominent Apparel Ltd. (*3) (Hong Kong)	100.0%	Consolidation	0.1	0.3	0.1	0.4	Production control and wholesale of textile and apparel
	ITOCHU TEXTILE (CHINA) CO., Ltd. (*4) (China)	100.0%	Consolidation	0.3	0.6	0.3	0.7	Production control and wholesale of textile materials, fabrics and apparel
Machinery	ITOCHU Sanki Corporation	100.0%	Consolidation	0.0	0.1	0.0	0.2	Import/Export and domestic sale of industrial machinery
	ITOCHU CONSTRUCTION MACHINERY CO., LTD.	100.0%	Consolidation	0.0	0.4	0.2	0.7	Sale and rental of construction machinery
	MCL Group Limited (*5) (U.K.)	100.0%	Consolidation	(0.2)	(0.4)	(0.1)	0.0	Warehousing, retail and financing of motor vehicles
	ITOCHU Automobile America Inc. (U.S.A.)	100.0%	Consolidation	(0.2)	(0.5)	0.2	1.0	Retail, distribution, and trade of motor vehicles
	Century Leasing System, Inc.	20.3%	Equity	(*2)	(*2)	0.4	1.3	Diversified leasing business
Aerospace, Electronics & Multimedia	ITOCHU Techno-Solutions Corporation	52.6%	Consolidation	(*2)	(*2)	0.7	3.3	System consultation, integration, administration, maintenance, support, training and outsourcing
	Excite Japan Co., Ltd.	59.0%	Consolidation	(*2)	(*2)	(0.4)	(0.7)	Internet directory service, information searching and providing service
	ITC NETWORKS CORPORATION	60.7%	Consolidation	0.3	1.0	0.4	1.3	Sale of mobile phone units, mobile phones related solution business
	NANO Media Inc.	51.3%	Consolidation	(*2)	(*2)	(0.1)	(0.2)	Content publishing, mobile site operation and application development
	SPACE SHOWER NETWORKS INC.	50.8%	Consolidation	0.0	0.2	0.0	0.1	Music channel on cable/satellite television
	JAMCO Corporation	33.3%	Equity	(*2)	(*2)	0.2	0.4	Maintenance of aircraft and manufacture of aircraft interior
	SUNCALL CORPORATION	25.1%	Equity	(*2)	(*2)	0.1	0.3	Manufacturing and sale of optical communication devices, electronic devices and assembly
Energy, Metals & Minerals	ITOCHU Metals Corporation	100.0%	Consolidation	0.3	1.2	0.8	1.1	Import/Export and wholesale of non-ferrous/light metals and recycle business mainly in metal products
	ITOCHU Petroleum Japan Ltd.	100.0%	Consolidation	3.6	5.8	0.6	2.4	International trade of crude oil and petroleum products, charter and operation of oil tankers, sale of bunker fuel oil, operation of oil storage facilities
	ITOCHU Minerals & Energy of Australia Pty Ltd (*6) (Australia)	100.0%	Consolidation	13.2	64.6	9.1	22.9	Investment in projects of iron ore, coal and bauxite mining, manufacture of alumina and oil exploration
	ITOCHU Oil Exploration (Azerbaijan) Inc. (Cayman)	100.0%	Consolidation	9.0	20.6	5.7	21.7	Exploration and production of crude oil and gas
	Marubeni-Itochu Steel Inc.	50.0%	Equity	3.8	13.9	4.4	12.6	Import/Export and wholesale of steel products
	ITOCHU ENEX CO., LTD. (*7)	52.3%	Consolidation	0.2	1.2	0.5	1.0	Wholesale of petroleum products and high-pressure gas
Chemicals, Forest Products & General Merchandise	ITOCHU Kenzai Corp.	86.9%	Consolidation	(0.5)	(0.2)	0.0	0.3	Wholesale of wood products and building materials
	ITOCHU Pulp & Paper Corp.	100.0%	Consolidation	0.1	0.3	0.3	0.7	Wholesale of paper, paperboards and various paper materials
	ITOCHU CHEMICAL FRONTIER Corporation	98.0%	Consolidation	0.0	1.0	0.5	1.3	Wholesale of fine chemicals and related raw materials
	ITOCHU PLASTICS INC.	100.0%	Consolidation	0.2	1.4	0.9	2.4	Wholesale of plastics and related products
	DAIKEN CORPORATION	19.9%	Equity	0.1	0.1	(0.1)	0.0	Manufacture and sale of building materials
	TAKIRON Co., Ltd.	27.0%	Equity	(*2)	(*2)	0.0	0.1	Manufacture, processing and sale of plastic products
	C.I. KASEI Co., Ltd.	36.1%	Equity	(0.2)	(0.1)	0.0	0.3	Manufacture and sale of plastic products
Food	ITOCHU SHOKUJIN Co., Ltd.	50.9%	Consolidation	(*2)	(*2)	1.0	1.5	Wholesale of foods and liquor
	NIPPON ACCESS, INC.	69.8%	Consolidation	(*2)	(*2)	0.3	2.0	Wholesale and distribution of foods
	Yoshinoya Holdings Co., Ltd.	21.0%	Equity	(0.1)	(0.2)	0.1	0.4	Wide-ranging operation of food service business
	Japan Foods Co., Ltd.	34.8%	Equity	(0.1)	0.1	0.0	0.2	Production on consignment and sale of soft drinks
	Fuji Oil Co., Ltd.	25.6%	Equity	(*2)	(*2)	0.6	0.8	Integrated manufacturer of cooking oil and soybean protein
	FamilyMart Co., Ltd.	31.0%	Equity	1.3	4.8	1.3	4.3	Operation of a convenience store chain
	Prima Meat Packers, Ltd.	39.8%	Equity	(*2)	(*2)	0.8	1.6	Production and sale of meat, ham, sausage and processed foods
Finance, Realty, Insurance & Logistics Services	ITOCHU Finance Corporation	99.1%	Consolidation	1.2	1.6	0.2	0.3	Loan and other finance-related business
	CENTURY 21 REAL ESTATE OF JAPAN LTD.	59.2%	Consolidation	0.1	0.2	0.1	0.3	Headquarters of real estate franchise system
	FX PRIME Corporation	55.0%	Consolidation	0.2	0.8	0.2	0.5	Foreign exchange margin trade
	Orient Corporation	32.2%	Equity	0.6	5.1	1.7	17.4	Consumer credit
	i-LOGISTICS CORP.	49.7%	Equity	0.1	0.2	0.1	0.7	Comprehensive logistics services
	eGuarantee, Inc.	31.7%	Equity	(*2)	(*2)	0.0	0.0	B to B credit guarantee service
Other	Century Medical, Inc.	100.0%	Consolidation	0.1	0.3	0.1	0.1	Import and wholesale of medical equipment and materials
Overseas trading subsidiaries	ITOCHU International Inc. (*8) (U.S.A.)	100.0%	Consolidation	3.7	8.0	3.0	7.7	U.S. trading subsidiary
	ITOCHU Europe PLC. (*5) (U.K.)	100.0%	Consolidation	(0.3)	(0.2)	0.4	1.0	Europe trading subsidiary
	ITOCHU Hong Kong Ltd. (*3) (Hong Kong)	100.0%	Consolidation	0.4	1.8	0.5	1.9	Hong Kong trading subsidiary
	ITOCHU (China) Holding Co., Ltd. (*4) (China)	100.0%	Consolidation	0.9	2.8	1.1	2.5	China trading subsidiary
	ITOCHU Australia Ltd. (*6) (Australia)	100.0%	Consolidation	0.6	2.8	0.4	1.1	Australia trading subsidiary

Refer to notes (*1) - (*8) on page 24.

Performance of Group Companies

[For the nine months ended December 31, 2008 and 2007]

Major Group Companies Reporting Profits

(Unit: billion yen)

Name	Segment (*9)	Shares	ITOCHU's share of Net income (*1)			Comments
			2008	2007	Increase	
			Apr-Dec	Apr-Dec	(Decrease)	
[Domestic subsidiaries]						
ITOCHU Petroleum Japan Ltd.	Ene	100.0%	5.8	2.4	3.3	Increase due to good performance in trade of crude oil/fuel oil
ITOCHU Finance Corporation	Fin	99.1%	1.6	0.3	1.2	Increase due to the gain on sales of investment securities and the reversal of the provision for doubtful receivables
ITOCHU PLASTICS INC.	Che	100.0%	1.4	2.4	(1.0)	Decrease due to demand reduction in plastics in this 3rd quarter, in addition to poor demand for materials for electric equipment and impairment loss on investments and marketable securities
ITOCHU Metals Corporation	Ene	100.0%	1.2	1.1	0.1	Increase due to positive trend mainly in light metal products until this 2nd quarter despite less demand in non-ferrous metals for automobiles, home electronics and building materials
ITOCHU ENEX CO., LTD.	(*7) Ene	52.3%	1.2	1.0	0.2	Increase due to reduction of SG&A expenses and improved profitability despite impairment loss on investments and marketable securities
ITOCHU CHEMICAL FRONTIER Corporation	Che	98.0%	1.0	1.3	(0.3)	Decrease due to demand reduction in automobile materials and declined market price of petrochemical products despite good performance in pharmaceutical business
ITC NETWORKS CORPORATION	Aer	60.7%	1.0	1.3	(0.3)	Decrease due to sluggish market conditions for domestic mobile phones sales
ITOCHU Property Development, Ltd.	Fin	99.9%	0.9	(7.9)	8.8	Increase due to absence of devaluation loss on long-term development of real-estate business recorded in the same period of the previous year, in addition to the number increase in condominium deliveries
FX PRIME Corporation	Fin	55.0%	0.8	0.5	0.3	Increase due to increased number of customers as well as sales volume
[Overseas subsidiaries]						
ITOCHU Minerals & Energy of Australia Pty Ltd	(*6) (Australia) Ene	100.0%	64.6	22.9	41.8	Significant increase due to higher price in coal and iron ore as well as increased sales volume in iron ore
ITOCHU Oil Exploration (Azerbaijan) Inc.	(Cayman) Ene	100.0%	20.6	21.7	(1.1)	Decrease due to an effect of entitlement reduction even with higher crude oil price
ITOCHU International Inc.	(*8) (U.S.A.) Ove	100.0%	8.0	7.7	0.3	Increase due to steady growth in housing material business despite an effect of decline in uranium market price and business reduction in construction machinery
PrimeSource Building Products, Inc.	(*8) (U.S.A.) Che	100.0%	6.5	4.0	2.5	Increase due to reduction of SG&A expenses and increased efficiency through integration of distribution center
CIECO Energy (UK) Limited	(U.K.) Ene	100.0%	2.8	0.9	1.9	Increase due to higher crude oil price despite decreased production volume
ITOCHU (China) Holding Co., Ltd.	(*4) (China) Ove	100.0%	2.8	2.5	0.3	Increase due to good performance in chemical trade
ITOCHU Australia Ltd.	(*6) (Australia) Ove	100.0%	2.8	1.1	1.7	Increase in profit from a subsidiary in resource development business
ITOCHU Hong Kong Ltd.	(*3) (Hong Kong) Ove	100.0%	1.8	1.9	(0.1)	Decrease in chemical trade caused by decline in market prices despite profit increase from finance-related business
ITOCHU Finance (Asia) LTD.	(*3) (Hong Kong) Fin	100.0%	1.4	0.1	1.2	Increase due to increased dividends received resulting from gain on disposal of fund investment in China bloc
ITOCHU Singapore Pte, Ltd.	(Singapore) Ove	100.0%	1.1	1.1	(0.1)	Decrease in cement trade despite steady growth in food sales
ITOCHU (THAILAND) LTD.	(Thailand) Ove	100.0%	0.8	1.0	(0.2)	Decrease in chemical trade as well as absence of gain on sales of investment securities in the same period of the previous fiscal year
[Domestic equity-method associated companies]						
Marubeni-Itochu Steel Inc.	Ene	50.0%	13.9	12.6	1.3	Increase due to high steel price until this 2nd quarter despite impairment loss on investments and marketable securities
Orient Corporation	Fin	32.2%	5.1	17.4	(12.3)	Decrease due to absence of the gain and loss from the capital restructuring and impairment (Net impact is 15.4 bil. yen) in the same period of the previous fiscal year despite steady operation
FamilyMart Co., Ltd.	Fod	31.0%	4.8	4.3	0.4	Increase due to increased number of customers by introduction of "taspo" cards and good sales in ready-to-eat food
Japan Brazil Paper and Pulp Resources Development Co., Ltd	Che	25.9%	3.3	0.8	2.5	Increase due to good sales under higher market price in pulp in addition to reduction of production cost in Brazil resulting from Brazil Real's depreciation
DESCENTE,LTD.	Tex	20.0%	2.2	-	2.2	Newly consolidated from this 1st quarter
AI Beverage Holding Co., Ltd.	Fod	20.0%	1.8	1.6	0.2	Increase due to good performance in sales of tea-based beverage

Major Group Companies Reporting Losses

(Unit: billion yen)

Name	Segment (*9)	Shares	ITOCHU's share of Net income (*1)			Comments
			2008	2007	Increase	
			Apr-Dec	Apr-Dec	(Decrease)	
[Domestic subsidiaries]						
I.C.S. Co., Ltd.	Che	95.0%	(2.3)	(0.6)	(1.8)	Worsened by recognized loss due to temporary or eternal store-closing, and business assignment of a number of stores
[Overseas subsidiaries]						
CIECO Energy (US) Limited	(U.S.A.) Ene	100.0%	(21.5)	(1.1)	(20.4)	Significantly worsened due to the impairment loss from suspension of Entrada Oil/Natural Gas Field development
C.I. FINANCE (CAYMAN) LTD.	(Cayman) Fin	100.0%	(3.0)	0.9	(3.9)	Worsened by low performance of fund asset management
ITOCHU Petroleum Co., (Hong Kong) Ltd.	(Hong Kong) Ene	100.0%	(1.4)	1.5	(3.0)	Worsened by decline in uranium market price
ITOCHU Finance (Europe) PLC.	(U.K.) Fin	100.0%	(0.8)	(0.1)	(0.6)	Worsened by low performance of fund asset management
ITOCHU Financial Service, Inc.	(U.S.A.) Fin	100.0%	(0.7)	0.2	(0.9)	Worsened by low performance of fund asset management
ITOCHU Automobile America Inc.	(U.S.A.) Mac	100.0%	(0.5)	1.0	(1.5)	Worsened by poor automobile sales due to economic recession in the U.S.

Refer to notes (*1) - (*9) on page 24.

Performance of Group Companies

[For the three months ended December 31, 2008 and 2007]

Major Group Companies Reporting Profits

(Unit: billion yen)

Name	Segment (*9)	Shares	ITOCHU's share of Net income (*1)			Comments
			2008 Oct-Dec	2007 Oct-Dec	Increase (Decrease)	
[Domestic subsidiaries]						
ITOCHU Petroleum Japan Ltd.	Ene	100.0%	3.6	0.6	3.0	Increase due to good performance in trade of crude oil/fuel oil
ITOCHU Finance Corporation	Fin	99.1%	1.2	0.2	0.9	Increase due to gain on sales of investment securities
ITOCHU PLASTICS INC.	Che	100.0%	0.2	0.9	(0.7)	Decrease due to impairment loss on investments and marketable securities in addition to poor demand for electric materials for electric equipment and plastics
ITOCHU Metals Corporation	Ene	100.0%	0.3	0.8	(0.5)	Decrease due to less demand in non-ferrous metals for automobiles, home electronics, and building materials in addition to an absence of the gain on sales of investment securities in the same period of the previous fiscal year
ITOCHU ENEX CO., LTD.	(*7) Ene	52.3%	0.2	0.5	(0.2)	Decrease due to impairment loss on investments and marketable securities
ITOCHU CHEMICAL FRONTIER Corporation	Che	98.0%	0.0	0.5	(0.5)	Decrease due to impairment loss on investments and marketable securities, demand reduction in automobile materials, and market price fall in petrochemicals
ITC NETWORKS CORPORATION	Aer	60.7%	0.3	0.4	(0.0)	Decrease due to sluggish market conditions for domestic mobile phones sales
ITOCHU Property Development, Ltd.	Fin	99.9%	(0.1)	(0.8)	0.8	Increase due to the number increase in condominium deliveries
FX PRIME Corporation	Fin	55.0%	0.2	0.2	(0.0)	Almost the same level due to profit decline resulting from the reduced controlling share, though the performance was good
[Overseas subsidiaries]						
ITOCHU Minerals & Energy of Australia Pty Ltd	(*6) (Australia) Ene	100.0%	13.2	9.1	4.1	Increase due to higher price in coal and iron ore
ITOCHU Oil Exploration (Azerbaijan) Inc.	(Cayman) Ene	100.0%	9.0	5.7	3.3	Increase due to higher crude oil price
ITOCHU International Inc.	(*8) (U.S.A.) Ove	100.0%	3.7	3.0	0.7	Increase due to steady growth in housing material business
PrimeSource Building Products, Inc.	(*8) (U.S.A.) Che	100.0%	2.6	1.5	1.1	Increase due to reduction of SG&A expenses and increased efficiency through integration of distribution center
CIECO Energy (UK) Limited	(U.K.) Ene	100.0%	1.2	0.4	0.7	Increase due to higher crude oil price despite decreased production volume
ITOCHU (China) Holding Co., Ltd.	(*4) (China) Ove	100.0%	0.9	1.1	(0.2)	Decrease due to increase in SG&A expenses (i.e. personnel expenses) despite good performance in chemical trade
ITOCHU Australia Ltd.	(*6) (Australia) Ove	100.0%	0.6	0.4	0.2	Increase in profit from subsidiaries in resource development business
ITOCHU Hong Kong Ltd.	(*3) (Hong Kong) Ove	100.0%	0.4	0.5	(0.2)	Decrease in chemical trade caused by decline in market prices
ITOCHU Finance (Asia) LTD.	(*3) (Hong Kong) Fin	100.0%	0.0	0.0	0.0	Almost the same level as the same period of the previous fiscal year
ITOCHU Singapore Pte, Ltd.	(Singapore) Ove	100.0%	0.1	0.4	(0.3)	Decrease in cement trade
ITOCHU (THAILAND) LTD.	(Thailand) Ove	100.0%	0.2	0.2	0.0	Almost the same level as the same period of the previous fiscal year
[Domestic equity-method associated companies]						
Marubeni-Itochu Steel Inc.	Ene	50.0%	3.8	4.4	(0.6)	Decrease due to impairment loss on investments and marketable securities despite steady trend of business
Orient Corporation	Fin	32.2%	0.6	1.7	(1.2)	Decrease in reduced profit from installment sales
FamilyMart Co., Ltd.	Fod	31.0%	1.3	1.3	(0.0)	Almost the same level as the same period of the previous fiscal year due to increased number of customers by introduction of "taspo" cards and good sales in ready-to-eat food despite impairment loss on investments and marketable securities
Japan Brazil Paper and Pulp Resources Development Co., Ltd	Che	25.9%	2.4	0.3	2.1	Increase due to good sales under higher market price in pulp in addition to reduction of production cost in Brazil resulting from Brazil Real's depreciation
DESCENTE,LTD.	Tex	20.0%	0.2	-	0.2	Newly consolidated from this 1st quarter
AI Beverage Holding Co., Ltd.	Fod	20.0%	0.8	0.4	0.4	Increase due to good performance in sales of tea-based beverage

Major Group Companies Reporting Losses

(Unit: billion yen)

Name	Segment (*9)	Shares	ITOCHU's share of Net income (*1)			Comments
			2008 Oct-Dec	2007 Oct-Dec	Increase (Decrease)	
[Domestic subsidiaries]						
I.C.S. Co., Ltd.	Che	95.0%	(0.4)	0.0	(0.4)	Worsened by recognized loss due to temporary or eternal store-closing, and business assignment of a number of stores
[Overseas subsidiaries]						
CIECO Energy (US) Limited	(U.S.A.) Ene	100.0%	(21.8)	(0.7)	(21.0)	Significantly worsened due to the impairment loss from development suspension of Entrada Oil/Natural Gas Field
C.I. FINANCE (CAYMAN) LTD.	(Cayman) Fin	100.0%	(2.3)	0.6	(2.8)	Worsened by low performance of fund asset management
ITOCHU Petroleum Co., (Hong Kong) Ltd.	(Hong Kong) Ene	100.0%	0.4	(0.6)	1.0	Profit improved due to implementation of uranium trade under advantageous contract conditions
ITOCHU Finance (Europe) PLC.	(U.K.) Fin	100.0%	(0.3)	0.0	(0.3)	Worsened by low performance of fund asset management
ITOCHU Financial Service, Inc.	(U.S.A.) Fin	100.0%	(0.4)	0.1	(0.6)	Worsened by low performance of fund asset management
ITOCHU Automobile America Inc.	(U.S.A.) Mac	100.0%	(0.2)	0.2	(0.4)	Worsened by poor automobile sales due to economic recession in the U.S.

(*1) ITOCHU's shares of net income are the figures after adjusting to U.S. GAAP, which may be different from the figures each company announces.

(*2) Please refer to the results announced by each corresponding company, as their announcement dates are on and after ITOCHU's announcement date of 3rd quarter of Fiscal Year 2009.

(*3) The net income of ITOCHU Hong Kong Ltd. includes 40.0% of that of Prominent Apparel Ltd. and 30.0% of that of ITOCHU Finance (Asia) LTD.

(*4) The net income of ITOCHU (China) Holding Co., Ltd. includes 40.0% of that of ITOCHU TEXTILE (CHINA) CO., Ltd.

(*5) The net income of ITOCHU Europe PLC. includes 8.6% of that of MCL Group Limited.

(*6) The net income of ITOCHU Australia Ltd. includes 3.7% of that of ITOCHU Minerals & Energy of Australia Pty Ltd.

(*7) ITOCHU ENEX CO., LTD. has turned into a consolidated subsidiary from October 1, 2008.

(*8) The net income of ITOCHU International Inc. includes 80.0% of that of PrimeSource Building Products, Inc.

(*9) Tex : Textile, Mac : Machinery, Aer : Aerospace, Electronics & Multimedia, Ene : Energy, Metals & Minerals, Che : Chemicals, Forest Products & General Merchandise, Fod : Food,

Fin : Finance, Realty, Insurance & Logistics Services, Ove : Overseas trading subsidiaries

Quarterly Information on Consolidated Operating Results

Consolidated Statements of Operations

(Unit: billion yen)

	FY 2008				FY 2009			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Revenue	669.7	753.4	721.1	715.6	728.9	767.9	1,033.2	
Gross trading profit	235.3	255.4	248.0	255.9	247.7	294.4	282.5	
Selling, general and administrative expenses	(175.5)	(182.5)	(184.3)	(181.1)	(178.9)	(186.5)	(204.7)	
Provision for doubtful receivables	1.4	(1.4)	(0.6)	(5.3)	(0.7)	(11.7)	(0.1)	
Interest income	4.0	4.3	4.4	5.0	4.4	3.9	4.2	
Interest expense	(11.6)	(12.6)	(12.5)	(13.3)	(11.8)	(11.1)	(11.8)	
Dividends received	8.1	5.7	5.7	4.9	10.4	7.5	9.3	
Gain (loss) on disposal of investments and marketable securities, net of write-down	10.0	0.5	6.2	(0.3)	5.9	(0.9)	(18.6)	
Gain (loss) on property and equipment-net	0.7	(0.5)	(0.7)	7.1	1.1	(1.9)	(34.3)	
Other-net	0.7	1.6	(0.4)	(1.8)	(2.2)	(0.3)	(7.1)	
Income before income taxes, minority interests and equity in earnings of associated companies	73.3	70.3	65.9	71.1	75.9	93.4	19.4	
Income taxes	(48.8)	(23.8)	(24.4)	(24.1)	(31.3)	(30.2)	(8.8)	
Income before minority interests and equity in earnings of associated companies	24.5	46.5	41.4	47.0	44.6	63.2	10.6	
Minority interests	(1.4)	(3.6)	(3.1)	(4.2)	(1.0)	(2.6)	(2.8)	
Equity in earnings (losses) of associated companies	62.5	(12.2)	15.5	4.3	18.9	16.0	15.7	
Net income	85.6	30.8	53.9	47.1	62.5	76.7	23.6	

Segment Information

(Unit: billion yen)

	FY 2008				FY 2009			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Textile								
Gross trading profit	25.7	30.0	28.3	31.2	21.8	25.1	27.4	
Net income	2.7	4.5	4.6	8.7	9.8	3.4	3.1	
Machinery								
Gross trading profit	22.6	28.2	25.0	23.3	20.4	24.9	21.5	
Net income	6.0	9.9	5.6	(0.1)	0.8	2.8	(6.7)	
Aerospace, Electronics & Multimedia								
Gross trading profit	28.9	34.5	30.9	44.6	28.2	32.8	33.0	
Net income	2.0	2.6	1.6	8.4	0.9	1.0	0.7	
Energy, Metals & Minerals								
Gross trading profit	29.7	34.3	30.1	33.3	43.2	68.2	72.9	
Net income	21.4	28.4	23.8	32.1	32.3	54.1	16.3	
Metals & Minerals								
Gross trading profit	10.0	12.2	13.9	13.9	23.4	53.9	22.3	
Net income	8.6	14.5	14.0	18.8	19.4	43.6	17.1	
Energy								
Gross trading profit	19.6	22.2	16.2	19.5	19.9	14.3	50.6	
Net income	12.8	13.9	9.8	13.3	12.9	10.6	(0.9)	
Chemicals, Forest Products & General Merchandise								
Gross trading profit	29.7	32.0	32.5	28.5	29.7	35.2	26.9	
Net income	4.6	5.8	4.9	4.3	5.2	8.0	5.0	
Forest Products & General Merchandise								
Gross trading profit	17.3	18.5	19.1	19.4	16.3	20.8	16.7	
Net income	1.9	0.9	2.4	3.1	1.6	4.3	5.1	
Chemicals								
Gross trading profit	12.4	13.5	13.4	9.0	13.5	14.4	10.1	
Net income	2.7	4.9	2.5	1.2	3.6	3.7	(0.1)	
Food								
Gross trading profit	77.6	85.4	83.7	77.9	80.6	89.2	85.9	
Net income	4.4	6.7	6.7	0.8	5.7	6.8	6.1	
Finance, Realty, Insurance & Logistics Services								
Gross trading profit	14.0	4.4	9.9	13.1	12.7	9.9	10.7	
Net income	36.9	(22.5)	3.5	(7.1)	2.3	4.3	(2.8)	
Finance, Insurance & Logistics Services								
Gross trading profit	5.4	5.2	5.2	5.7	5.5	6.2	5.4	
Net income	31.7	(14.7)	2.7	(6.6)	1.2	2.6	(1.7)	
Realty								
Gross trading profit	8.6	(0.8)	4.7	7.4	7.2	3.6	5.2	
Net income	5.2	(7.8)	0.8	(0.5)	1.1	1.7	(1.1)	
Other, Adjustments & Eliminations								
Gross trading profit	7.2	6.5	7.5	3.9	11.0	9.0	4.2	
Net income	7.5	(4.6)	3.1	(0.0)	5.4	(3.7)	1.7	