

03

The essence of "Profit Opportunities are Shifting Downstream"
(1) Practice of Market-in

Textile Company



Hideto Takeuchi

Senior Executive Officer
President, Textile Company (Since 2023)

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- Joined ITOCHU in 1988; consistently involved in the brand marketing business
 - Extensive experience in leadership roles at apparel retail companies
 - Served as president of JOI'X Corporation which handles brands such as Paul Smith
 - A hands-on business leader, regularly visiting stores and exhibitions

Value chain & Wide-ranging network covering all sectors of Textile industries from upstream to downstream

Rapidly capture consumer needs, establish the optimal supply chain, and efficiently commercialize products

Market
-in

Expertise across upstream and midstream operations

Production and Procurement

Global Supply Chain

Product Planning

Sankei  SANKEI

Manufacture and wholesale of garment materials

ROYNE 

Manufacture and wholesale of innerwear

ITOCHU MODEPAL 

Manufacture and wholesale of apparel (OEM/ODM)

ITOCHU Textile Prominent (ASIA) [IPA]

Production control and wholesale of apparel

ITOCHU TEXTILE (CHINA) [ITS]

Production control and wholesale of apparel

Downstream network

Business Partners

Major retailer, Major and mid-sized apparel companies, Sports brands, and Select shops

Brand

Over 200 sub-licensees



Directly operated stores

Approx. 300 stores in the Group



Expertise in Upstream and Midstream Operations Leveraging a Market-in Approach

Combining consumer insights with manufacturing expertise to create hit products



OUTDOOR PRODUCTS



NICE WEATHER

Capturing consumer feedback and identifying latent needs through business partners and sub-licensees

01

ROYNE: Functional innerwear

Developed deodorizing innerwear using advanced materials

Expanded profits through consumer-focused marketing



02

ITS: Sports Apparel

Expanded our OEM business to include ANTA Group brands, such as FILA



03

Convenience Wear

Develop products by combining consumer insights and nationwide FamilyMart store data with our production and supply chain expertise



Further Enhancing Market-in approach by developing retail store management capabilities

Expertise across upstream and midstream operations

Enhancing product development through consumer insights captured at retail frontlines

Case **DESCENTE**

ORI-ERI TOUGH POLO SHIRT



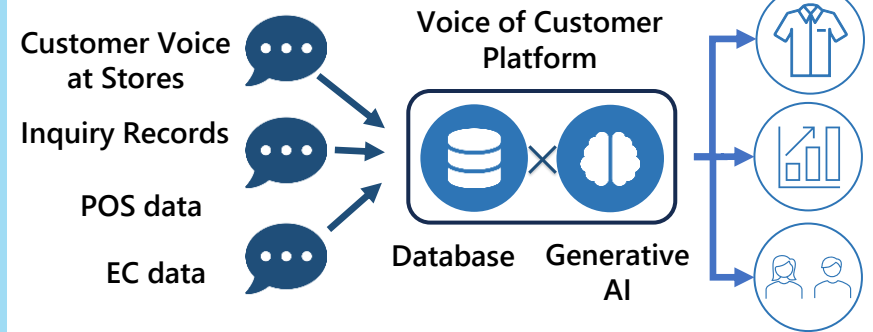
- Unique technology, "ORI-ERI"
- Developed a product that maintains a crisp and attractive collar shape even under a jacket through continuous refinements based on customer feedback for business wear



Developing capabilities for directly operated stores and retail store management

AI utilization

Thorough analysis of VoC through AI - JOI'X etc.



Leading business partner

Partnership with leading retail operator such as ANTA

Learnings from **DESCENTE** China

1. Maintain DNA of brand
2. Reorganize sales route
3. Create a consumer experience
4. Enhance data
5. Focus on operating efficiency



Food Company



Shuichi Miyamoto

Senior Executive Officer
President, Food Company (FY2023~)

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- Joined ITOCHU in 1989; has worked in the food business throughout his career
 - Stationed in Asia and Oceania with a total of 11 years, and his experience covers a wide range of areas, from food ingredients to fresh products and retail distribution
 - His mottoes are "Adapt to Change" and "TRUE GRIT."

Strengthening the value chain, starting from downstream, with a Market-in approach

Capturing consumer needs, Creating value through procurement & development, and Delivering optimally

Downstream

Retail: approx. **2,000** companies connected

Real-time consumer feedback & sales data

 FamilyMart



Midstream & Upstream

- Integrated process from product planning to manufacturing
- High quality & Stable supply

 FUJI OIL CO., LTD.



 UNEX

WELLNEO SUGAR Co., Ltd.



ITOCHU Food Sales and Marketing Co., Ltd.



JAPAN NUTRITION Co., Ltd.



 PRIMA MEAT PACKERS, LTD.

Optimal delivery

Strong wholesale & logistics functions

Infrastructure

Turnover	Locations	Vehicles
¥4 trillion	600 sites	7,000 units/day

 ISC
ITOCHU-SHOKUJIN Co., Ltd.

 KIFA
KI Fresh Access, Inc.

NIPPON ACCESS, INC.

 CONFEX GROUP

Leading group companies

Practice of Market-in – New commerce, product & trend

Starting from consumer needs, collaborating with partners to create new value

NISSEI × Overseas retail & food service

Creating new consumer connection and businesses



- Invested in soft-serve ice cream manufacturer “NISSEI” forming a capital & business alliance
- In overseas food retail markets, **building new consumer touchpoints and distribution channels** through ITOCHU's network

Dole × Environmental & social awareness

Turning food-loss reduction into product value



- Off-spec bananas repurposed and branded as “Mottainai Banana”
- Keeping taste & nutrition intact, commercialized **new product** reflecting consumers' environmental & social awareness

FamilyMart × “Afternoon Tea”

Creating new consumer lifestyle experiences



- Developed all 28 collaboration items with the tea brand “Afternoon Tea”.
- Creating a **new market trend** through not only tea but also sweets & alcohol co-developed