

Supplementary Information to Consolidated Financial Results for FY 2011

May 11, 2011

ITOCHU Corporation

Highlights

(unit:¥billion) 

(Consolidated Financial
Results of Operations)

	FY 2011	FY 2010	Increase /Decrease
Gross trading profit	1,041.3	924.4	+ 116.9
Trading income (* 1)	256.1	147.4	+ 108.7
Income before income taxes	182.1	155.0	+ 27.1
Equity in earnings of associated companies	60.6	36.3	+ 24.3
Net income attributable to ITOCHU	161.0	128.2	+ 32.8
Adjusted profit (* 2)	332.9	194.3	+ 138.6

(Consolidated Statements of
Comprehensive Income)

	FY 2011	FY 2010	Increase /Decrease
Net income	174.2	139.7	+ 34.5
Other Comprehensive income(loss) (net of tax)	-58.2	147.5	- 205.7
(Foreign currency translation adjustments)	-64.2	96.4	- 160.6
Comprehensive income	116.0	287.2	- 171.2
Comprehensive income attributable to the noncontrolling interest	-10.2	-13.9	+ 3.7
Comprehensive income attributable to ITOCHU	105.8	273.3	- 167.5

(* 1) Trading income = Gross trading profit + SG&A expenses + Provision for doubtful receivables

(* 2) Adjusted profit = Gross trading profit + SG&A expenses + Net financial income + Equity in earnings of associated companies

Financial Position / Cash Flows

(unit:¥billion) 

(Financial Position)

	Mar. 2011	Mar. 2010	Increase /Decrease
Total assets	5,673.7	5,476.8	+ 196.8
Interest-bearing debt	2,268.4	2,209.3	+ 59.1
Net interest-bearing debt	1,633.2	1,726.1	- 92.9
ITOCHU stockholders' equity	1,154.8	1,098.4	+ 56.4
Ratio of ITOCHU stockholders' equity to total assets	20.4%	20.1%	+ 0.3%
NET DER (times)	1.41	1.57	0.16improved

(Cash Flows)

	FY 2011	FY 2010	Increase /Decrease
Operating activities	336.9	295.4	+ 41.5
Investing activities	-230.4	-196.3	- 34.1
Free cash flows	106.4	99.1	+ 7.4
Financing activities	52.9	-259.0	+ 311.9
Cash and cash equivalents	630.7	475.7	+ 155.0

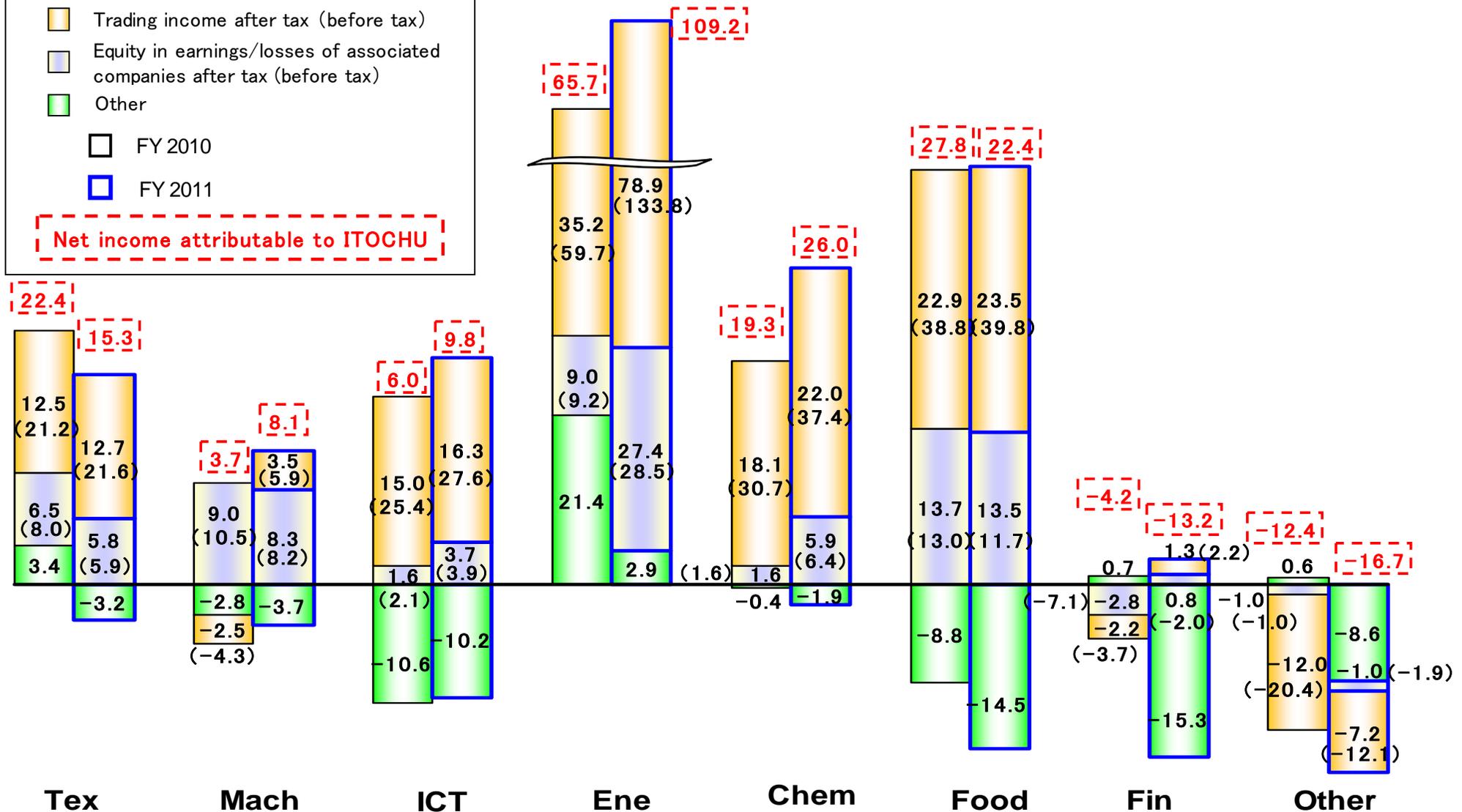
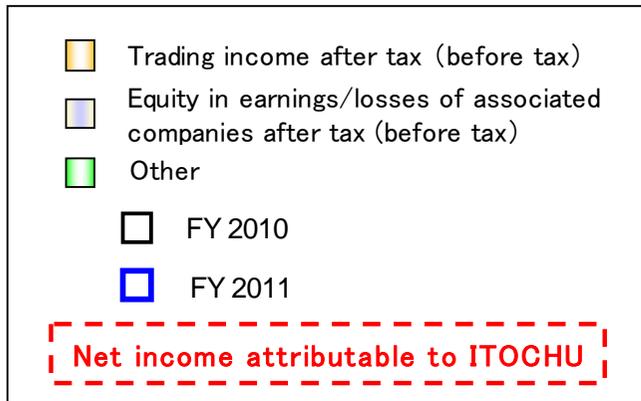
Quarterly Information on Consolidated Operating Results



(unit : ¥billion)

	1st Quarter FY2011	2nd Quarter FY2011	3rd Quarter FY2011	4th Quarter FY2011	FY 2011	FY 2010	Increase /Decrease
Revenue	827.6	890.1	918.9	1,013.1	3,649.7	3,416.6	+ 233.0
Gross trading profit	239.5	265.9	258.9	277.1	1,041.3	924.4	+ 116.9
Trading income	47.2	68.7	63.2	77.1	256.1	147.4	+ 108.7
Net financial income	1.5	1.5	1.3	2.5	6.8	3.6	+ 3.2
Other-net	-8.1	0.7	-28.3	-45.1	-80.8	4.0	- 84.8
Income before income taxes	40.6	70.9	36.1	34.5	182.1	155.0	+ 27.1
Income taxes	-14.7	-26.4	-4.3	-23.1	-68.5	-51.6	- 16.9
Equity in earnings of associated companies	16.1	21.5	14.0	9.0	60.6	36.3	+ 24.3
Net income	42.0	66.0	45.8	20.4	174.2	139.7	+ 34.5
Less:Net income attributable to the noncontrolling interest	-1.8	-3.2	-3.4	-4.8	-13.2	-11.5	- 1.7
Net income attributable to ITOCHU	40.2	62.7	42.4	15.6	161.0	128.2	+ 32.8
Adjusted profit	65.3	92.3	81.4	93.9	332.9	194.3	+ 138.6

Operating Segment (FY2011 & FY2010)



Tex : Textile, Mach : Machinery, ICT : ICT, Aerospace & Electronics, Ene : Energy, Metals & Minerals,
 Chem : Chemicals, Forest Products & General Merchandise, Food : Food, Fin : Finance, Realty, Insurance & Logistics Services

Operating Segment (4th Quarter FY2011 & FY2010)



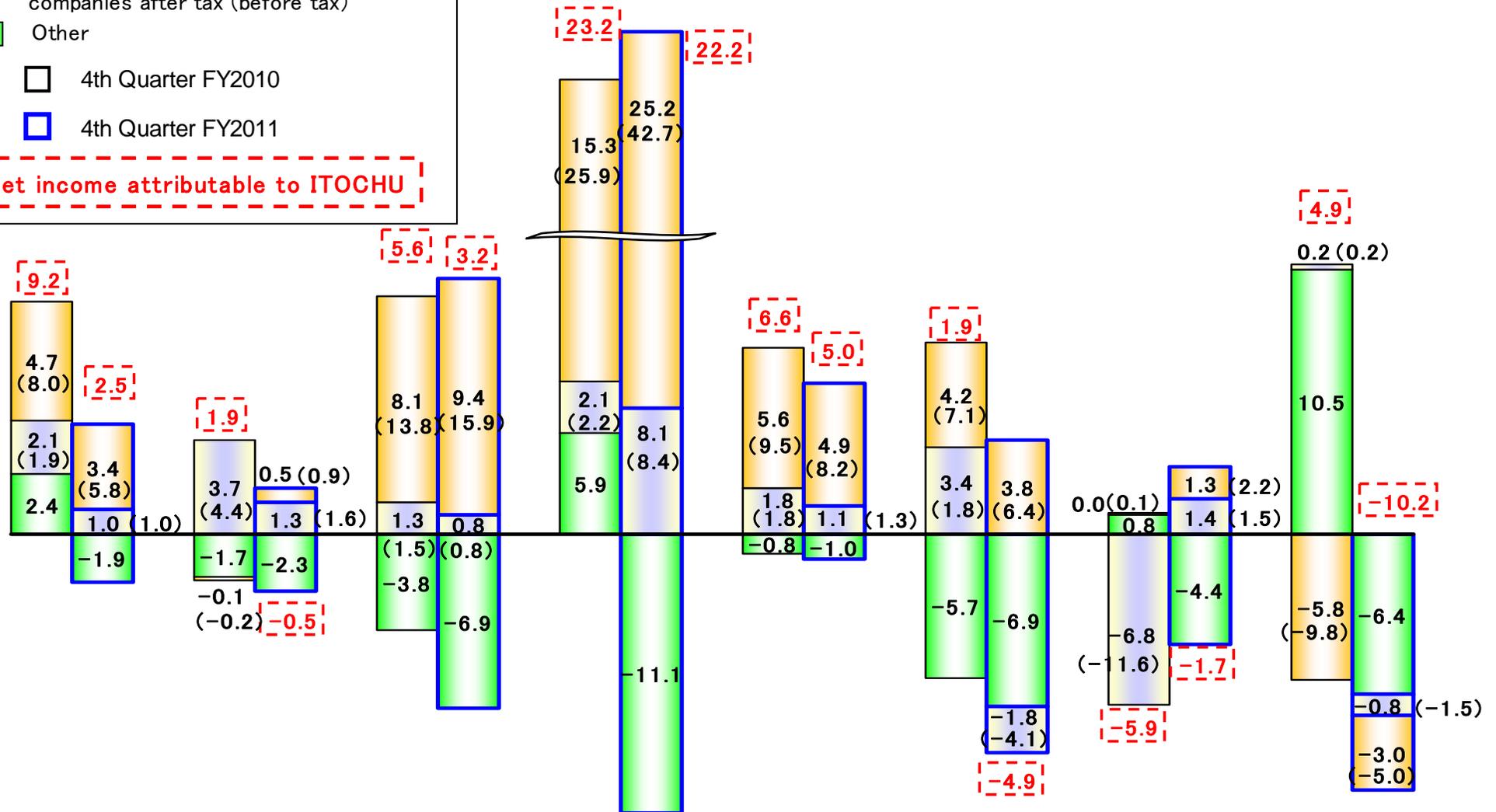
(unit: ¥billion)

- Trading income after tax (before tax)
- Equity in earnings/losses of associated companies after tax (before tax)
- Other

□ 4th Quarter FY2010

□ 4th Quarter FY2011

Net income attributable to ITOCHU



Tex

Mach

ICT

Ene

Chem

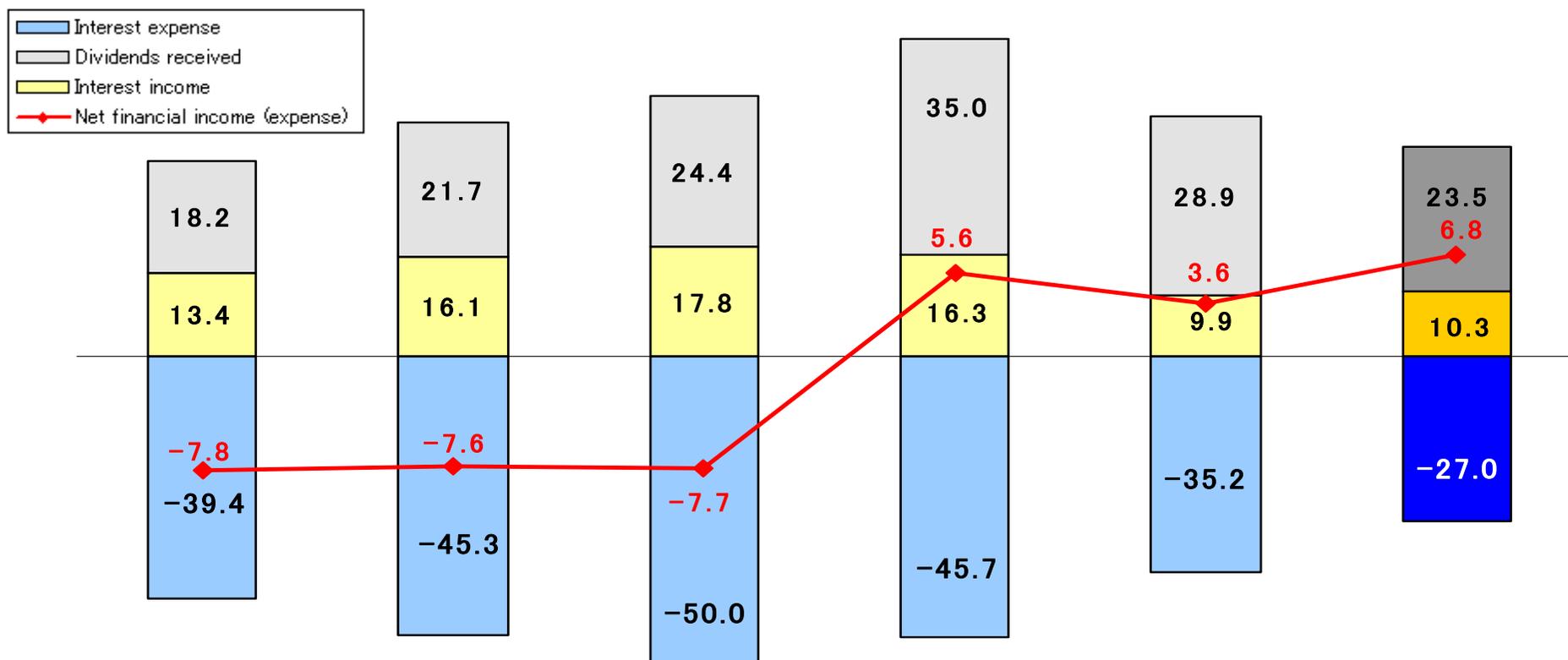
Food

Fin

Other

Net Financial Income (Expenses)

(unit: ¥billion) 



FY2006

FY2007

FY2008

FY2009

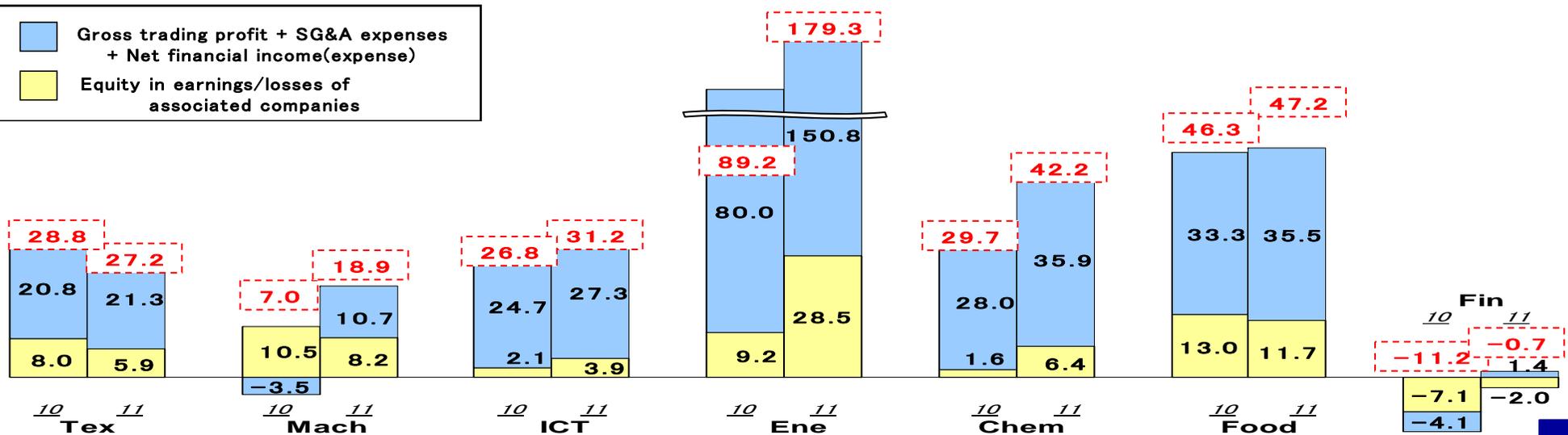
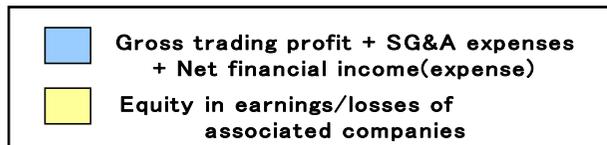
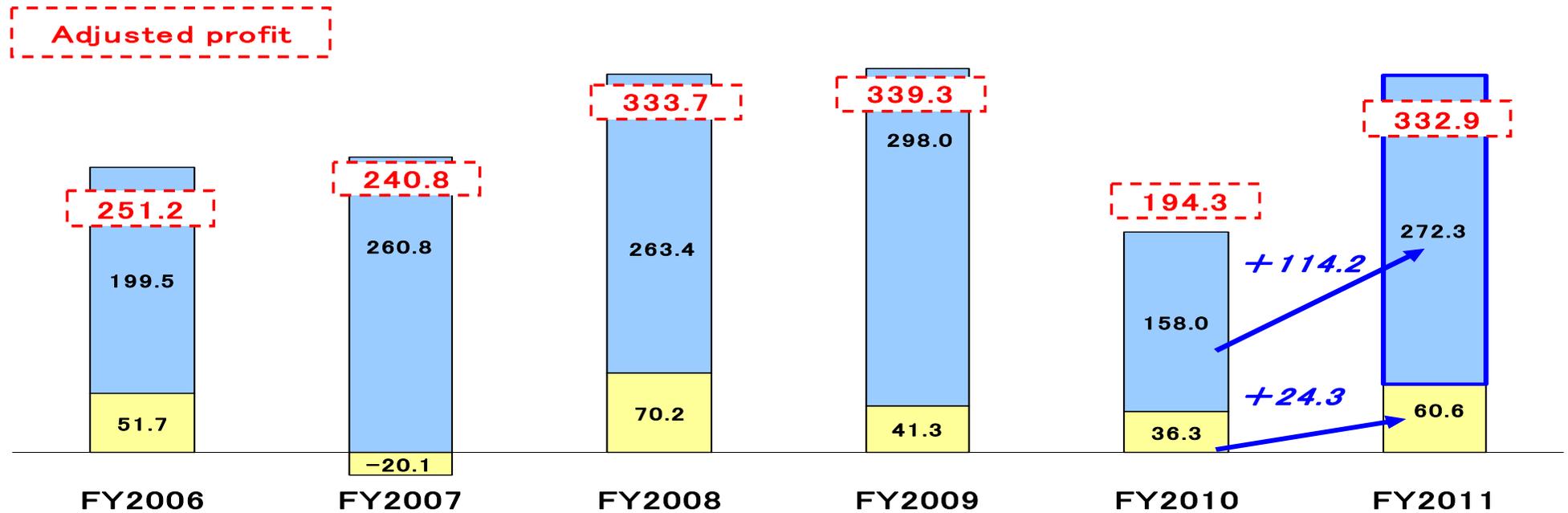
FY2010

FY2011

	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011
Net interest-bearing debt *	2,286.6	2,196.0	2,135.0	2,246.9	2,299.3	2,238.8
(Foreign currency balances included)	(359.5)	(338.1)	(363.5)	(366.9)	(318.0)	(314.1)
JPY TIBOR 3M (Average Apr.-Mar.)	0.093%	0.431%	0.794%	0.818%	0.528%	0.363%
USD LIBOR 3M (Average Jan.-Dec.)	3.567%	5.197%	5.297%	2.928%	0.686%	0.344%

* Average Apr.-Mar.

Adjusted Profit

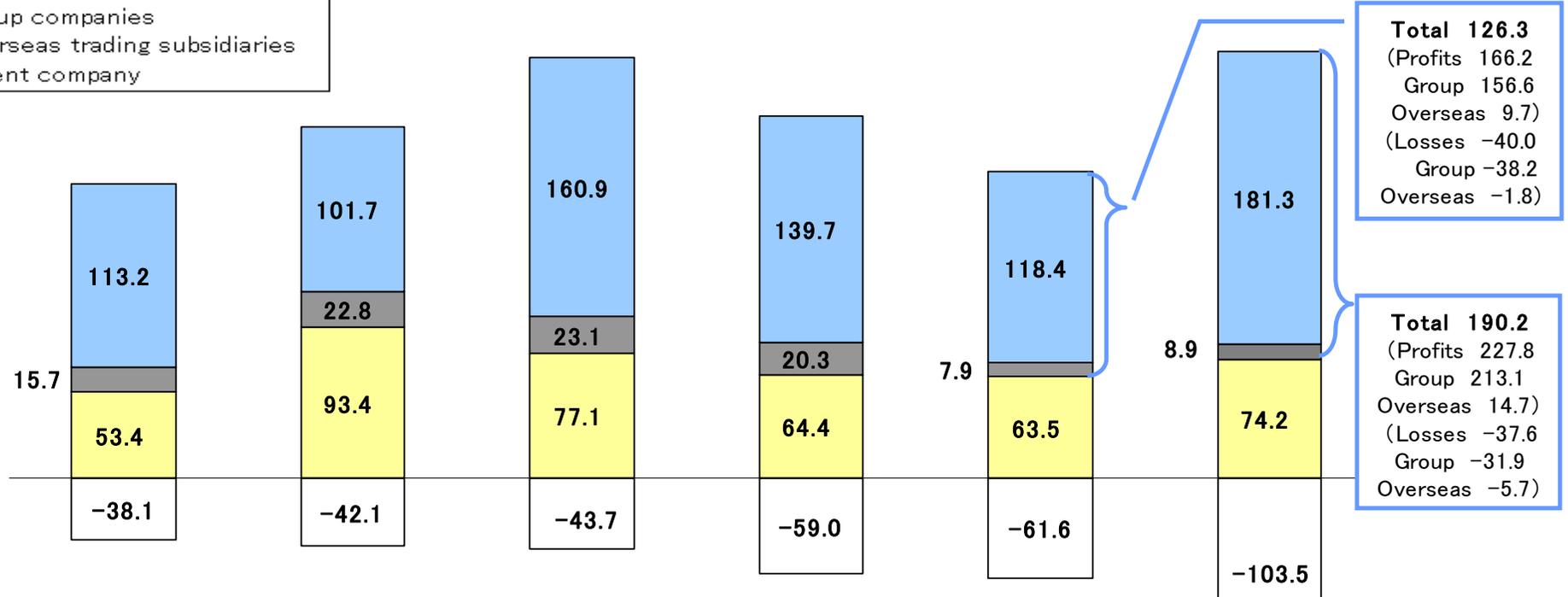


Components of Net Income Attributable to ITOCHU



- Consolidation adjustments
- Group companies
- Overseas trading subsidiaries
- Parent company

(unit: ¥billion)



Total 126.3
 (Profits 166.2
 Group 156.6
 Overseas 9.7)
 (Losses -40.0
 Group -38.2
 Overseas -1.8)

Total 190.2
 (Profits 227.8
 Group 213.1
 Overseas 14.7)
 (Losses -37.6
 Group -31.9
 Overseas -5.7)

FY2006

FY2007

FY2008

FY2009

FY2010

FY2011

Consolidated Net income attributable to ITOCHU	144.2	175.9	217.3	165.4	128.2	161.0
Number of Group Companies	448	434	424	420	413	393
Share of Group Companies Reporting Profits	79%	78%	76%	74%	72%	78%

< Sectors >

Natural Resource/ Energy-Related Sector	58.0 (40%)	80.7 (46%)	105.7 (49%)	114.7 (69%)	65.7 (51%)	109.2 (68%)
Consumer-Related Sector	44.0 (31%)	48.9 (28%)	47.5 (22%)	55.1 (33%)	54.9 (43%)	49.2 (30%)
Other Sectors	42.2 (29%)	46.3 (26%)	64.1 (29%)	-4.4 (-2%)	7.6 (6%)	2.6 (2%)

Performance of Group Companies

(unit:¥billion) 

【 Subsidiaries 】

	Name	FY 2011	FY 2010	Increase /Decrease
Ene	ITOCHU Minerals & Energy of Australia Pty Ltd	80.1	34.1	+ 46.0
Ene	ITOCHU Oil Exploration (Azerbaijan) Inc.	11.8	6.9	+ 4.8
Ove	ITOCHU Australia Ltd.	3.3	1.5	+ 1.8
Tex	SANKEI CO., LTD.	1.5	-0.1	+ 1.6
Food	China Foods Investment Corp.	4.0	8.7	- 4.7
Ove	ITOCHU International Inc.	-5.6	-1.7	- 3.9
Fin	ITOCHU Finance Corporation	-4.3	-1.7	- 2.5
Tex	LEILIAN CO., LTD.	0.7	2.9	- 2.2

【 Associated companies 】

	Name	FY 2011	FY 2010	Increase /Decrease
Ene	Brazil Japan Iron Ore Corporation	12.9	4.0	+ 8.9
Ene	Marubeni-Itochu Steel Inc.	6.8	2.7	+ 4.1
Chem	Japan Brazil Paper and Pulp Resources Development Co., Ltd.	3.4	-0.7	+ 4.1
Fin	CENTURY 21 REAL ESTATE OF JAPAN LTD.	0.1	1.0	- 0.8
Food	FamilyMart Co., Ltd.	4.0	4.7	- 0.6
ICT	NANO Media Inc.	-0.4	-0.1	- 0.3

Performance of Group Companies by Segment (unit: ¥billion)



	FY 2011		FY 2010		Increase /Decrease	Summary of changes
		(*)		(*)		
Textile	12.8	94.6%	16.3	83.8%	- 3.5	Decrease due to the absence of the non-recurring gain in the previous fiscal year despite increase in earnings for garment accessories business
Machinery	10.3	86.8%	4.9	75.0%	+ 5.5	Increase due to recovery in automobile-related and construction machinery-related business
ICT, Aerospace & Electronics	14.4	85.7%	11.3	62.5%	+ 3.0	Increase in earnings for mobile network-related business and decrease in losses for sale of video distribution service-related business
Energy, Metals & Minerals	116.9	69.0%	56.3	67.9%	+ 60.6	Significant increase in earnings for steel products-related business, and in favorable operating due to higher prices in natural resource development-related business as well as gain on property and equipment-net from the sale of coal interests, despite decrease due to the impairment losses on oil & gas assets
Chemicals, Forest Products & General Merchandise	25.8	78.9%	17.5	72.1%	+ 8.3	Increase in earnings for natural rubber, pulp and chemical-related businesses because of higher prices despite decrease due to the absence of the non-recurring gain in the previous fiscal year
Food	20.8	70.0%	26.7	75.0%	- 5.8	Decrease due to the losses as a result of the Great East Japan Earthquake and to the absence of gain on sales of investment and securities in Chinese food-related business in the previous fiscal year
Finance, Realty, Insurance & Logistics Services	-1.1	73.8%	-0.4	71.1%	- 0.6	Deterioration due to the absence of the non-recurring gain in the previous fiscal year and to the restructuring of finance-related affiliates despite increase in earnings for development and sale of housing business
Other, Adjustments & Eliminations	-9.8	73.9%	-6.2	70.3%	- 3.6	Deterioration due to the losses on disposal of 3 regional enterprises and business reconstruction costs on equipment-material-related businesses in North America despite improvement in healthcare-related business
Total	190.2	78.1%	126.3	71.9%	+ 63.9	

(*) Share of Group Companies Reporting Profits

Earnings from Overseas Businesses

