May 8, 2013
ITOCHU Corporation

Highlights of Consolidated Financial Results for the Fourth Quarter of FY 2013 (U.S. GAAP)
(3 months from January 1, 2013 to March 31, 2013)

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

Financial topics for the 4th Quarter (3 months) of FY 2013

- "Net income attributable to ITOCHU" was ¥72.2 bil.; second highest earnings for a fourth quarter following the previous fourth quarter.
- For "Net income attributable to ITOCHU" by segment, "Metals & Minerals" generated ¥23.3 bil., surpassing ¥20.0 bil.; "ICT, General Products & Realty" achieved ¥15.9 bil.; "Machinery" recorded ¥9.7 bil.; "Food" posted ¥7.4 bil.; "Textile" delivered ¥6.6 bil.; "Energy & Chemicals" had earnings of ¥9.5 bil., despite recognizing substantial impairment losses.
- The share of the Non-Resource Sector was 69% (earnings of ¥50.3 bil.) and the Natural Resource/Energy-Related Sector was 31% (earnings of ¥22.2 bil.). Furthermore, the earnings of the Non-Resource Sector was 2.3 times that of the Natural Resource/Energy-Related Sector, and achieved record high for a fourth quarter.
- "Comprehensive income(loss) attributable to ITOCHU" increased by ¥70.2 bil. compared with the same period of the previous FY to ¥232.5 bil. affected by rapid yen depreciation and stock price increases in the fourth quarter of the current FY in addition to the contribution of "Net income."

	4th Quarter FY 2013	4th Quarter FY 2012	Increase (Decrease)
Natural Resource /Energy-Related	22.2	43.7	(21.5)
Non-Resource	50.3	46.1	4.2
Others	(0.3)	(8.2)	7.9
Non-Resource & Others	*50.0*	*37.9*	*12.1*
Natural Resource/ Non-Resource	31%/69%	49%/51%	-18%/18%

Consolidated Financial Results of Operations

Consolidated Statements of Income

	4th Quarter FY 2013	4th Quarter FY 2012	Increase (Decrease)
Revenue (Note 1)	1,332.5	1,275.1	57.4
Gross trading profit (Note 1)	248.1	258.1	(10.0)
Selling, general and administrative expenses (Note 1)	(167.5)	(193.1)	25.6
Provision for doubtful receivables	(0.6)	(1.2)	0.6
Net interest expenses	(3.3)	(3.5)	0.2
Dividends received	23.1	11.1	12.0
Net financial income	*19.8*	*7.6*	*12.2*
Gain on investments-net	25.5	12.3	13.2
Loss on property and equipment-net	(5.1)	(6.0)	0.9
Gain on bargain purchase in acquisition	-	5.4	(5.4)
Other-net	0.3	6.7	(6.4)
Total other-expenses	(127.6)	(168.3)	40.6
Income before income taxes and equity in earnings of associated companies	120.5	89.8	30.7
Income taxes	(43.1)	(23.8)	(19.4)
Income before equity in earnings of associated companies	77.4	66.1	11.3
Equity in earnings of associated companies	1.1	21.3	(20.2)
Net income	78.5	87.4	(8.9)
Less: Net income attributable to the noncontrolling interest	(6.3)	(5.8)	(0.5)
Net income attributable to ITOCHU	72.2	81.6	(9.4)
(Reference)			
Total trading transactions (Note 1)	3,277.7	3,078.9	198.8
Gross trading profit ratio	7.6%	8.4%	(0.8%)
Adjusted profit	101.5	94.0	7.5

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

Summary of changes from the same period of the previous fiscal year

- **Revenue**: Increase attributable to higher revenue from the Metals & Minerals Company due to an increase in iron ore sales volume, a rise in revenue from the Machinery Company, due to the acquisition of automobile-related companies in the second quarter of the current fiscal year and higher revenue from the Textile Company, due to the acquisition of European apparel manufacturing and wholesale-related companies in the second quarter of the current fiscal year, which offset lower revenue from the ICT, General Products & Realty Company, accompanying the conversion of mobile-phone-related subsidiary into equity-method associated company in the third quarter of the current fiscal year
- **Gross trading profit**:
  - Textile -0.9 (34.9 → 34.0): Decrease mainly due to the conversion of fashion e-commerce-related subsidiary into equity-method associated company in the fourth quarter of the current fiscal year
  - Machinery +1.6 (23.4 → 25.0): Increase mainly due to rises in ship transactions and the acquisition of automobile-related companies in the second quarter of the current fiscal year
  - Metals & Minerals +0.5(22.7 → 23.2): Increase due to higher sales volume of iron ore, despite decrease due to the conversion of solar-power-generation-related subsidiary into equity-method associated company in the fourth quarter of the current fiscal year
  - Energy & Chemicals +4.2 (44.4 → 48.7): Increase due to rise in transactions for crude oil, fuel oil and petroleum products
  - Food +0.9 (47.4 → 48.4): Increase due to rise in transactions for feed and grain in provisions-related business, despite decline in fresh-food-and-food-materials-related business due to the conversion of frozen-foods-related subsidiary into equity-method associated company in the first quarter of the current fiscal year
  - ICT, General Products & Realty -18.0 (82.4 → 64.4): Decrease due to lower condominium sales and tire-related transactions in Europe, as well as the conversion of mobile-phone-related subsidiary into equity-method associated company in the third quarter of the current fiscal year, despite higher transaction volume in domestic ICT-related companies
- **SG & A**: Decrease attributable to the absence of the unordinary expense in the same period of the previous fiscal year and to the result of the acquisition of new consolidated subsidiaries or the conversion of subsidiaries into equity method associated companies and sales of consolidated subsidiaries accompanying the asset replacement
- **Provision for doubtful receivables**: Improve compared with the same period of the previous fiscal year
- **Net financial income**: Improve in net interest expenses due to lower debt cost despite increase in interest-bearing debt, and increase in dividends from LNG-related investments, resulting from the change of an investee's dividend policy from a quarterly basis to a yearly basis and dividends from oil-and-gas-related investments on Sakhalin
- **Gain on investments-net**: Net gain on sales of investments +10.8(18.0 → 28.9), Net of impairment losses and remeasuring gains on investments +0.9 (-3.3 → -2.4), Losses on business disposals and others +1.5 (-2.5 → -1.0)
- **Loss on property and equipment-net**: Improve in impairment losses on property and equipment +0.6 (-4.8 → -4.2), Net loss on sales of property and equipment and others +0.3 (-1.2 → -0.9)
- **Gain on bargain purchase in acquisition**: The gain on bargain purchase in the acquisition of Brazil Japan Iron Ore Corporation was recognized for the same period of the previous fiscal year
- **Other-net**: Deteriorate due to the absence of miscellaneous gain recognized for the same period of the previous fiscal year
- **Equity in earnings of assoc. co.**: Equity-method associated companies of ITOCHU FIBRE LIMITED +1.2 (-→ 1.2), Contribution of other new equity-method associated companies +1.9, Marubeni-Itochu Steel Inc. +1.0 (3.4 → 4.4), Equity-method associated companies of ITOCHU Minerals & Energy of Australia Pty Ltd +0.7 (2.0→ 2.8), Equity-method associated companies of JD Rockies Resources Limited -23.6 (0.3→ -23.3), Equity-method associated companies of Brazil Japan Iron Ore Corporation -1.9 (4.8 →2.9), Equity-method associated companies of ITOCHU Coal Americas Inc. -1.0 (2.1→ 1.1)

(Note 1)With respect to distribution cost related to the ITOCHU Group's food distribution and marketing business, ITOCHU has made a change in presentation in the financial statements related to the ITOCHU Group's portion of operational cost arising at the distribution centers of the ITOCHU Group's customers, such as mass merchandisers, and delivery costs from the distribution centers to the customers' stores since the beginning of the fiscal year 2013. The aforementioned distribution cost for the same period of the previous fiscal year has been reclassified in the same manner.

Consolidated Statements of Comprehensive Income

	4th Quarter FY 2013	4th Quarter FY 2012	Increase (Decrease)
Net income	78.5	87.4	(8.9)
Other comprehensive income (loss) (net of tax)			
Foreign currency translation adjustments	131.3	70.1	61.2
Pension liability adjustments	7.7	(7.4)	15.1
Unrealized holding gains on securities	33.1	22.9	10.2
Unrealized holding gains on derivative instruments	2.8	0.4	2.3
Total other comprehensive income (loss) (net of tax)	174.8	86.1	88.7
Comprehensive income (loss)	253.3	173.5	79.8
Comprehensive income (loss) attributable to the noncontrolling interest	(20.8)	(11.2)	(9.6)
Comprehensive income (loss) attributable to ITOCHU	232.5	162.3	70.2

Operating Segment Information

Operating Segment Information	Net income attributable to ITOCHU 4th Quarter FY 2013	4th Quarter FY 2012	Increase (Decrease)	[Net income attributable to ITOCHU] Summary of changes from the same period of the previous fiscal year
Textile	6.6	7.3	(0.7)	Decrease due to the absence of improvement in tax expense for the previous fiscal year, despite absence of unordinary expense in the previous fiscal year, decrease in allowance for doubtful receivables and increase in equity in earnings of associated companies
Machinery	9.7	6.6	3.1	Increase due to higher gross trading profit, recognition of gain on sales of investments and increase in equity in earnings of associated companies
Metals & Minerals	23.3	38.1	(14.7)	Decrease due to the absence of unordinary gain recognized in the acquisition of Brazil Japan Iron Ore Corporation, absence of gain on sales of investments and improvement in tax effect accompanying tax reform in Australia for the previous fiscal year, despite increase in gross trading profit
Energy & Chemicals	9.5	12.9	(3.4)	Decrease due to significant decline in equity in earnings of associated companies arising from impairment loss on U.S. oil-and-gas-development-related company, despite rise in gross trading profit in the energy sector, higher dividends received from oil-and-gas-related investments on Sakhalin and recognition of gain on sales of investments
Food	7.4	8.3	(1.0)	Decrease due to lower equity in earnings of associated companies and absence of improvement in tax expense for the previous fiscal year, despite rise in gross trading profit
ICT, General Products & Realty	15.9	16.6	(0.7)	Decrease due to lower equity in earnings of associated companies, despite decrease in expenses accompanying decrease in gross trading profit
Others, Adjustments & Eliminations	(0.3)	(8.2)	7.9	Improvement due to decrease in adjustments and eliminations, as well as recognition of gain on sales of investments
Total	72.2	81.6	(9.4)	

Exhibit B