

# Consolidated Financial Highlights

ITOCHU Corporation and Subsidiaries  
Years ended March 31

	Millions of Yen					Increase (Decrease)	Millions of U.S. Dollars
	2011	2010	2009	2008	2007		
<b>For the fiscal year:</b>							
Revenue	¥ 3,649,671	¥ 3,416,637	¥ 3,419,061	¥ 2,859,853	¥ 2,646,037	6.8%	\$ 43,893
Gross trading profit	1,041,291	924,366	1,060,521	994,547	907,511	12.6	12,523
Net financial expenses* <sup>1</sup>	6,770	3,562	5,582	(7,709)	(7,555)	90.1	82
Net interest expenses* <sup>2</sup>	(16,732)	(25,338)	(29,457)	(32,156)	(29,218)	(34.0)	(201)
Dividends received	23,502	28,900	35,039	24,447	21,663	(18.7)	283
Equity in earnings (losses) of associated companies	60,617	36,269	41,304	70,238	(20,069)	67.1	729
Net income attributable to ITOCHU	160,975	128,153	165,390	217,301	175,856	25.6	1,936
<b>At fiscal year-end:</b>							
Total assets	¥ 5,673,683	¥ 5,476,847	¥ 5,192,092	¥ 5,274,199	¥ 5,288,647	3.6	\$ 68,234
Stockholders' equity	1,154,826	1,098,419	849,411	973,545	892,553	5.1	13,888
Net interest-bearing debt* <sup>3</sup>	1,633,219	1,726,073	1,756,764	1,654,532	1,630,928	(5.4)	19,642
<b>Cash flows:</b>							
Cash flows from operating activities	¥ 336,868	¥ 295,376	¥ 276,854	¥ 65,552	¥ 235,917	14.0	\$ 4,051
Cash flows from investing activities	(230,420)	(196,318)	(326,033)	(65,774)	(83,394)	17.4	(2,771)
Cash flows from financing activities	52,905	(258,987)	258,322	(81,294)	(100,920)	(120.4)	636
Cash and cash equivalents at end of year	630,722	475,674	628,820	446,311	532,856	32.6	7,585
<b>(Reference)</b>							
Total trading transactions* <sup>4</sup>	¥11,392,589	¥10,306,799	¥12,065,109	¥11,729,082	¥11,556,787	10.5	\$137,012
Adjusted profit* <sup>5</sup>	332,867	194,290	339,292	333,673	240,766	71.3	4,003

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, 2011 have been translated into U.S. dollar amounts, solely for the convenience of the reader, at the rate of ¥83.15 = U.S.\$1, the official rate of The Bank of Tokyo-Mitsubishi UFJ, Ltd., as of March 31, 2011.

\*1 Net financial expenses = Net interest expenses + Dividends received

Calculation formula (Fiscal 2011: ¥ million): 6,770 = (16,732) + 23,502

\*2 Net interest expenses = Interest income + Interest expense

Calculation formula (Fiscal 2011: ¥ million): (16,732) = 10,278 + (27,010)

\*3 Net interest-bearing debt = Interest-bearing debt – Cash, cash equivalents and time deposits

Calculation formula (Fiscal 2011: ¥ million): 1,633,219 = 2,268,361 – 635,142

\*4 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.

\*5 Adjusted profit = Gross trading profit + Selling, general and administrative expenses + Net financial expenses + Equity in earnings (losses) of associated companies

Calculation formula (Fiscal 2011: ¥ million): 332,867 = 1,041,291 + (775,811) + 6,770 + 60,617

	Yen (Unless otherwise specified)					Increase (Decrease)	U.S. Dollars
	2011	2010	2009	2008	2007		
<b>Per share:</b>							
Net income attributable to ITOCHU	¥ 101.84	¥ 81.09	¥ 104.64	¥ 137.46	¥ 111.19	25.6%	\$ 1.22
Stockholders' equity	730.65	694.98	537.43	615.89	564.48	5.1	8.79
Cash dividends	18.0	15.0	18.5	18.0	14.0	20.0	0.22
<b>Ratios:</b>							
Gross trading profit ratio (%)	9.1	9.0	8.8	8.5	7.9		
ROA (%)	2.9	2.4	3.2	4.1	3.5		
ROE (%)	14.3	13.2	18.1	23.3	21.8		
Ratio of stockholders' equity to total assets (%)	20.4	20.1	16.4	18.5	16.9		
Net debt-to-equity ratio (NET DER) (times)	1.4	1.6	2.1	1.7	1.8		
Interest coverage (times)	10.7	5.3	7.2	6.2	6.6		

Net income attributable to ITOCHU 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.

## Summary of FY2011 Results

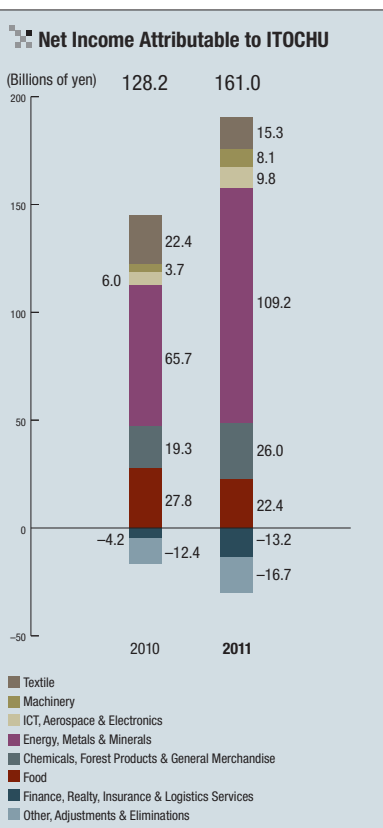
Gross trading profit

+ **12.6%**

Net income attributable to ITOCHU

+ **25.6%**

- Net income attributable to ITOCHU increased by ¥32.8 billion to ¥161.0 billion.
- Share of Net income attributable to ITOCHU by sector: Natural Resource/Energy-Related, 68% (¥109.2 billion), Consumer-Related, 30% (¥49.2 billion), and Others, 2% (¥2.6 billion).
- Losses from special factors in this fiscal year (after tax effect, net of related profits) includes affiliate-related losses of ¥41.4 billion (liquidation, fixed assets impairment, and impairment losses on investments and others), impairment losses on fixed assets and investments and others of ¥9.7 billion, and inventory-related and fixed-asset-related losses of ¥6.2 billion due to the Great East Japan Earthquake.
- ITOCHU stockholders' equity increased by ¥56.4 billion to ¥1,154.8 billion compared with the prev. FY end. Ratio of stockholders' equity to total assets recorded 20.4%. NET DER recorded 1.4 times.



### Textile

Gross trading profit rose by 24.9%, or ¥25.6 billion, to ¥128.3 billion, due to the acquisitions of JAVA HOLDINGS CO., LTD., and LEILIAN CO., LTD. Net income attributable to ITOCHU decreased by 31.7%, or ¥7.1 billion, to ¥15.3 billion, as a result of sluggish market conditions in the fiscal year under review, the absence of the non-recurring gain recorded in the previous fiscal year, and losses on liquidation of a subsidiary in apparel-related businesses.

### Machinery

Gross trading profit rose by 18.1%, or ¥7.8 billion, to ¥51.1 billion, due to a recovery in automobile transactions. Net income attributable to ITOCHU increased by 119.8%, or ¥4.4 billion, to ¥8.1 billion, because cost reductions offset valuation loss on marketable securities and lower equity in earnings of associated companies.

### ICT, Aerospace & Electronics

Gross trading profit decreased by 1.8%, or ¥2.4 billion, to ¥134.0 billion, as a result of lower transactions in domestic ICT-related businesses. Net income attributable to ITOCHU was up by 63.6%, or ¥3.8 billion, to ¥9.8 billion, due to cost reductions and higher equity in earnings of associated companies.

### Energy, Metals & Minerals

Gross trading profit rose by 49.8%, or ¥70.5 billion, to ¥212.1 billion, which reflected higher prices for mineral resources, oil, and gas. Net income attributable to ITOCHU was up significantly by 66.3%, or ¥43.6 billion, to ¥109.2 billion, due to an increase in gross trading profit in mineral resources, an increase in gain on property and equipment—net from the sale of coal interests, and higher equity in earnings of associated companies, which counteracted impairment losses on oil and gas assets in Australia and the United States.

### Chemicals, Forest Products & General Merchandise

Gross trading profit rose by 7.5%, or ¥8.3 billion, to ¥118.3 billion, as a result of the higher prices for natural rubber and pulp and favorable transactions in chemicals, and higher tire sales transactions in Europe. Net income attributable to ITOCHU rose by 34.9%, or ¥6.7 billion, to ¥26.0 billion, because the increase in gross trading profit and higher equity in earnings of associated companies compensated for the absence of the previous fiscal year's gain on bargain purchase in acquisition of C.I. Kasei Co., Ltd.

### Food

Gross trading profit remained approximately unchanged, edging up by 0.1%, or ¥0.4 billion, to ¥335.9 billion, because the increase in transaction volume for the food distribution sector counteracted inventory-related losses resulting from the Great East Japan Earthquake. Net income attributable to ITOCHU declined by 19.5%, or ¥5.4 billion, to ¥22.4 billion, as the increase in gross trading profit did not fully offset losses resulting from the Great East Japan Earthquake and lower equity in earnings of associated companies.

### Finance, Realty, Insurance & Logistics Services

Gross trading profit rose by 6.2%, or ¥2.2 billion, to ¥37.9 billion, as a decrease in losses on real estate for sale valued using the lower-of-cost-or-market method and higher sales of condominiums compensated for the effect of making a real estate related subsidiary an equity method associated company in the previous fiscal year. Net loss attributable to ITOCHU was up by 210.7%, or ¥8.9 billion, to ¥13.2 billion, due to impairment losses on the common stock and preferred stock of Orient Corporation and restructuring of finance-related affiliates, which offset the increase in gross trading profit.