

Highlights of Consolidated Financial Results for the Fourth Quarter of FY 2009 (U.S. GAAP)
(from January 1, 2009 to March 31, 2009)

Financial topics for the Fourth Quarter (4th Q) of FY 2009

(Unit: billion yen, (losses, decrease))

- 4th Q Net income significantly decreased by ¥44.4 bil. compared with the previous 4th Q to ¥2.7 bil. due to low performance caused by recession, impairment loss on investment in associated companies and absence of gain on sales of coal mining interests and owned office buildings in the previous 4th Q.
- 4th Q Net income of "Food" increased, while decreased in "Ener., Met. & Min.", "Textile" and "Aero., Elec. & Mltimd" to ¥12 bil., ¥6.6 bil. and ¥5.4 bil. respectively. Also, "Chem., FP & GM" had a surplus to 0.8bil. However, "Mach." recorded a net loss due to inactive performance in automobile and construction machinery business, and "Fin., Rlty, Insur. & LS" recorded less net loss than that in the previous 4th Q despite impairment loss on investment in associated company.

Consolidated Financial Results of Operations	4th Quarter FY 2009	4th Quarter FY 2008	Increase (Decrease)		Summary of changes from the same period of the previous fiscal year
				%	
Revenue	889.2	715.6	173.6	24.3%	<p>Revenue: Increase due to turning ITOCHU ENEX CO., LTD. into a consolidated subsidiary and acquisition of SANKEI CO., LTD.</p> <p>Gross trading profit: (Incr/Decr fields & business)</p> <p><i>Textile / Decr:</i> Due to leaving of several subsidiaries as well as market slowdown in raw materials, fabrics and apparels despite the contribution of a newly consolidated subsidiary</p> <p><i>Mach. / Decr:</i> Decrease mainly in automobile business due to demand shrink and the effect of sharp drop of currencies of emerging countries</p> <p><i>Aero, Elec. & MltiMd / Unchanged:</i> Due to sales increase in domestic mobile phones business offset by decrease in the other businesses</p> <p><i>Ener., Met. & Min. / Incr:</i> Due to the contribution of turning ITOCHU ENEX CO., LTD. into a consolidated subsidiary despite reduction of entitlement in the oil fields owned</p> <p><i>Chem., FP & GM / Decr:</i> Due to decline in chemical market and housing market since last autumn, and leaving of a subsidiary in North America</p> <p><i>Food / Incr:</i> Due to rise in sales volume in food distribution business despite price fall in fresh foods</p> <p><i>Fin., Rlty, Insur. & LS / Decr:</i> Due to sales decrease in real estate for sale</p> <p>SG&A: Increase mainly due to increase in pension cost in addition to increase resulting from turning ITOCHU ENEX CO., LTD. into a consolidated subsidiary and acquisition of SANKEI CO., LTD. as a consolidated subsidiary</p> <p>Net financial income (exp.): Net interest expenses +0.8 (decline in US\$ interest rate) Dividend received from an oil & gas-related investment +1.1, in a pipeline operator subsidiary +0.8</p> <p>Loss on disposal of inv. & sec.: Impairment loss -1.6, Net gain on sales of securities -17.0, others +9.4</p> <p>Gain (Loss) on property and equipment-net: Absence of the sales of coal mining interests and owned office buildings in the same period of the previous fiscal year and others -11.9, Impairment loss on property and equipment and others -5.5</p> <p>Other-net: Improvement of foreign currency exchange gains (losses) +2.0</p> <p>Equity in earnings of assoc. co.: Orient Corporation [Impairment loss on investment -10.8], Marubeni-Itochu Steel Inc. -3.4, Yoshinoya Holdings Co., Ltd. -2.1, Equity-method associated companies of IMEA -0.6, Equity-method associated companies of ITOCHU Finance Corporation +6.7</p>
Gross trading profit	236.0	255.9	(19.9)	(7.8%)	
Selling, general and administrative expenses	(198.0)	(181.1)	(16.8)	9.3%	
Provision for doubtful receivables	(4.2)	(5.3)	1.1	(20.0%)	
Net interest expenses	(7.4)	(8.2)	0.8	(10.3%)	
Dividends received	7.9	4.9	2.9	59.4%	
Net financial income (exp.)	0.5	(3.3)	3.8	-	
Loss on disposal of investments and marketable securities, net of write-down	(9.5)	(0.3)	(9.1)	-	
Gain (loss) on property and equipment-net	(10.3)	7.1	(17.4)	-	
Other-net	5.1	(1.8)	6.9	-	
Total other expenses	(216.4)	(184.8)	(31.6)	17.1%	
Income before income taxes	19.6	71.1	(51.5)	(72.4%)	
Income taxes	(2.5)	(24.1)	21.6	(89.8%)	
Income after income taxes	17.1	47.0	(29.9)	(63.5%)	
Minority interests	(5.1)	(4.2)	(0.8)	19.3%	
Equity in earnings (losses) of associated companies	(9.4)	4.3	(13.7)	-	
Net income	2.7	47.1	(44.4)	(94.2%)	
(Reference)					
Total trading transactions	2,646.8	3,334.9	(688.2)	(20.6%)	
Gross trading profit ratio	8.9%	7.7%	1.2%		
Adjusted profit	29.2	75.8	(46.6)	(61.5%)	
Adjusted profit = Gross trading profit + SG&A expenses + Net financial income + Equity in earnings of associated companies					

Operating Segment Information	Gross trading profit (Note 1)			Net income			[Net income] Summary of changes from the same period of the previous fiscal year (Note 1) Refer to "Summary of changes from the same period of the previous fiscal year" in "Consolidated Financial Results of Operations"
	4th Quarter FY 2009	4th Quarter FY 2008	Increase (Decrease)	4th Quarter FY 2009	4th Quarter FY 2008	Increase (Decrease)	
Textile	28.3	31.2	(2.9)	6.6	8.7	(2.1)	Decrease due to decrease in gross trading profit
Machinery	5.0	23.3	(18.3)	(12.5)	(0.1)	(12.4)	Decrease due to worsened equity in earnings of associated companies in automobile and significant decrease in gross trading profit
Aerospace, Electronics & Multimedia	44.8	44.6	0.2	5.4	8.4	(3.0)	Decrease due to decrease in gross trading profit, the absence of gain on disposal investments and marketable securities, and loss on fix asset
Energy, Metals & Minerals	37.9	33.3	4.5	12.0	32.1	(20.1)	Decrease due to the absence of gain on sales of coal mining interests in the previous 4Q, reduction of entitlement in the oil fields owned, impairment loss on fixed assets
Chemicals, Forest Products & General Merchandise	22.4	28.5	(6.0)	0.8	4.3	(3.5)	Decrease due to the absence of gain on disposal of inv. & sec. in the previous 4Q and decrease in gross trading profit
Food	79.9	77.9	2.0	1.7	0.8	0.8	Increase due to increase in gross trading profit and equity in earnings of assoc. co. despite worsening due to impairment loss on inv. & sec.
Finance, Realty, Insurance & Logistics Services	8.8	13.1	(4.3)	(5.1)	(7.1)	2.1	Increase due to the absence of loss on devaluation of real-estate despite decrease in gross trading profit
Other, Adjustments & Eliminations	8.8	3.9	4.9	(6.2)	(0.0)	(6.2)	Decrease due to worsened net interest expenses and taxation cost despite increase in gross trading profit
Total	236.0	255.9	(19.9)	2.7	47.1	(44.4)	

Components of Consolidated Net Income	4th Quarter FY 2009	4th Quarter FY 2008	Increase (Decrease)
Parent company	19.4	10.1	9.3
Group companies (*)	6.7	41.5	(34.8)
Overseas trading subsidiaries	1.9	5.7	(3.8)
Consolidation adjustments	(25.3)	(10.2)	(15.1)
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(*) includes the tax effect relating to the loss relating to the Entrada Oil/Natural Gas Project and 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.