

FY2009 Business Results Summary and New Medium-Term Management Plan

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ITOCHU Corporation

1. FY2009 Business Results Summary

2. New Medium-Term Management Plan

Summary of FY2009 Business Environment



Business Environment

1. Until FY2009 / 1H, favorable business conditions worldwide centered on emerging countries
> From 2H, acceleration from financial crisis to real economy slowdown / recession
2. Increase in world population. Growth in medium-to-long term

FY2009 Review

1. 1H: Resource price hikes provides tail wind. Emerging country economies favorable
2H: Worldwide economic slowdown. Stock market slump / strong yen
2. Implemented large-scale strategic investment
3. Advanced toward *truly global enterprise*

FY2009 Net Income



Net Income		
FY09 Results	¥165.4 billion	
		vs. FY09 Results
FY08 Results	¥217.3 billion	- ¥51.9 billion
FY09 Initial Plan	¥240.0 billion	- ¥74.6 billion
FY09 Forecast*	¥180.0 billion	- ¥14.6 billion

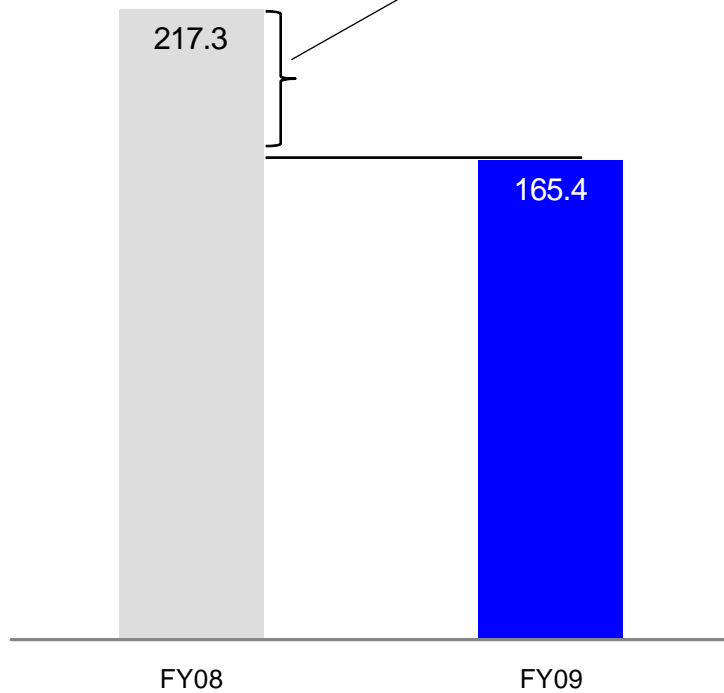
* Forecast at time of FY2009 / 3Q business results announcement

FY2009 Net Income - Positive and Negative Factors



FY08 vs. FY09

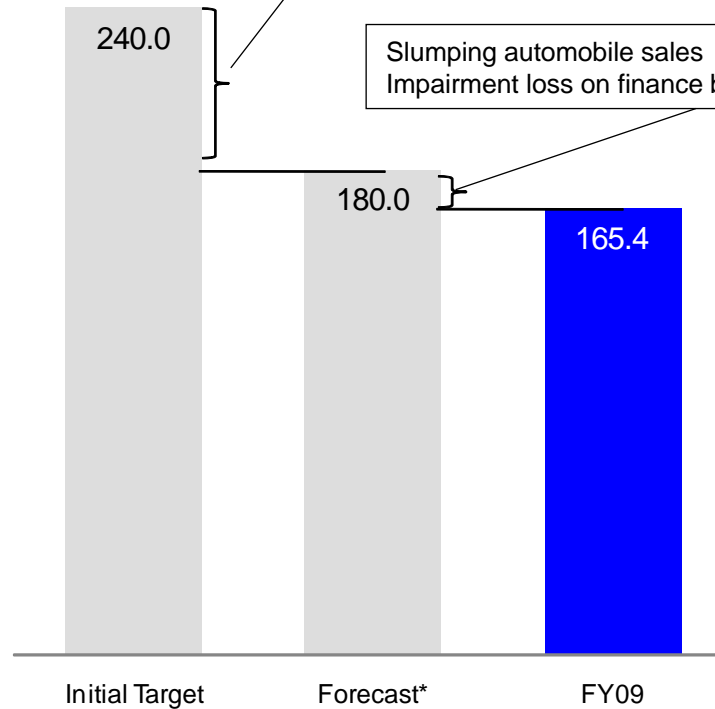
Higher earnings from coal mining / iron ore interests
 Loss due withdrawal from Entrada
 Impairment loss on listed shares etc.



Decrease vs. Target and Forecast

Loss due withdrawal from Entrada
 Impairment loss on listed shares
 Slumping automobile / construction machinery sales etc.

Slumping automobile sales
 Impairment loss on finance business investment etc.



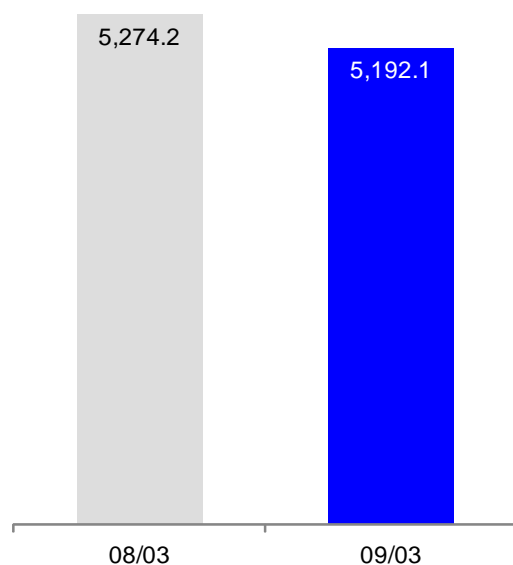
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FY2009 B/S

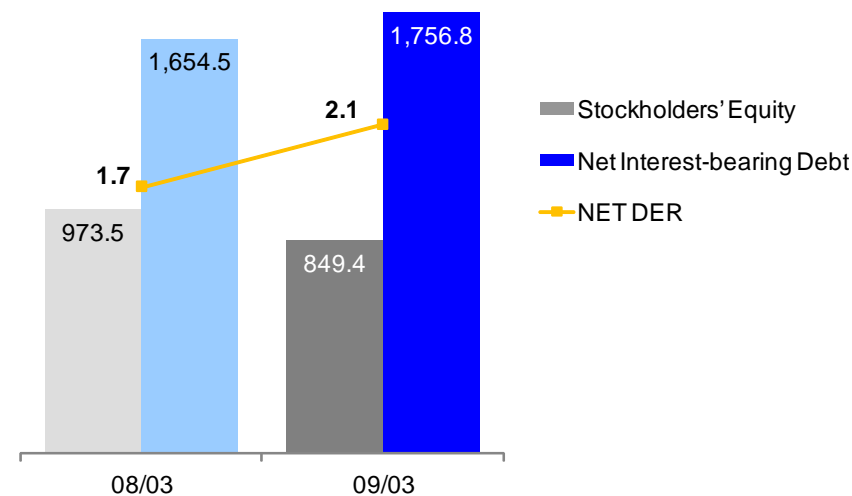


	March 31, 2008	2009	Decrease/ Increase
Total Assets	¥5,274.2 billion	¥5,192.1 billion	- ¥82.1 billion
Net Interest-bearing Debt	¥1,654.5 billion	¥1,756.8 billion	+ ¥102.2 billion
(reference) Stockholders' Equity	¥973.5 billion	¥849.4 billion	- ¥124.1 billion
NET DER	1.7 times	2.1 times	0.4 points worsened

Total Assets (Billions of Yen)



Net Interest-bearing Debt /
Stockholders' Equity (Billions of Yen)



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Frontier^e 2010

- Enhancing Corporate Value on the World Stage, Shaping the Future -

Basic Policy

In light of significant changes in the global economy, we will review foundations, continue to reform and take on challenges, and move forward steadily to become *a global enterprise that is highly attractive*.

The “e” added above and to the right of “*Frontier*” stands for “**Enhance.**” The Company will enhance management quality, the abilities of each employee, and the attractiveness of the Company to realize the goal of being *a truly global enterprise*.

Quantitative Plan



Frontier[®] 2010

(¥ billion)

	FY2009 (results)	FY2010 (plan)	FY2011 (image)
Net Income	165.4	130.0	160.0
Total Assets	5,192.1	5,500.0	-
NET DER*	2.07 times	less than 2.0	-

* SFAS160 not applied

Plan Assumptions

	FY2009	FY2010
Exchange rate (YEN / \$)	100.54	90
Interest (%) YEN TIBOR	0.818%	0.6%
Crude oil (\$ / BBL)	86	53
Iron ore (\$ / ton)	110	-
Hard coking coal (\$ / ton)	300	128
Thermal coal (\$ / ton)	125	70

Crude oil: Brent crude oil

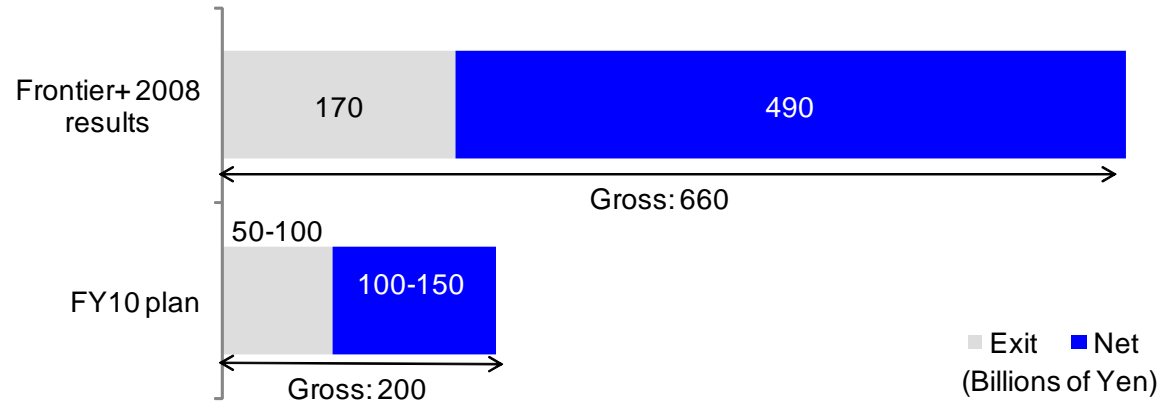
Hard coking coal / thermal coal: Benchmark price for Japan

Investment Policy / Improvement of Financial Position



1. Investment Policy

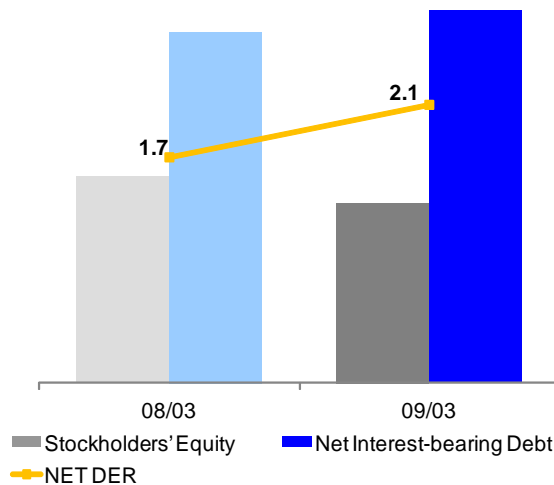
Carefully select new investments while divesting assets there is less reason to hold, replace assets



2. Improvement of Financial Position

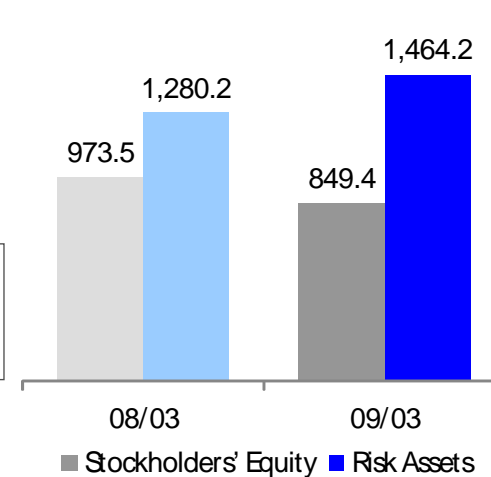
Improve key financial ratios by maintaining financial discipline

NET DER (Times)



Targeting less than two times by end of FY2010

Stockholders' Equity / Risk Assets (Billions of Yen)



Targeting improved balance between risk assets and stockholders' equity

Dividend Policy (Policy for Returns to Stockholders)



Basic Dividend Policy

Although business conditions during the period of *Frontier e 2010* are extremely uncertain, we will uphold the following basic policies.

ITOCHU uses retained earnings to replenish stockholders' equity to promote its growth strategy as well as to maintain and reinforce its competitive power. ITOCHU's basic policy regarding dividend payments calls for giving consideration to consolidated performance and maintaining a stable distribution of returns to stockholders.

Dividend per Share			(Yen)
FY08	FY09	FY10 plan	
18.0	18.5	15.0	

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