

# Financial Highlights

ITOCHU Corporation and Subsidiaries  
Years ended March 31

	2006	2005	2004	2003	2002	2006/2005	2006
	Millions of Yen					Increase (Decrease) %	Millions of U.S. dollars
<b>For the fiscal year:</b>							
Revenue .....	¥ 2,218,221	¥1,991,238	¥1,738,747	¥ 1,681,718	¥ 1,688,128	11.4%	\$18,883
Gross trading profit .....	714,374	630,761	555,895	564,967	578,656	13.3	6,081
Net Financial Expenses* .....	(7,816)	(6,878)	(14,215)	(20,579)	(21,942)	13.6	(67)
Net Interest Expenses* .....	(26,032)	(21,040)	(24,743)	(30,655)	(34,939)	23.7	(222)
Dividends Received .....	18,216	14,162	10,528	10,076	12,997	28.6	155
Equity in Earnings of							
Associated Companies .....	51,737	31,764	22,859	18,539	11,362	62.9	441
Net income (loss) .....	145,146	77,792	(31,944)	20,078	30,191	86.6	1,236
<b>At fiscal year-end:</b>							
Total assets .....	4,797,013	4,472,345	4,487,282	4,486,405	4,752,319	7.3	40,836
Stockholders' equity .....	726,816	510,397	422,866	426,220	397,668	42.4	6,187
Net interest-bearing debt* .....	1,724,314	1,891,086	1,977,048	2,025,048	2,296,398	(8.8)	14,679
<b>Cash flows:</b>							
Cash flows from operating activities .....	185,147	126,624	184,780	168,843	216,503	46.2	1,576
Cash flows from investing activities .....	(79,871)	(127,600)	(55,300)	5,253	214,008	—	(680)
Cash flows from financing activities .....	(85,193)	(125,342)	(79,695)	(114,041)	(232,047)	—	(725)
Cash and cash equivalents at end of year .	477,707	452,934	579,565	534,156	479,734	5.5	4,067
	Yen (Unless otherwise specified)					Increase (Decrease) %	U.S. dollars (Unless otherwise specified)
<b>Per share (Yen and U.S. Dollars):</b>							
Net income (loss) .....	¥ 91.74	¥ 49.16	¥ (20.20)	¥ 13.12	¥ 21.18	86.6%	\$ 0.78
Stockholders' equity .....	459.47	322.54	267.25	269.53	278.99	42.5	3.91
Cash dividends .....	9.0	7.0	—	5.0	5.0	28.6	0.08
<b>Ratios:</b>							
Gross trading profit ratio (%) .....	6.8	6.6	5.8	5.4	5.1		
ROA (%) .....	3.1	1.7	—	0.4	0.6		
ROE (%) .....	23.5	16.7	—	4.9	8.4		
Ratio of stockholders' equity							
to total assets (%) .....	15.2	11.4	9.4	9.5	8.4		
Net debt-to-equity ratio (NET DER) (times)	2.4	3.7	4.7	4.8	5.8		
	Millions of Yen					Increase (Decrease) %	Millions of U.S. dollars
<b>(Reference)</b>							
Total trading transactions .....	¥10,473,885	¥9,576,039	¥9,516,967	¥10,446,371	¥11,395,240	9.4%	\$89,162
Adjusted profit* .....	252,038	188,807	100,676	114,454	102,557	33.5	2,146

All figures are for fiscal years, which begin on April 1 of the years preceding and extend through March 31.

The Japanese yen amounts for the year ended March 31, 2006, have been translated into United States dollar amounts, solely for the convenience of the reader, at the rate of ¥117.47 = U.S.\$1, the official rate of The Bank of Tokyo-Mitsubishi UFJ, Ltd., as of March 31, 2006.

Revenue is presented in accordance with "Emerging Issues Task Force (EITF)" No.99-19, "Reporting Revenue Gross as a Principal versus Net as an Agent."

Total trading transactions are presented in accordance with Japanese accounting practice.

Total trading transactions consist of sales with respect to transactions in which the companies act as principal and the total amount of transactions in which the companies act as agent.

Net income (loss) per share and stockholders' equity per share are calculated by using the shares that exclude the number of treasury stock from that of common stock issued.

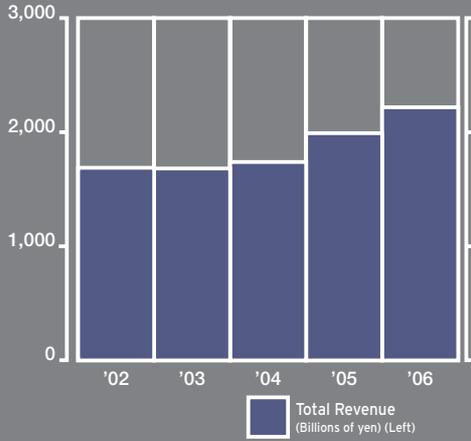
\*Net financial Expenses=Net Interest Expenses + Dividends Received  
Calculation formula (Fiscal 2006: ¥ billion):(-7.8) =(-26.0) +18.2

\*Net Interest Expenses=Interest Income + Interest Expense

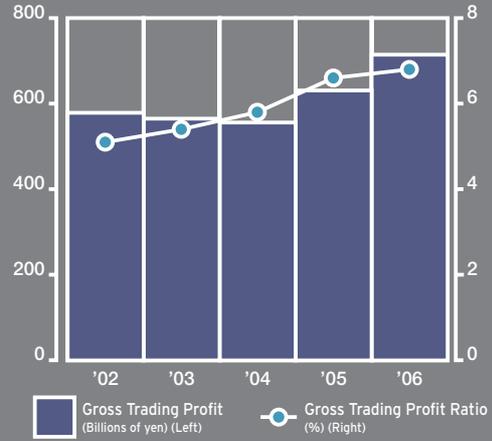
\*Net interest-bearing debt = Interest-bearing debt – Cash, cash equivalents and time deposits  
Calculation formula (Fiscal 2006: ¥ billion):1,724.3 =2,226.5 – 502.2

\*Adjusted profit=Gross trading profit + Selling, general and administrative expenses + Net financial expenses + Equity in earnings of associated companies  
Calculation formula (Fiscal 2006: ¥ billion):252.0 =714.4 + (-506.3) + (-7.8) + 51.7

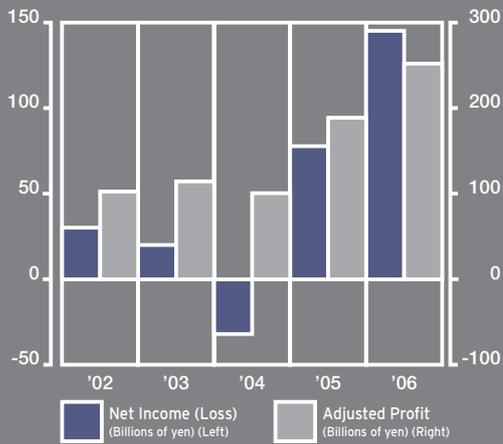
**Total Revenue**



**Gross Trading Profit and Gross Trading Profit Ratio**



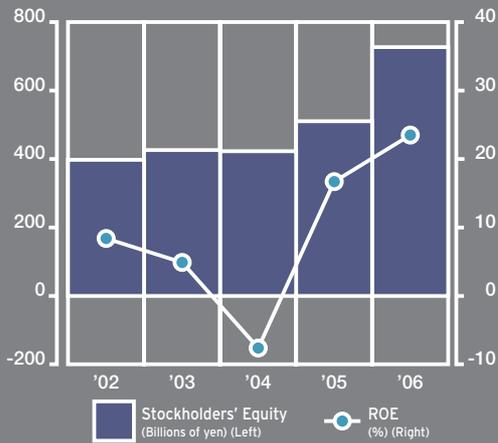
**Net Income (Loss) and Adjusted Profit**



**Total Assets and ROA**



**Stockholders' Equity and ROE**



**Net Income (Loss) Per Share and Stockholders' Equity Per Share**

