

Establishment of The 8th Company

The vigorous digital transformation that is occurring as part of the Fourth Industrial Revolution is prompting the emergence of services and business models that ITOCHU will no longer be able to handle via its conventional vertical, product-based organization.

We are addressing the situation through the establishment of The 8th Company, which adopts a market-oriented perspective and will aim to cultivate new businesses and clients through a keen awareness of market changes.

To promote a sense of speed, rather than involving a large-scale reorganization, The 8th Company will begin operations with around 40 people selected from the seven existing Division Companies. These people have been selected for their extensive expertise and experience in consumer businesses. To invigorate our organization, we will need to further hone the "individual capabilities" that

are our strength. The 8th Company will spearhead the Companywide introduction of a personnel system that encourages young employees to take on challenges even more than before, as well as a productivity- and efficiency-focused office system such as a "free address office," where employees are free to change desks. In these ways, we plan to invigorate our organization and human resources even more.

The new Division Company will collaborate with the seven existing Division Companies to fully leverage various business platforms, particularly in the consumer sector, which is an area of our strength. By accelerating crossindustrial integrations and cross-Division Company initiatives, the new Division Company will foster new "general" trading company functions and aim to achieve sustainable increase in corporate value.



Kensuke Hosomi President, The 8th Company

I am keenly aware that leading the new "challenge" of ITOCHU is a heavy responsibility. At the same time, I am grateful to have this opportunity to cultivate the seeds of "transformation." I intend to take advantage of my knowledge of the brand business and my experience with the convenience store business which holds a huge logistics network.

I will move resolutely forward and take on challenges which the new Division Company can uniquely tackle, convinced that The 8th Company is the starting point of ITOCHU's transition to a next-generation business model.