

## New Medium-Term Management Plan

**Brand-new Deal 2020** (FYE 2019–2021)

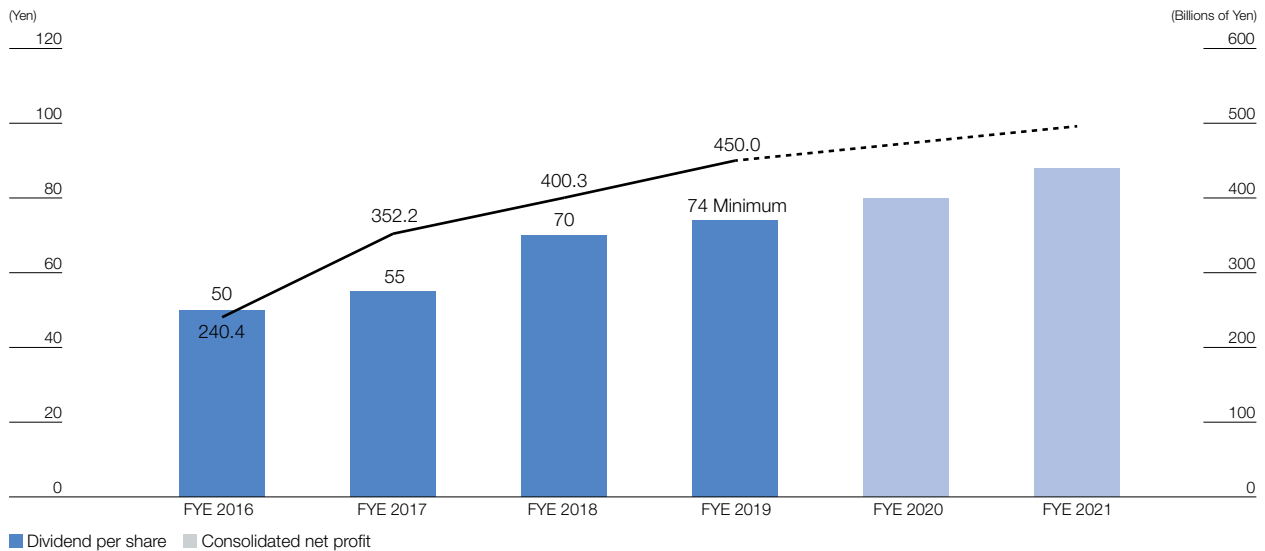
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## Shareholder Returns Policy

Continue applying the current performance-linked and progressive dividend policy\*; set minimum dividend of ¥74 per share for FYE 2019 and target record-breaking dividend levels each year as the dividend policy of "Brand-new Deal 2020" while adopting a flexible stance toward share buybacks based on factors including the Company's stock price and cash flows to enhance shareholder returns.

\* Target a dividend payout ratio of approx. 20% on consolidated net profit up to ¥200.0 billion and a dividend payout ratio of approx. 30% on the portion of consolidated net profit exceeding ¥200.0 billion

## Dividend per Share



## Assumptions for FYE 2019 Plan

	FYE 2017 Result	FYE 2018 Result	FYE 2019 Plan	(Reference) Sensitivities on consolidated net profit for FYE 2019
Exchange rate (YEN / US\$) average	108.37	111.30	105	Approx. ¥(2.3) billion (1 yen appreciation against US\$)
Exchange rate (YEN / US\$) closing	112.19	106.24	105	—
Interest JPY TIBOR 3M	0.061%	0.062%	0.10%	Approx. ¥(4.0) billion (1% increase)
Crude oil (Brent) (US\$/BBL)	49.88	57.85	55	±¥0.40 billion
Iron ore (CFR China) (US\$/ton)	66*	68*	N.A**	±¥1.27 billion
Hard coking coal (FOB Australia) (US\$/ton)	165*	204*	N.A**	±¥0.35 billion
Thermal coal (FOB Australia) (US\$/ton)	74*	94*	N.A**	

(The above effect varies according to changes in sales volume, foreign exchange rates, and production costs.)

\* FYE 2017 and FYE 2018 prices for iron ore, hard coking coal, and thermal coal are prices that ITOCHU regards as general transaction prices based on the market.

\*\* The prices for iron ore, hard coking coal, and thermal coal used in the FYE 2019 Plan are assumed in consideration for general transaction prices based on the market. The figures are not presented since the actual sales prices are decided based on negotiations with each customer, ore type and coal type.