ITOCHU DAY 2026

Special Feature

Division Company Presidents Discuss Their Companies' Growth Potential

Session: Evolving value chains across foundational industries

Aftermarket Business

Masatoshi Maki, President of General Products & Realty Company

"The first is Real Estate business, where I have professional roots. Today, the real estate market is undergoing significant change, driven by rising construction costs and land prices, soaring condominium prices and office rents, labor shortages, and the growing need to address environmental issues. We see these changes as growth opportunities and With the mindset of creating greater value from what already exists, we are actively expanding our Real Estate Aftermarket business through renovation and value enhancement.

The second is Automotive business. Building on the expertise gained at Kwik-Fit, a leading tire retail and service company in the UK, we invested in WECARS, a used-car dealership in Japan. Going forward, with WECARS as our platform, we will expand beyond vehicle maintenance into insurance and financial services, developing a comprehensive aftermarket business that continuously provides value to customers through long-term relationships.

In this way, we are strengthening our aftermarket businesses in both real estate and automotive sectors, to build a more resilient long-term earnings base whole enhancing customer satisfaction.

"As a general trading company, participation in the resource business is essential"

Masaya Tanaka, President of Metals & Minerals Company

"For many years, ITOCHU has been known as a general trading company with a strong focus on non-resource businesses. While not all the Metals & Minerals Company's businesses are resource-related, resources account for the majority of our business. Despite being a major earnings contributor, we have sometimes perceived as being somewhat overlooked within the Group, which inevitably affected morale.

However, recently, as our Chairman & CEO stated at the May earnings presentation, we have begun to see a more supportive environment within the company for the view that "as a general trading company, participation in the resource business is essential." While this message may have come as a surprise to some of you, it has **been a tremendous source of encouragement for the Metals & Minerals Company.**

That said, this does not mean that we will pursue every single opportunity indiscriminately. **We will continue to carefully select projects working closely together with our Top-tier partners including major mining companies** with whom we have built long-term partnerships. Going forward we will remain disciplined focusing on opportunities that can deliver meaningful profit contributions to ITOCHU Group.

Session: Evolving value chains across foundational industries

Deepening and expanding our semiconductor business

Tsutomu Miyazaki, President of Energy & Chemicals Company

“Our Company is engaged in businesses involving semiconductor-related materials and storage containers through the Chemicals Division and group companies. For us, “deepening” our semiconductor business does not mean consolidating these operations into a single division or company. Rather, it means that the Chemicals Division will provide overall leadership from a comprehensive perspective and strengthen coordination across related operations among Chemical division and group companies.

In addition, while Japan holds an 80-90% global share in the production of many semiconductor chemicals, raw materials for these products often rely heavily on imports from China. In the point of view of economic security, we need to consider not only securing raw materials but also ensuring the stable supply of the natural resources from which they are derived. In this way, extending our perspective upstream across the supply chain is another important aspect of “deepening.” On the other hand, “expansion” refers to broadening the business into areas surrounding our existing operations. By advancing both deepening and expanding in parallel, we aim to achieve further growth in our semiconductor-related business.

Development of collaboration with overseas partners

Hiroyuki Tsubai, President of Machinery Company

“The lifeline of the Machinery Company is its global network of overseas partners and developers. While the strategic investments introduced earlier were mainly towards Japanese companies, one of the key reasons those companies seek capital alliances with us is our extensive global network. They approach us with proposals for collaboration because they value our overseas marketing capabilities, as well as our financing and leasing functions. This is why we must continue to further strengthen this overseas network. At the same time, as we have built a wide range of businesses overseas, we are increasingly receiving requests for collaboration from overseas partners. Through these collaborations, we hope to uncover new ways to leverage the strengths of Japanese companies and the unique capabilities of a general trading company. In this sense, the further evolution of collaboration with overseas partners represents the Machinery Company’s greatest growth opportunity.

Summary

Keita Ishii, President & COO; CSO

“ These four Division Companies represent what could be described as the very origins of the general trading company business. Historically, all Japanese general trading companies developed their operations around these types of foundational industries. Originally, general trading companies sourced products from manufacturers and marketed them overseas as intermediaries and distributors. As manufacturers expanded their own capabilities and global operations, the need for traditional trading functions came into question. Even in this environment, we remained committed to our trading business and sustained it over the years by creating new functions, expanding business domains, and strengthening value chains. These efforts drove growth both along and across industries, and the initiatives presented by our four Division Companies are a direct extension of them.

Even during supply disruptions such as the recent naphtha shortage, products and materials supporting essential industries remain indispensable. We strengthened our trading business by continuously enhancing capabilities and building robust value chains. Trading provides strategic advantages through global supply visibility, deep market insight, and a strong understanding of customer supply-demand dynamics. The recent naphtha shortage also created opportunities for our chemicals business. When customers faced shortages, we were able to identify alternative sources by leveraging our global network and market knowledge. By applying our expertise and responding with agility to support our customers, we built trust and enhanced our reputation.

In this way, we have evolved our business by using trading as our foundation while expanding vertically into supply chains, broadening value chains, and developing horizontal collaboration across industries. As we continue to build a stable and resilient portfolio, we believe these foundational industries will remain areas that we must preserve and strengthen.

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

Footwear

Hideto Takeuchi, President of Textile Company

" I believe there is significant untapped growth potential in the footwear segment within our existing business platform. Through brands such as CONVERSE, FILA, Reebok, and UNDER ARMOUR, we have sold as many as 9 to 10 million pairs of shoes annually at our peak. However, our footwear businesses have traditionally operated in silos, limiting opportunities to leverage expertise across brands.
By placing DESCENTE, now a wholly owned subsidiary, **at the center of our strategy**, **we aim to connect these businesses, unlock group-wide know-how and sourcing capabilities, and create new growth opportunities**.

Footwear and gear are key growth drivers for sports brands. While DESCENTE has historically focused on apparel, we see significant room for expansion in these categories. Going forward, we will **grow DESCENTE's footwear business** by leveraging footwear expertise developed in Korea and ITOCHU's overall capabilities. We also intend to **extend these benefits to existing businesses such as CONVERSE, FILA, and Reebok**, driving growth across the Textile Company as a whole.

Adapt to Change / Hands-on management

Shuichi Miyamoto, President of Food Company

" I believe the biggest difference between ITOCHU and other general trading companies lies in the depth of our **hands-on management** and in the way we put it into practice. While we have long embraced a hands-on approach to managing our Group companies, some other trading companies take a more hands-off stance, placing greater emphasis on the independence of their group companies. Our concept of hands-on management is not about issuing instructions from the parent company. Rather, **we dispatch our people to our Group companies, work alongside their management and employees on the frontlines, and tackle challenges together with a shared sense of responsibility**. As a result, we increasingly hear from investees and partners that they are glad ITOCHU joined them, and glad to have ITOCHU as their partner. We believe this kind of recognition can only be earned by working alongside people on the frontlines and deliver tangible results. In that sense, we believe our hands-on management is highly effective in enhancing the value of our investee companies. **This ability to go deep into the frontlines and work side by side with our partners** is, in my view, ITOCHU's greatest advantage—one that is not easily replicated by others. And I also believe it represents the Food Company's greatest growth opportunity.

Summary

Keita Ishii, President & COO; CSO

"The Textile Company and the Food Company are among our oldest businesses. Both originated as trading operations, primarily sourcing raw materials from overseas. However, as trading alone gradually became less sustainable over time, the key challenge was how to continue creating value and remain competitive.

In foundational industries, both suppliers and customers are typically large corporations. General trading companies have maintained their role **by acting as agents and distributors, connecting participants across long and complex supply chains**.

By contrast, the textile and food sectors have relatively short supply chains, and the companies involved tend to be smaller. Moreover, these businesses ultimately serve end consumers. Recognizing these characteristics, we **shifted our strategy toward expanding further downstream into businesses where we could take the initiative across the value chain**. We have long owned group companies engaged in manufacturing and processing, as well as businesses that package and deliver products to consumers. Building on these foundations, we expanded further downstream by entering wholesale distribution, moving into logistics, and through acquisitions, including FamilyMart. **The further downstream we expanded, the more opportunities emerged to create new value**. This downstream-oriented approach has been the driving force behind the growth of both Division Companies.

While each Division Company has evolved in its own way, both have grown **by expanding in every direction across the value chain to capture new profit opportunities**. By engaging in businesses in diverse ways, they have increased businesses where they hold the initiative and established strong purchasing leadership. Today, they are also leveraging digital technologies to further strengthen the bargaining power while expanding into higher value-added functions, such as design.