

Food Company

Business Fields

- Food resources and ingredients
- Food production and processing
- Food marketing & distribution

Company Strengths

- Top-class food distribution and retail network
- Worldwide network of production, distribution, and sales value chains for fresh foods (marine, meat, and agricultural products)
- Global supply chain for food resources



Hiroyuki Kaizuka

President, Food Company



From left:

Shuichi Miyamoto,
Chief Operating Officer, Provisions Division

Kenichi Tai,
Chief Operating Officer, Fresh Food Division

Takeshi Hagiwara,
Chief Operating Officer, Food Products Marketing & Distribution Division

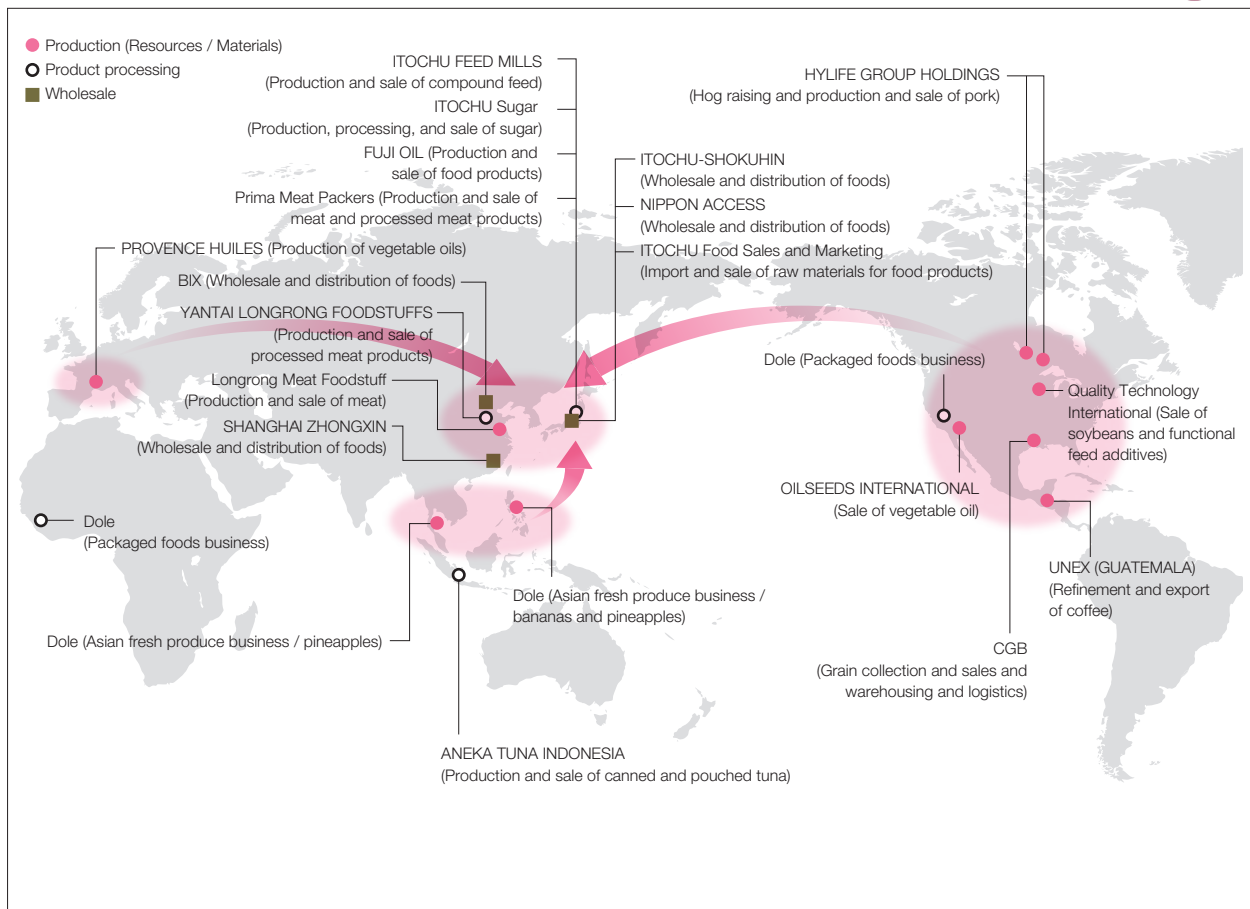
Kenichiro Soma,
Chief Financial Officer

Kuniaki Abe,
General Manager, Planning & Administration Department

Business Development

60%

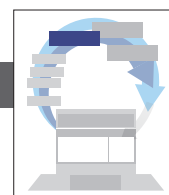
Percentage of Earnings from Domestic Business (image)





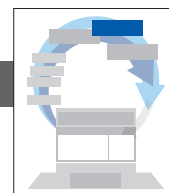
FYE 2020 Review (Achievement of Short-Term Targets)

- Signed an MOA with the government of Sierra Leone regarding Dole's production of pineapples in the country
- With a new relationship with Prima Meat Packers, Ltd., now our subsidiary, successfully established a system to generate Group synergy and holistically support overseas development
- Began a project to optimize inventory-management at NIPPON ACCESS, INC. to increase the value we provide to retailers
- Participated in Farmer Connect, a traceability platform for the coffee supply chain based on blockchain technology
- Got involved in the initiative for domestic distribution of fresh salmon, produced onshore by environmentally friendly Recirculating Aquaculture System (RAS)



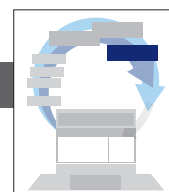
Steppingstones to Medium- to Long-Term Value Creation

- Leveraging the Group's wide-range of product groups, functions, and expertise with new technologies to provide the increasingly diverse value in food distribution
- Expanding overseas business foundations centering on value-added raw materials and products
- Strengthening value chains by expanding and diversifying domestic sales functions
- Broadening production bases, which ensures food safety and security, and developing a stable supply network



Initiatives Supporting Sustainable Growth

- Pursuing the consolidation of operations in the distribution sector, which faces increasingly severe labor shortages, and providing high-quality logistics services
- Diversifying the production regions to ensure stable supplies of fresh foods in avoidance of risks related to weather and epidemics
- Conducting development of producing regions, aiming to create employment and improve living environments through nurturing local industry
- Reforming the productivity of Dole's plantations by consolidating farmland and improving plant varieties
- Creating a procurement system, which complies with verification by third-party institutions and the business partners' own codes of conduct
- Increasing the number of employees holding international certifications for inspections under a food safety management system (FSMS)



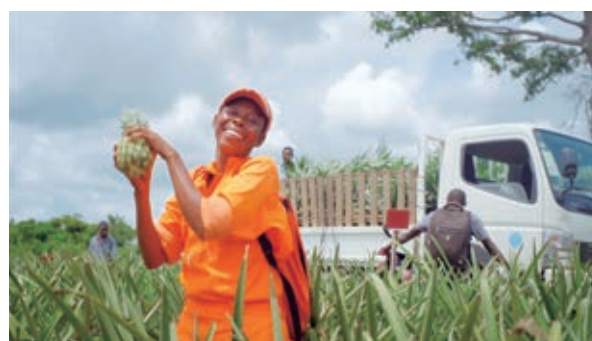
➡ Please refer to "Significant Risks to Be Managed on a Consolidated Basis" in the Risk Management section on Page 47.

Specific Example of Initiatives Supporting Sustainable Growth

Pineapple Production Business in Sierra Leone

ITOCHU established Sierra Tropical Limited in Sierra Leone in June 2014 through Dole, a subsidiary, to begin pineapple cultivation and production of processed foods containing pineapple. To expand production, the company is currently raising seedlings and has started building a plant to process pineapples. It aims to commence commercial production at an early stage.

By diversifying its production bases, ITOCHU aims to establish a stable pineapple production system that is not affected by weather risk and further enhance Dole's processed foods business on a global scale. In addition, the business is aimed at contributing to the local community by cultivating local industry, thereby creating employment and improving living environments.



Pineapple harvesting in Sierra Leone

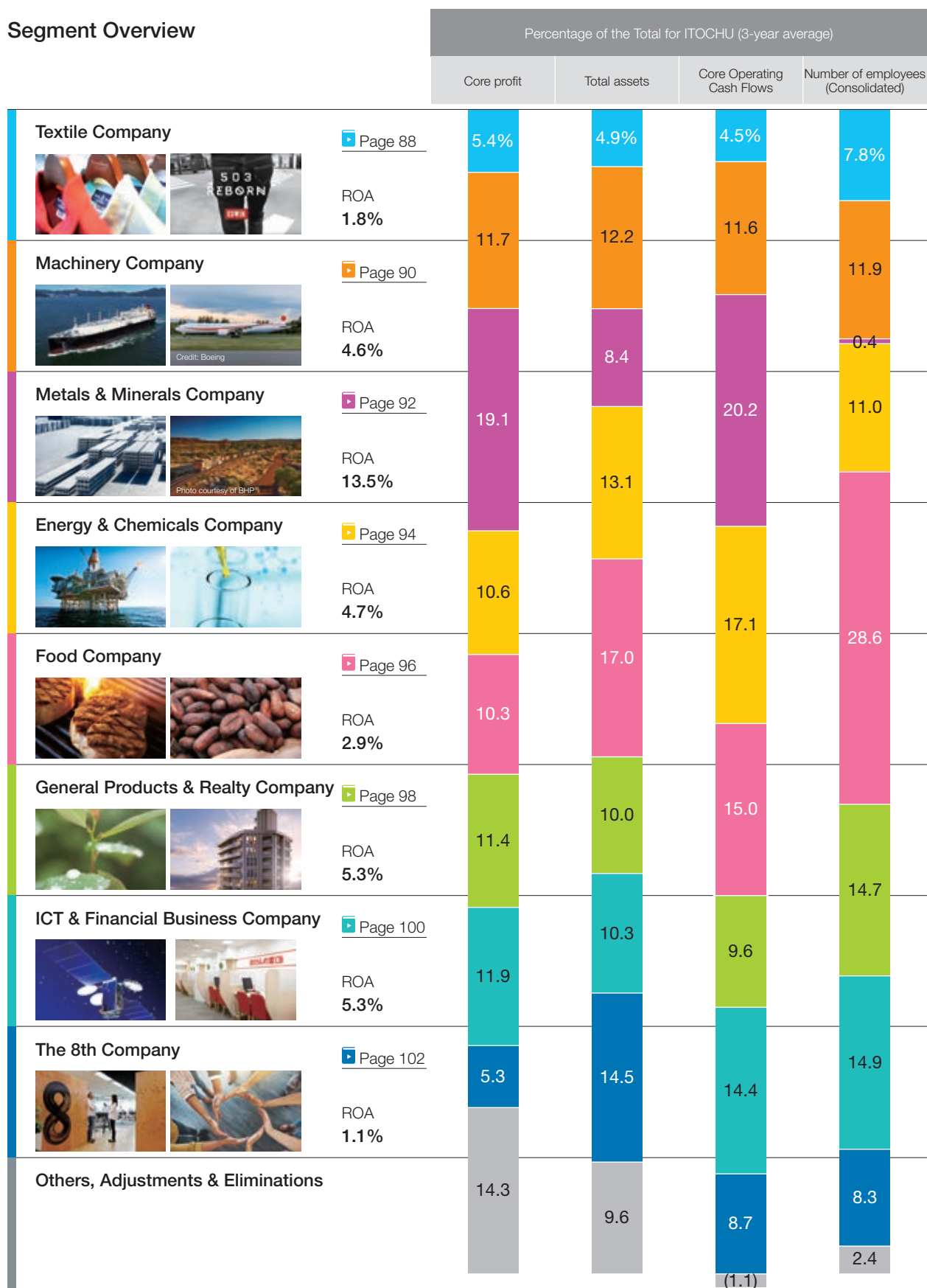
Please also see the Sustainability Action Plan on our website for initiatives supporting sustainable growth.

<https://www.itochu.co.jp/en/csr/itochu/activity/actionplan/>



Financial Summary

Segment Overview

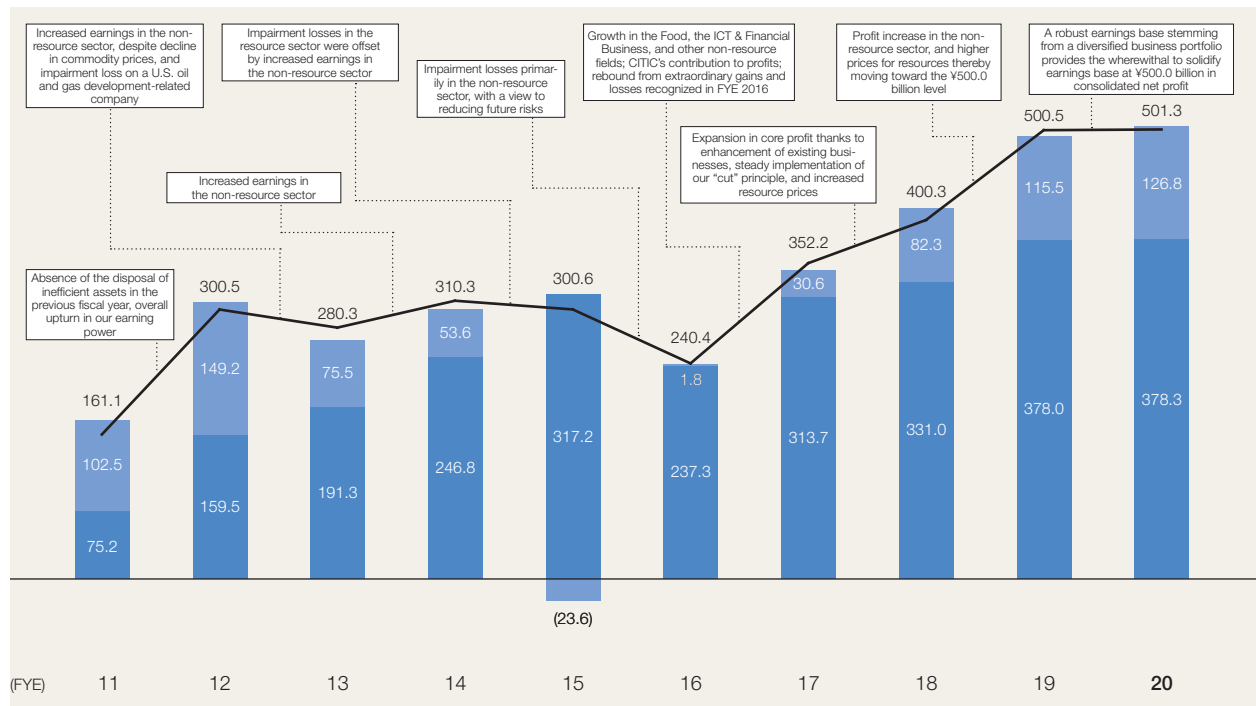


Non-Resource	78.3%	90.4%	73.8%	94.6%
Resource	21.7%	9.6%	26.2%	5.4%

* Accompanying the establishment of The 8th Company on July 1, 2019, figures for FYE 2018 and FYE 2019 have been adjusted retroactively.

* Based on U.S. GAAP through FYE 2014, IFRS from FYE 2015

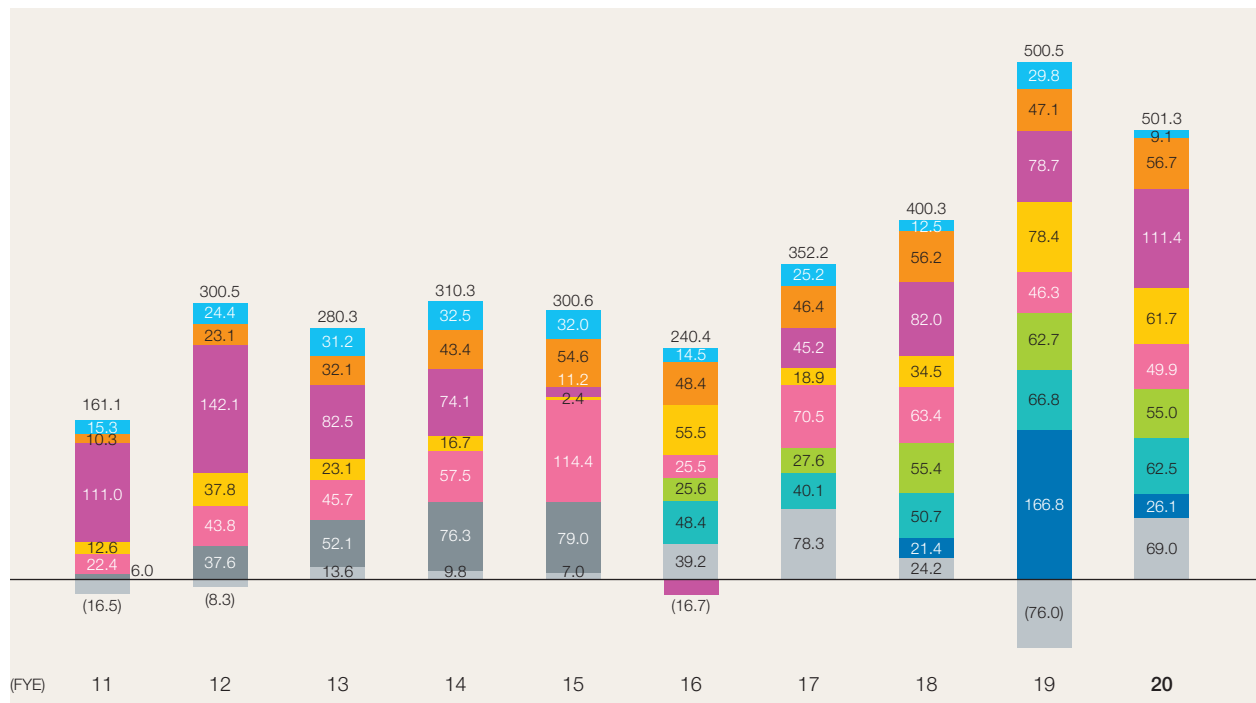
Consolidated Net Profit (Non-Resource / Resource) (Billions of Yen)



— Consolidated net profit ■ Earnings from the non-resource sector ■ Earnings (loss) from the resource sector

* Others, Adjustments & Eliminations except for CP & CITIC related profit (loss) is not included in earnings from the non-resource / resource sectors.

Consolidated Net Profit by Segment (Billions of Yen)



Extraordinary Gains and Losses

(57.5)	20.0	0	0	(5.0)	(75.0)	(18.0)	(16.5)	28.5	16.0
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Core Profit

218.6	280.5	280.3	310.3	305.6	315.4	370.2	416.8	472.0	485.3
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■ Textile ■ Machinery ■ Metals & Minerals ■ Energy & Chemicals ■ Food ■ ICT, General Products & Realty (until FYE 2015)
 ■ General Products & Realty (from FYE 2016) ■ ICT & Financial Business (from FYE 2016) ■ The 8th (from FYE 2018)
 ■ Others, Adjustments & Eliminations

* In April 2016, the ICT, General Products & Realty Company was reorganized into the General Products & Realty Company and the ICT & Financial Business Company.

* Accompanying the establishment of The 8th Company on July 1, 2019, figures for FYE 2018 and FYE 2019 have been adjusted retroactively.



Performance Trends by Segment

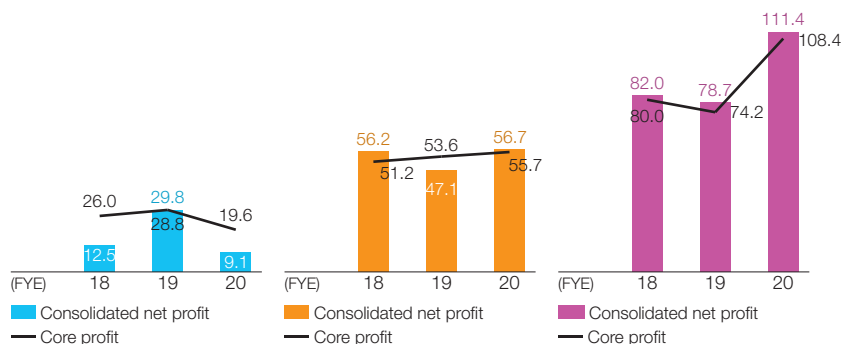
Textile Company

Machinery Company

Metals & Minerals Company

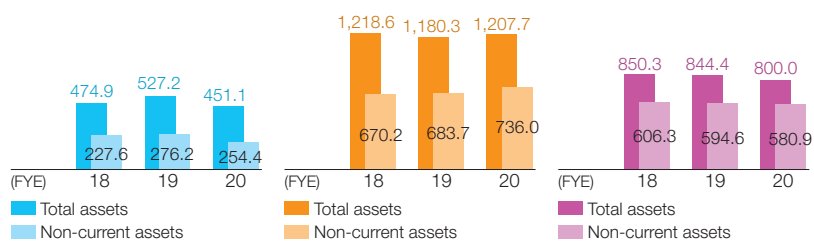
Consolidated Net Profit & Core Profit

(Billions of Yen)



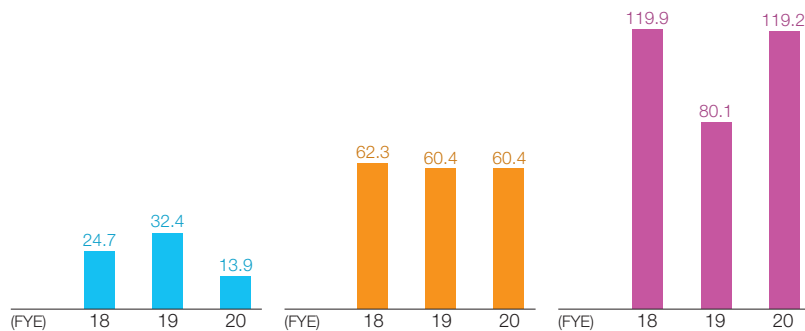
Total Assets

(Billions of Yen)



Core Operating Cash Flows*

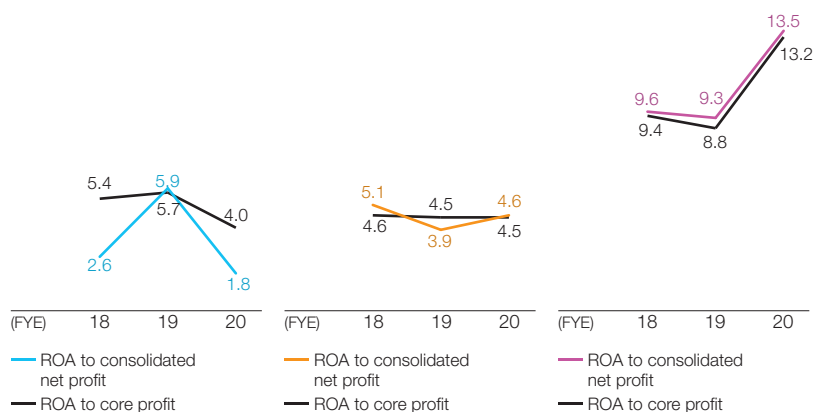
(Billions of Yen)



* "Operating cash flows" minus "changes of working capital"

ROA

(%)



* Accompanying the establishment of The 8th Company on July 1, 2019, figures for FYE 2018 and FYE 2019 have been adjusted retroactively.

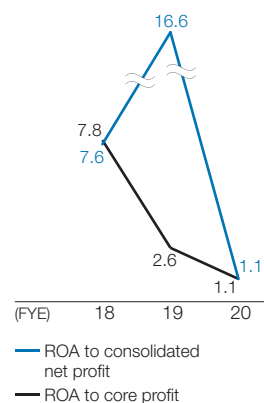
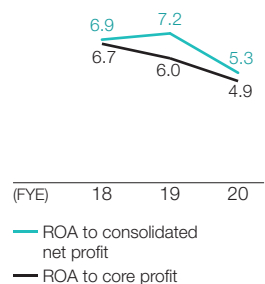
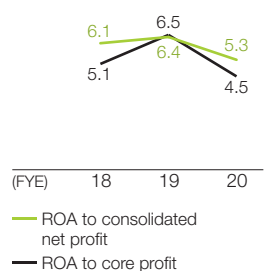
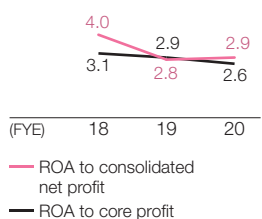
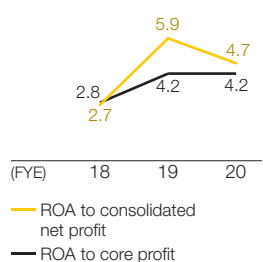
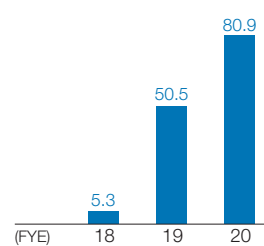
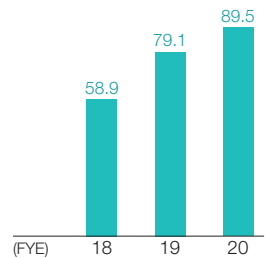
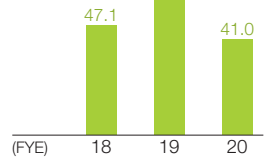
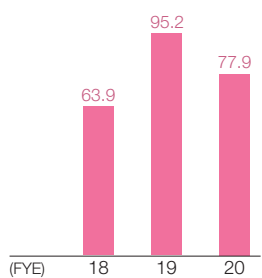
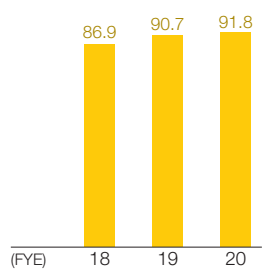
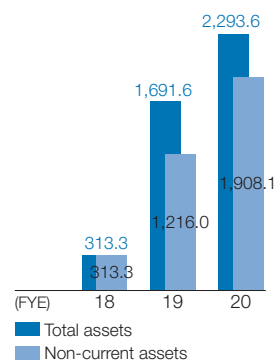
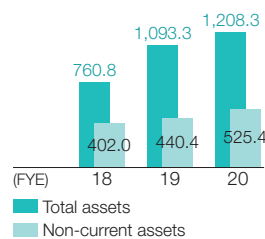
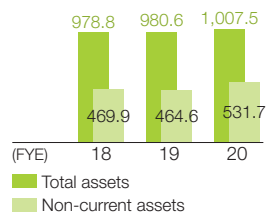
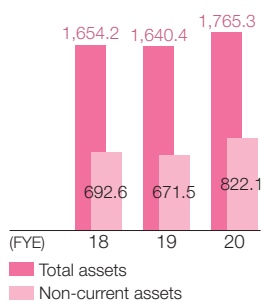
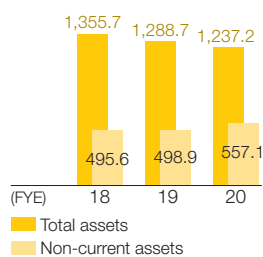
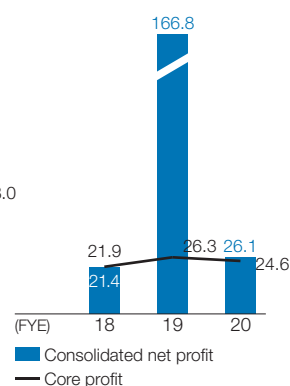
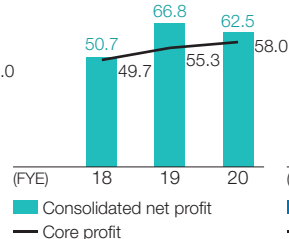
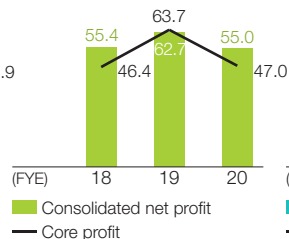
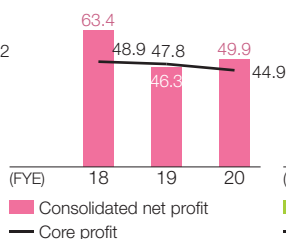
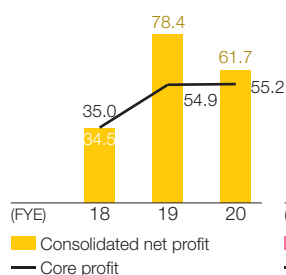
Energy & Chemicals Company

Food Company

General Products & Realty Company

ICT & Financial Business Company

The 8th Company



Net Profit by Major Group Companies

Textile Company

(Billions of Yen)

	Shares*1	FYE 2018	FYE 2019	FYE 2020	FYE 2021 (Plan)*2
Consolidated Net Profit		12.5	29.8	9.1	23.0
Breakdown of Net Profit (Loss) by Major Group Companies					
JOI'X CORPORATION	100.0%	1.5	1.2	0.8	0.3
DESCENTE LTD.	40.0%	1.4	1.2	(1.4)	2.0
Sankei Co., Ltd.	100.0%	0.1	1.9	1.5	1.2
ITOCHU Textile Prominent (ASIA) Ltd.	100.0%	0.2	1.1	0.4	1.0
ITOCHU TEXTILE (CHINA) CO., LTD.	100.0%	1.0	1.1	1.1	1.1

Machinery Company

(Billions of Yen)

	Shares*1	FYE 2018	FYE 2019	FYE 2020	FYE 2021 (Plan)*2
Consolidated Net Profit		56.2	47.1	56.7	48.0
Breakdown of Net Profit (Loss) by Major Group Companies					
Tokyo Century Corporation	29.2%	12.5	12.6	14.2	13.1
I-Power Investment Inc.	100.0%	5.3	(5.8)	1.8	2.9
I-ENVIRONMENT INVESTMENTS LIMITED	100.0%	1.9	1.0	1.2	1.2
JAMCO Corporation	33.4%	0.6	0.6	0.1	—
YANASE & CO., LTD.	66.0%	3.7	1.1	3.0	3.3
ITOCHU TC CONSTRUCTION MACHINERY CO., LTD.*3	50.0%	0.6	0.6	0.3	0.3
ITOCHU MACHINE-TECHNOS CORPORATION	100.0%	0.8	1.4	1.4	1.0
Century Medical, Inc.	100.0%	0.5	0.7	0.6	0.4
MULTIQUIP INC.	100.0%	2.3	2.8	2.8	1.7

Metals & Minerals Company

(Billions of Yen)

	Shares*1	FYE 2018	FYE 2019	FYE 2020	FYE 2021 (Plan)*2
Consolidated Net Profit		82.0	78.7	111.4	77.0
Breakdown of Net Profit (Loss) by Major Group Companies					
ITOCHU Minerals & Energy of Australia Pty Ltd	100.0%	62.3	60.1	83.4	71.6
JAPÃO BRASIL MINÉRIO DE FERRO PARTICIPAÇÕES LTDA. (CSN Mineração)	77.3%	3.3	1.7	9.4	—
ITOCHU Coal Americas Inc. (Drummond)	100.0%	2.9	2.0	1.1	—
Marubeni-Itochu Steel Inc.	50.0%	9.2	12.1	11.2	—
ITOCHU Metals Corporation*4	70.0%	1.1	1.1	1.3	1.0

Energy & Chemicals Company

(Billions of Yen)

	Shares*1	FYE 2018	FYE 2019	FYE 2020	FYE 2021 (Plan)*2
Consolidated Net Profit		34.5	78.4	61.7	34.0
Breakdown of Net Profit (Loss) by Major Group Companies					
ITOCHU Oil Exploration (Azerbaijan) Inc. (ACG Project)	100.0%	2.3	3.3	4.9	(1.1)
ITOCHU PETROLEUM CO., (SINGAPORE) PTE. LTD.	100.0%	(1.8)	0.5	0.7	0.8
ITOCHU ENEX CO., LTD.	54.0%	6.0	6.5	6.9	5.9
Japan South Sakha Oil Co., Ltd. (Eastern Siberia Project)	25.0%	4.0	9.1	7.7	—
Dividends from LNG Projects (PAT)	—	4.4	6.2	5.5	2.7
ITOCHU CHEMICAL FRONTIER Corporation	100.0%	3.7	5.2	4.4	4.4
ITOCHU PLASTICS INC.*4	60.0%	2.4	2.3	2.5	2.6
C.I. TAKIRON Corporation	52.0%	3.0	2.9	6.4	—

* Accompanying the establishment of The 8th Company on July 1, 2019, figures for FYE 2018 and FYE 2019 have been adjusted retroactively.

Food Company

(Billions of Yen)

	Shares*1	FYE 2018	FYE 2019	FYE 2020	FYE 2021 (Plan)*2
Consolidated Net Profit		63.4	46.3	49.9	56.0
Breakdown of Net Profit (Loss) by Major Group Companies					
Dole International Holdings, Inc.	100.0%	3.2	7.8	(0.2)	7.4
NIPPON ACCESS, INC.*4	60.0%	5.9	7.0	8.4	8.7
FUJI OIL HOLDINGS INC.	39.0%	4.2	3.0	5.1	4.5
Prima Meat Packers, Ltd.	42.9%	4.1	3.2	3.9	3.8
ITOCHU-SHOKUJIN Co., Ltd.	52.2%	2.2	1.7	2.0	2.1
HYLIFE GROUP HOLDINGS LTD.	49.9%	3.7	2.7	3.0	—

General Products & Realty Company

(Billions of Yen)

	Shares*1	FYE 2018	FYE 2019	FYE 2020	FYE 2021 (Plan)*2
Consolidated Net Profit		55.4	62.7	55.0	60.0
Breakdown of Net Profit (Loss) by Major Group Companies					
European Tyre Enterprise Limited (Kwik-Fit)	100.0%	5.8	4.2	6.2	—
ITOCHU FIBRE LIMITED (METS FIBRE)	100.0%	9.9	16.1	1.9	—
Japan Brazil Paper & Pulp Resources Development Co., Ltd. (CENIBRA)	33.3%	4.2	7.3	(7.1)	—
ITOCHU LOGISTICS CORP.*4	95.2%	2.6	2.9	4.9	2.7
ITOCHU KENZAI CORPORATION	100.0%	2.7	2.9	2.9	1.8
DAIKEN CORPORATION	35.6%	1.6	1.3	1.9	—
ITOCHU Property Development, Ltd.	100.0%	2.4	2.9	2.4	2.2

ICT & Financial Business Company

(Billions of Yen)

	Shares*1	FYE 2018	FYE 2019	FYE 2020	FYE 2021 (Plan)*2
Consolidated Net Profit		50.7	66.8	62.5	63.0
Breakdown of Net Profit (Loss) by Major Group Companies					
ITOCHU Techno-Solutions Corporation	58.2%	13.6	14.2	16.6	17.5
BELLSYSTEM24 Holdings, Inc.	40.8%	1.2	1.2	1.8	2.9
CONEXIO Corporation	60.3%	4.1	4.0	4.0	—
ITOCHU Fuji Partners, Inc. (SKY Perfect JSAT Holdings)	63.0%	(0.2)	1.4	0.2	1.3
POCKET CARD CO., LTD.*4	32.2%	0.9	2.0	2.1	2.3
Orient Corporation	16.5%	4.2	4.2	3.7	—

The 8th Company

(Billions of Yen)

	Shares*1	FYE 2018	FYE 2019	FYE 2020	FYE 2021 (Plan)*2
Consolidated Net Profit		21.4	166.8	26.1	33.0
Breakdown of Net Profit (Loss) by Major Group Companies					
FamilyMart Co., Ltd.*5	50.2%	11.8	17.3	17.5	30.1
NIPPON ACCESS, INC.*4	40.0%	3.9	4.6	5.5	5.7
POCKET CARD CO., LTD.*4*6	30.9%	0.4	1.9	2.1	2.2
ITOCHU PLASTICS INC.*4	40.0%	1.6	1.5	1.6	1.8
ITOCHU Metals Corporation*4	30.0%	0.5	0.5	0.6	0.4
ITOCHU LOGISTICS CORP.*4	4.8%	0.1	0.2	0.1	0.1

*1 Indicated share percentages are as of June 30, 2020.

*2 "FYE 2021 (Plan)" indicates forecast figures (including revised forecast figures) disclosed up to and including July 31, 2020.

*3 On July 1, 2019, ITOCHU CONSTRUCTION MACHINERY CO., LTD. changed its name to ITOCHU TC CONSTRUCTION MACHINERY CO., LTD.

*4 Shares have been partially transferred to The 8th Company. Accordingly, share percentages and net profit (loss) are shown for each Division Company.

*5 On September 1, 2019, FamilyMart UNY Holdings Co., Ltd. changed its name to FamilyMart Co., Ltd.

*6 Figures include the net profit (loss) through FamilyMart Co., Ltd.

