As its business environment has undergone numerous changes, ITOCHU has leveraged its mobility to flexibly change its business portfolio, focusing on the areas that have the highest growth potential. As a result of that flexibility, our business models extend over an extremely diverse range of industrial areas and geographic regions, and it is difficult to classify them in a simple manner.

We cycle through a process of multifaceted business expansion, in which we use our distinctive strengths to develop businesses and then leverage the business know-how accumulated and market position established thereby to create new businesses.

Securing Natural Resources and Raw Materials

Linking Producers with Purchasers

Using Our Distinctive Strengths to Develop Businesses

Providing Value Added that Meets Consumer Needs

Providing Solutions

Accumulating Business Know-how

A more detailed explanation is provided on the inside pages of this section (pages 3 to 6).
CREATION

Expanding and Diversifying Sources of Supply

Participating in Production Activities

Expanding the Range of Success Models

Pursuing Multifaceted Business Expansion

Pursuing Economies of Scale

Obtaining Points of Contact with Consumers
ITOCHU sets its sights on areas in which we can leverage our distinctive strengths, and works to develop businesses in those areas. The reasons are as follows. (1) We can generate synergies by drawing on points of contact with existing businesses. (2) Our ability to control risk increases the probability of success. On that basis, we leverage our capabilities for business success.

Iron ore projects in Western Australia
Coal projects in eastern Australia
CGB
ACG
Chemical product trade
Exports of automobiles, construction machinery, and industrial machinery

Using Our Distinctive Strengths to Develop Businesses

Brand business
Stapleton’s
NIPPON ACCESS
FamilyMart
ITOCHU LOGISTICS
Securing Natural Resources and Raw Materials

Aiming to secure natural resources and raw materials and provide a stable supply to purchasers, we are developing upstream natural resources and raw material supply sources around the world.

Linking Producers with Purchasers

Trade, which links sellers and purchasers, is the starting point of a general trading company. ITOCHU builds sales channels for various goods around the world, thereby contributing to expansion of sales opportunities for producers as well as to competitive procurement by purchasers.

Providing Value Added that Meets Consumer Needs

ITOCHU’s competitiveness is demonstrated through the rapid provision of value added that meets consumer needs and the continual advancement of business models.

Providing Solutions

The foundation of our comprehensive capabilities comprises finance and insurance capabilities closely linked to business, the provision of efficient logistics solutions leveraging global networks, and IT capabilities that facilitate the analysis and strategic utilization of information.

Accumulating Business Know-how

In the process of implementing business development activities, we strive to establish market positions and to accumulate business know-how.
Expanding and Diversifying Sources of Supply

We are working to achieve geographic diversification of supply bases and expansion of supply volume. For example, in the coal business that we have developed, principally in eastern Australia, we have expanded our business base to include Colombian mining operations of Drummond Company to diversify our sources of supply.

Participating in Production Activities

By advancing upstream projects, we secure competitive resources. For example, in the chemicals business, we have advanced into the methanol production project in Brunei, based on trade development.

Pursuing Multifaceted Business Expansion

As we leverage the business know-how that we have accumulated and the market positions that we have established, we expand business opportunities in every direction from the following five major points of view, in accordance with the operational characteristics of businesses. Then we create a chain of new businesses with a view to increasing earnings further.

Expanding the Range of Success Models

We extend models of success to other businesses and regions. In textiles, for example, we are developing businesses in China through partnerships with the Shanshan Group and the Shandong Ruyi Science & Technology Group, centered on downstream businesses that have been successful in Japan.

Pursuing Economies of Scale

With a solid market position as a foundation, we pursue increased operational efficiency and other economies of scale by expanding the size of businesses through such means as mergers. For example, in the domestic food distribution and marketing business we have completed the merger of food distribution and marketing subsidiaries, centered on NIPPON ACCESS. In this way, we have realized comprehensive merchandising and low-cost, high-quality logistics.

Obtaining Points of Contact with Consumers

Leveraging the midstream and upstream positions that we have established, we expand our earning opportunities to areas that are closer to consumers. In the U.K. tyre business, leveraging the foundation built by Stapleton’s, U.K. No. 1 tyre distributor, we have made a full-scale advance into the tyre retail business with the acquisition of Kwik-Fit.
This multifaceted process of creating businesses is repeated in a sustained manner that leverages a variety of frameworks, and the ITOCHU business portfolio is thereby continually being moved ahead.

Expanding and Diversifying Sources of Supply
- Drummond Company’s Mining Operations in Colombia

Participating in Production Activities
- Brunei Methanol Project

Expanding the Range of Success Models
- Shanshan Group
- Shandong Ruyi Science & Technology Group

Pursuing Economies of Scale
- Merger of food distribution and marketing subsidiaries

Obtaining Points of Contact with Consumers
- Kwik-Fit