The Brand-new Deal

Investor Briefing

Enhancing Corporate Value as CXO

October 17, 2025

ITOCHU Corporation (8001)

Member of the Board
Executive Officer, CXO
General Manager, Group CEO Office
Hiroyuki Naka

Forward-Looking Statements

Data and projections contained in these materials are based on the information available at the time of publication, and various factors may cause the actual results to differ materially from those presented in such forward-looking statements. ITOCHU Corporation, therefore, wishes to caution that readers should not place undue reliance on forward-looking statements, and further, that ITOCHU Corporation has no obligation to update any forward-looking statements as a result of new information, future events or other developments.

What is CXO?

CXO = Chief Transformation Officer

- Chairman & CEO
  - President & COO
    - CSO Chief Strategy Officer
    - CAO Chief Administrative Officer
    - CFO Chief Financial Officer
    - CXO Chief Transformation Officer

- Established in FY2024
- Control business transformation in the Group as a whole
- **Integration of management strategy and digital technologies**

Background up to establishment of CXO

Medium-Term Management Plan

Brand-new Deal 2020

- ITOCHU:INFINITE MISSIONS:INNOVATION -

"Reinvented Business"

Mr. Noda appointed CDO/CIO

- Former CSO
- Current President of ICT & Financial Business Div Co.

Mr. Suzuki appointed CDO/CIO

- President and COO

Brief personal history of CXO Mr. Naka

GM of Corporate Planning & Administration Division

2017

2018

2019

2020

Corporate Planning & Administration Division ("CP&A")

Business Innovation Unit

CTC | CP&A | ICT&Financial

Formulate policies, specific measures, and timelines for utilization of digital technologies

Shifted Under CDO・CIO

Accelerate data visualization, analysis, and utilization

Background up to establishment of CXO

Brief personal history of CXO Mr. Naka

CDO･CIO Chief Digital & Information Officer

and

GM of Corporate Planning & Administration Division

and

CSO Chief Strategy Officer

2020 2021 2022 2023

- <u>Integration of management strategy and digital technologies</u>
- Development of digital system is an investment, not expense

Background up to establishment of CXO

Brief personal history of CXO Mr. Naka

CSO Chief Strategy Officer

CXO Chief Transformation Officer

2023 **2024** **2025**

The rise of generative AI accelerated the pace of change

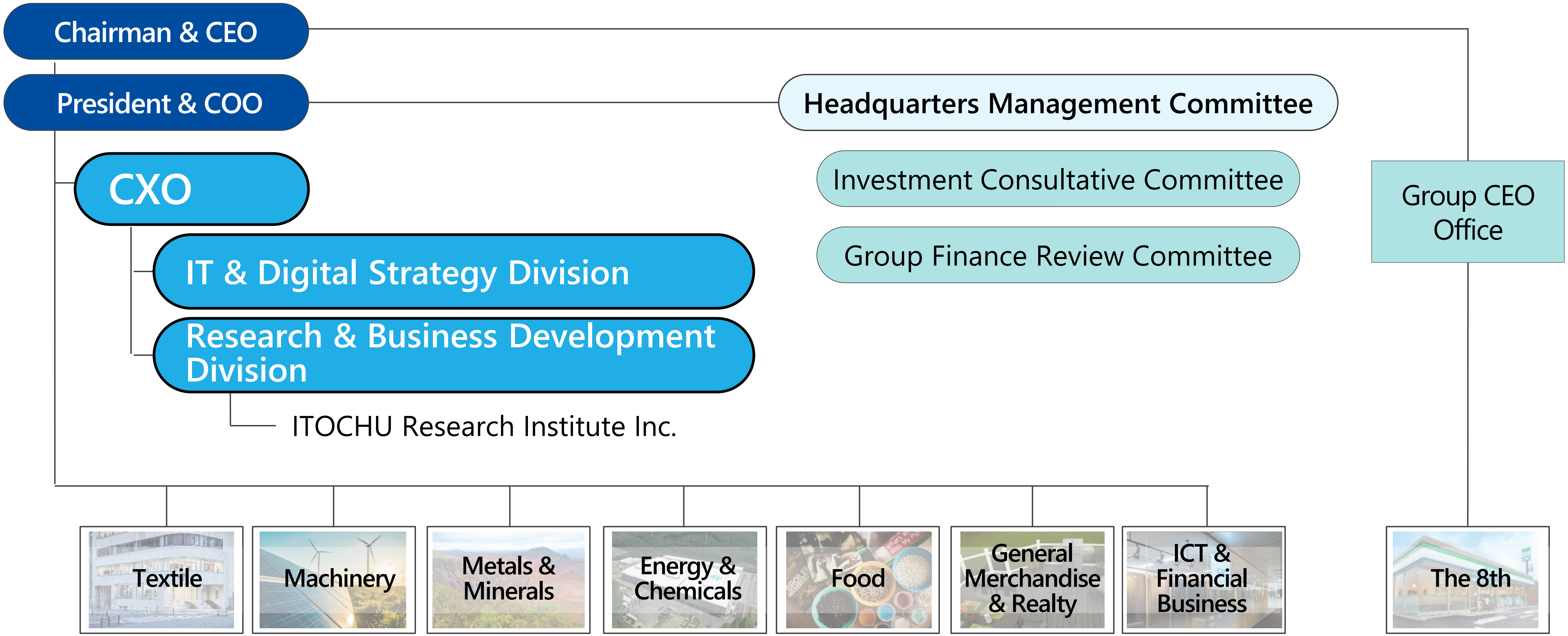
Sense of urgency over competitiveness

Action as whole ITOCHU Group including Group companies

Integrating management strategy and digital technologies to drive Group-wide business model and structural transformation.

Role of CXO

▶ In charge of IT & Digital Strategy Division and Research & Business Development Division



Role of CXO (ITOCHU Research Institute Inc. (IRI))

▶▶ Taking wide range roles as in-house thinktank and supporting decision making from the perspective of business front lines.

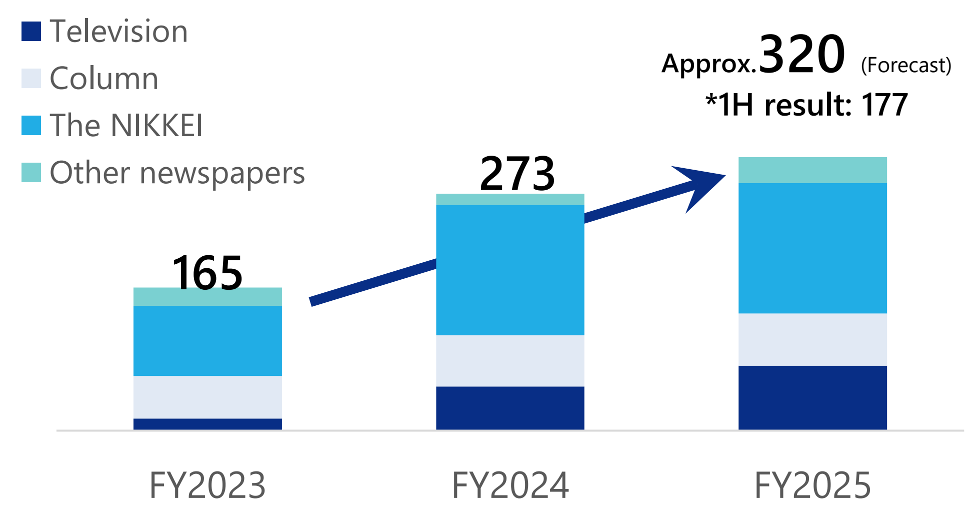
Management Policy －
The Brand-new Deal

- Grow earnings
- **Enhancement of corporate brand value**
- Shareholders returns

IRI's website 〉

Please see our media coverage, reports, and columns (Japanese only).

Number of media appearances by IRI economists

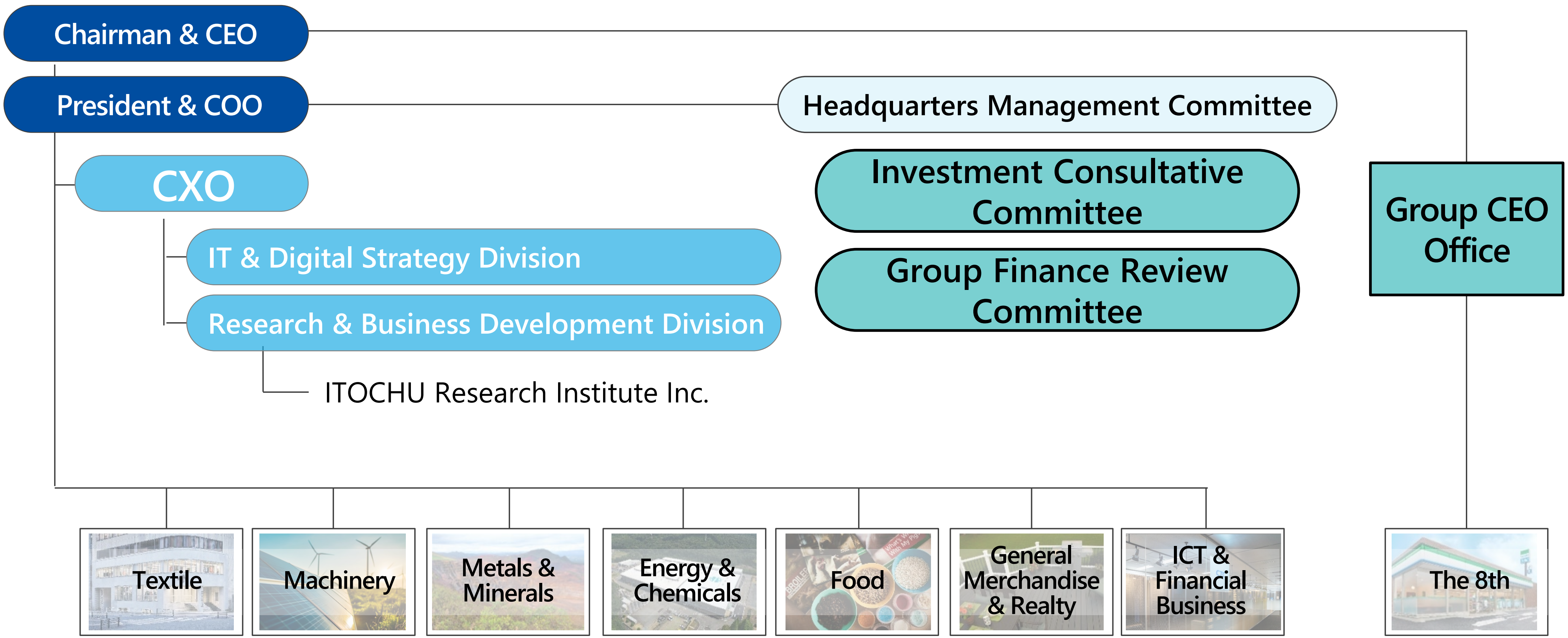


Comparison with other general trading companies (FY2024)

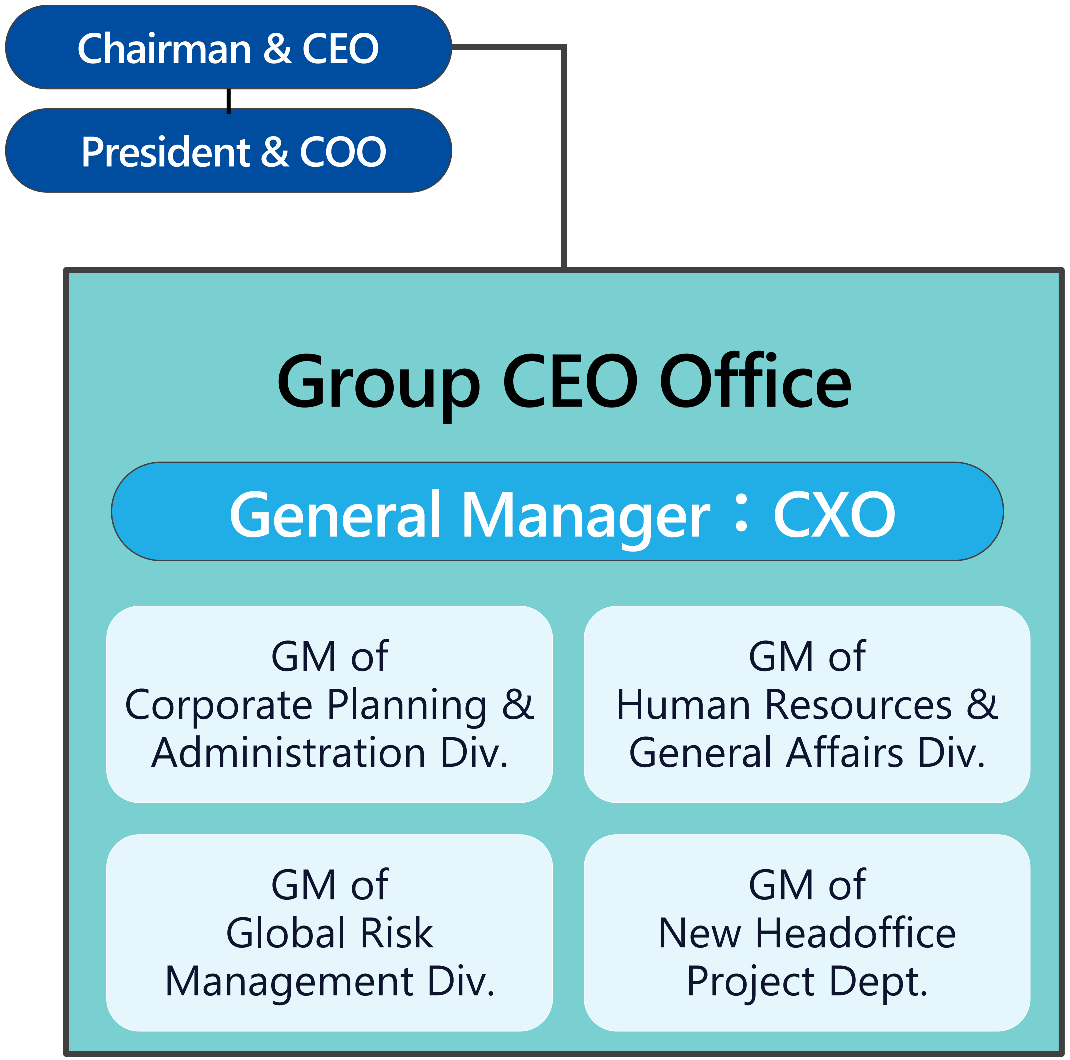
	ITOCHU	Company A	Company B	Company C
Television	51	0	7	23
The NIKKEI	150	13	31	38

Role of CXO

- Serving concurrently as General Manager of Group CEO Office and the chairperson of Investment Consultative Committee & Group Finance Review Committee.



Roel of Group CEO Office



- Established in FY2023
- **Directly supervised by Chairman & CEO**
- **Support for both Div Co. and Group companies**
- Enhancing cross-divisional functions and strengthening relationship among Group companies regarding new business development etc.

Coordination among Group companies

Improvement of fairness in compensation

Demonstration of comprehensive capabilities

Example of measurements conducted by Group CEO Office

(1) Remuneration System for Presidents of Group Companies in Japan

Before

- Unclear evaluation criteria with qualitative elements
- Different remuneration levels among Division Companies

Revision of system

After

- Classified group-wide by profit scale
- Clarified quantitative criteria
  - **Budget achievement rate**
  - **Core profit improvement since appointment as president**

Improvement of fairness in compensation

Boosting motivation

Example of measurements conducted by Group CEO Office

(2) Office lease contracts for Group companies

Before

・Individual negotiation and contract in Group companies
・Rent levels, free rent, and unfavorable termination conditions

Examination of office lease contracts

After

・Centralized management across the Group
・Stronger bargaining power through group-wide negotiations

Cost reduction across the entire Group

Contribution for "Cut" in the "Earn, Cut, Prevent" principles

Investment Consultative Committee

Investment Consultative Committee

Chaired by CXO

CAO	CFO	
GM of Corporate Planning and Administration Div.	GM of General Accounting Control Div.	GM of Legal Div.
GM of Finance Div.	GM of Global Risk Management Div.	

Key assessment points:

- Whether the project can **truly contribute to the returns and growth required of the Company as a whole** and whether it can **broaden our business base**.
- **Further evolvement of investment structuring**
  → Whether rights and mechanisms for creating synergies and exerting influence have been embedded in contractual terms.

Negative Check
Ensuring control

Positive Check
Shaping promising opportunities

Investment Consultative Committee

Approval — Board of Directors

More than 20 billion yen

Headquarters

Approval — Headquarters Management Committee

Assessment — Investment Consultative Committee

Over 5 billion yen

8 Division Companies

Approval — DMC … DMC

Assessment — Review MTG … Review MTG

From an early stage, carefully review the materials and deliberation details, gain a thorough understanding of the case, and proactively identify issues and concerns.

-DMC：Division Company Management Committee

Group Finance Review Committee

Group Finance Review Committee

Chaired by CXO

Div Co. President	GM of Corporate Planning and Administration Div.
Ms. Nakamori Outside Director	**Ms. Kobayashi** Outside Audit & Supervisory Board Member

While group finance enables low-cost financing, concerns about looseness in cash management or delays in coping with unprofitable businesses

Key review points:

- **Scrutinizing the appropriateness of the loan amounts from a similar perspective of bank lending**
- **Further strengthened review and control functions regarding loan amounts**

Improving cash efficiency of each group company

Improving asset efficiency across the Group

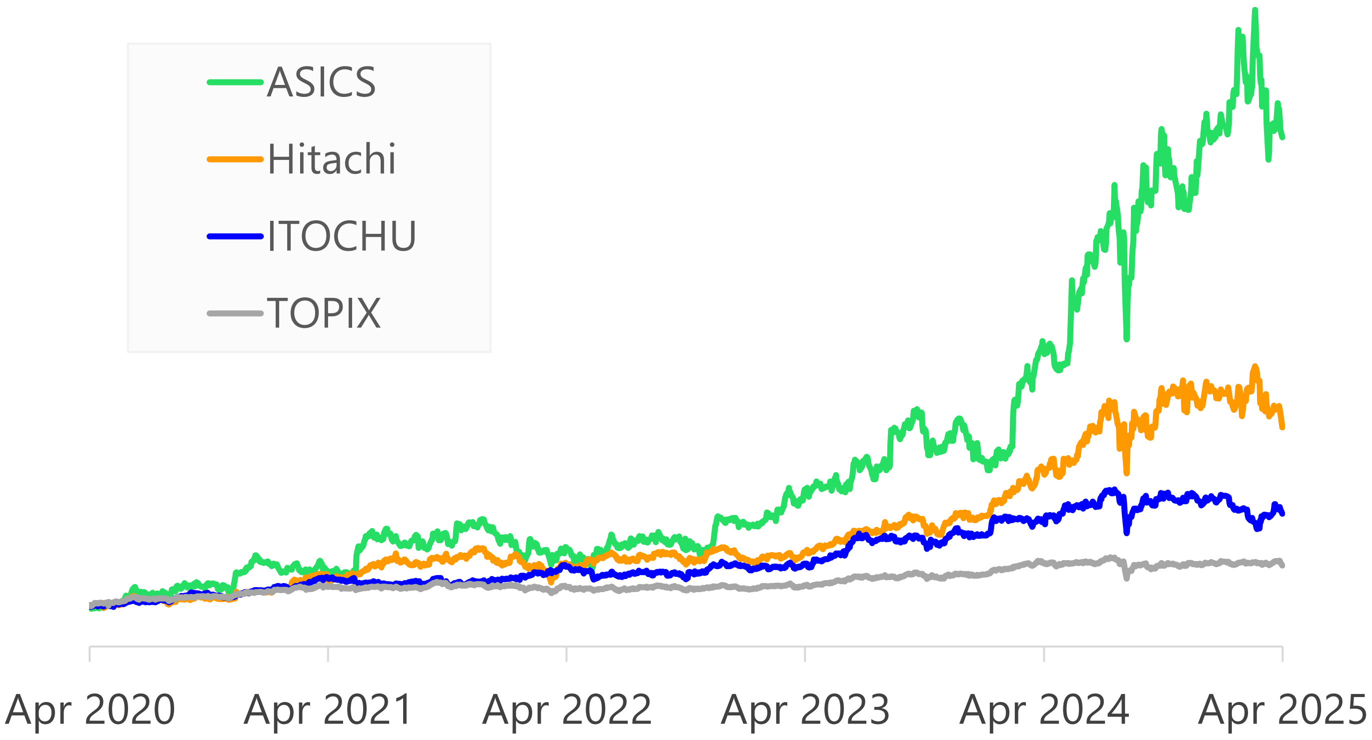
What is the role of CXO?

- Integration of management strategy and digital technologies
- Support for Group companies through Group CEO Office
- Growth investments through rigorous assessment and structuring of projects
- Deepening and expanding horizontal deployment and collaboration

Further Enhancement of Corporate Value

Examples of market evaluations uprated by leveraging digital technologies and AI as growth drivers

Movement of Market Capitalization



(unit: times)

As of October 15, 2025	Increase Ratio of stock price	PER
ASICS	14.5	30
Hitachi	6.9	29
ITOCHU	3.9	13
TOPIX	2.4	18

* Indexed with April 1, 2020 as 100

Closing Remarks

PBR = PER × ROE

Comparison with other general trading companies

October 15, 2025	ITOCHU	Company A	Company B	Company C	Company D
Stock Price (Yen)	8,388	3,598	3,734	4,464	3,670
PER	13.2	20.2	13.9	9.5	11.9
ROE	15.6%	7.7%	10.1%	12.2%	14.1%
PBR	2.1	1.6	1.4	1.2	1.7
Market capitalization (trillion yen)	13.3	14.5	10.9	5.4	6.1

Closing Remarks

Stock Price = **EPS** × **PER**

- Growth investments and enhancing existing businesses
- Response to disruptive technologies such as digital technologies and AI
- Acceleration of horizontal deployment and collaboration