

BUSINESS PORTFOLIO

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Portfolio Overview

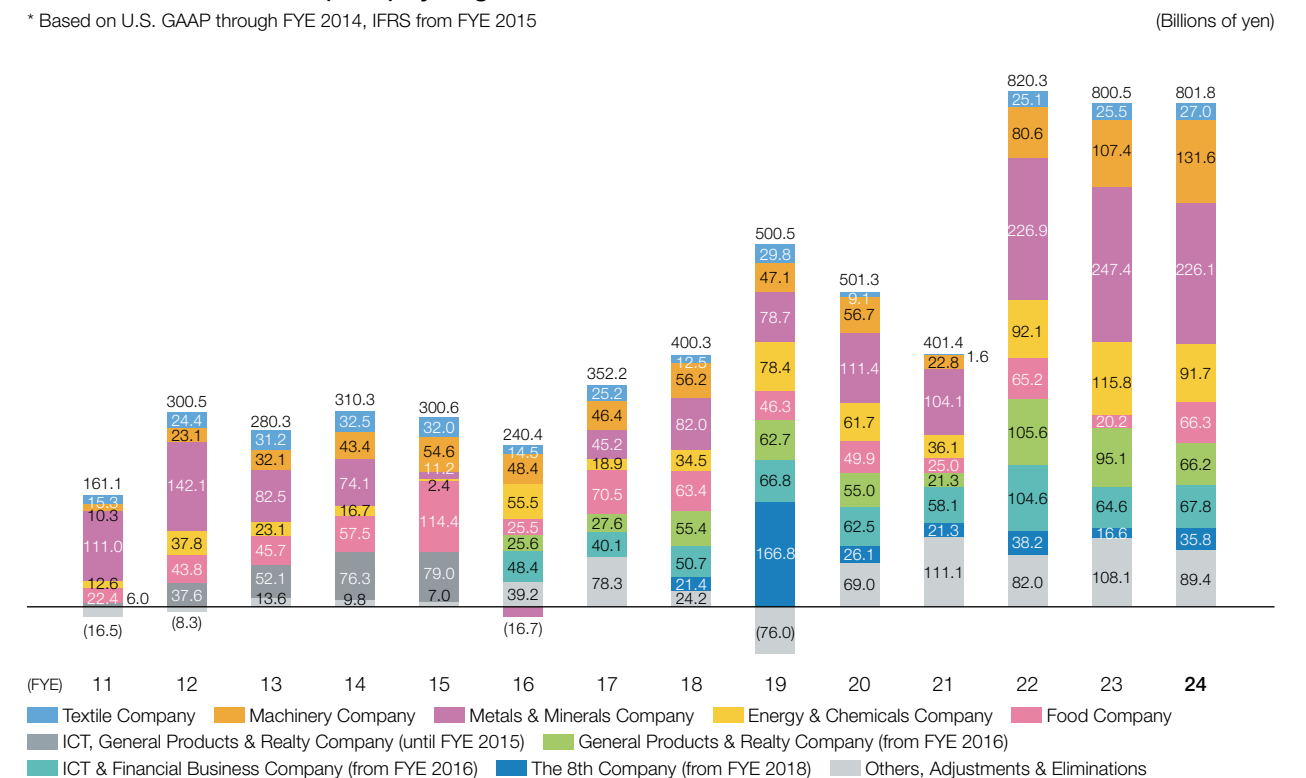
Percentage of the Total for ITOCHU (3-year average)



* The results for FYE 2024 and the end of March 2024

Consolidated Net Profit (Loss) by Segment

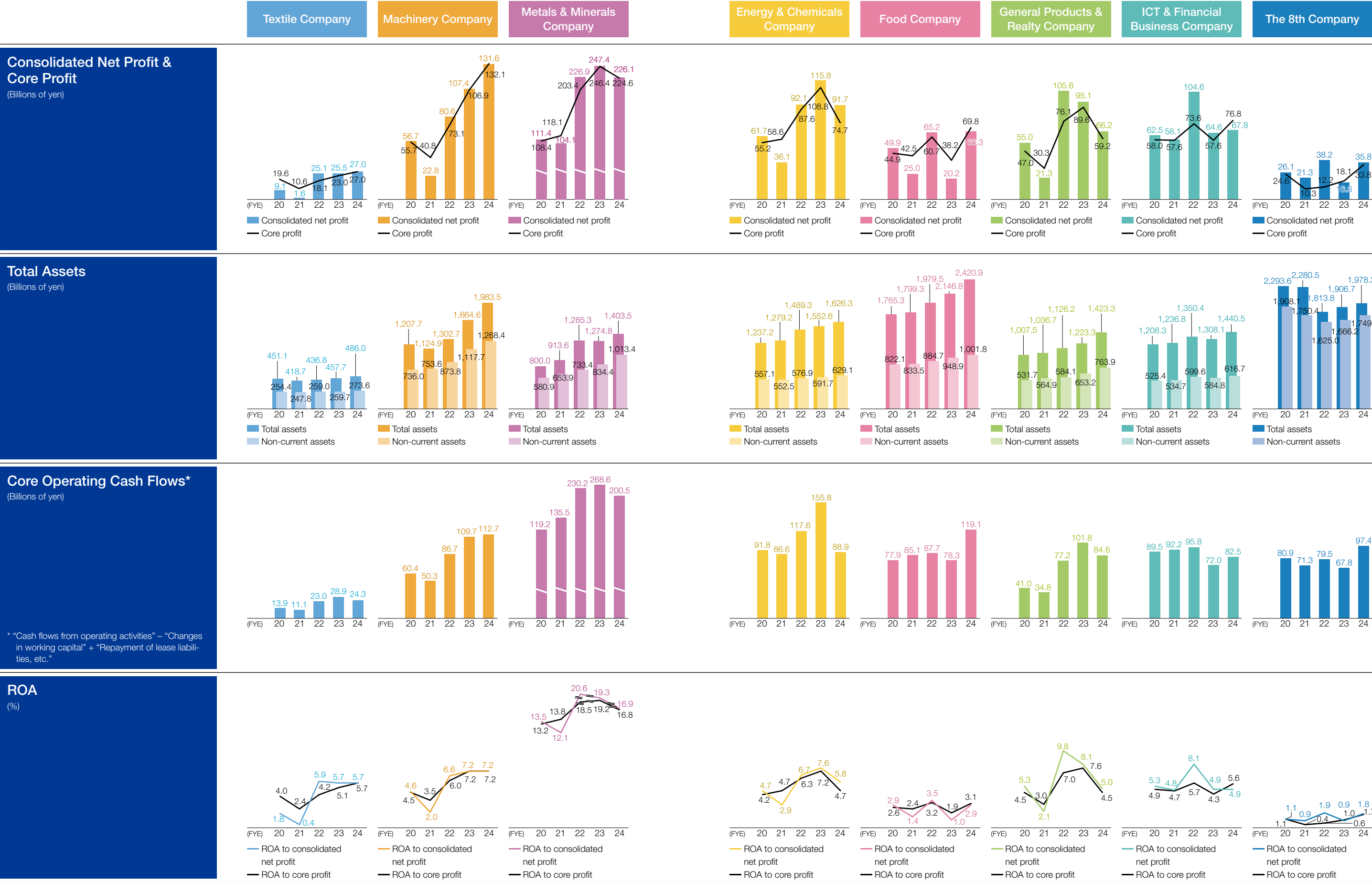
* Based on U.S. GAAP through FYE 2014, IFRS from FYE 2015



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

* On July 1, 2019, The 8th Company was established, and ITOCHU began mutual holdings in which The 8th Company was the minority shareholder and the other Division Companies were the majority shareholders. On October 1, 2022, ITOCHU dissolved such mutual holdings. Therefore, the results from FYE 2018 to FYE 2021 have been presented based on the mutual holdings, while the results from FYE 2022 to FYE 2023 have been presented based on the dissolution of the mutual holdings.

Performance Trends by Segment



Textile Company

Business Fields

- Brand business (import and licenses for garments, fashion accessories, lifestyle brands, etc.)
- Apparel (raw materials, textile fabrics, garment materials, textile products, etc.)
- Industrial materials (fiber materials for industrial and manufacturing use, lifestyle-related products, etc.)

Company Strengths

- Strong position as the unmistakable leader among general trading companies in the textile industry
- Full-spectrum value chain that includes everything from upstream to downstream operations in the textile industry
- Solid business relationships with blue-chip partners in each business area in Japan and overseas



Hideto Takeuchi
President, Textile Company



From left:	
Go Mimura	Chief Operating Officer, Apparel Division
Manabu Fukugaki	Chief Operating Officer, Brand Marketing Division
Katsushi Adachi	Chief Financial Officer
Ryoma Omuro	General Manager, Planning & Administration Department

Consolidated Net Profit	Core Profit	Percentage of Earnings from Business in Japan (image)
¥27.0 billion	¥27.0 billion	<div>70%</div>
ROA*1	CAGR*2	
6%	4%	

*1 ROA based on core profit.
*2 Compound annual growth rate of consolidated net profit from FYE 2011 to FYE 2024

Apparel

Products: Raw materials, textile fabrics, garment materials, and textile products, etc.

Product planning and sales base for the European market

- ITOCHU Europe

Product planning and sales base for the North American market

- ITOCHU Prominent U.S.A.

Production bases spreading throughout China and other parts of Asia

Product planning, production, and sales bases for markets in China and other parts of Asia / Production base for the Japanese, European, U.S., and global markets

- ITOCHU TEXTILE (CHINA)
- ITOCHU Textile Prominent (ASIA)

Product planning, production, and sales bases targeting Japanese, Chinese, Asian, and global markets

- ITOCHU
- Sankel
- EDWIN
- DESCENTE
- DOME
- UNICO
- ROYNE

Focusing on the sports-related business

Industrial Materials

Products: Fiber materials used for hygiene, automobile interior materials, electronics materials, building and civil engineering materials for industry and manufacturing, and lifestyle-related products, etc.

Establishment of local supply chains that match customer needs and locations (Focus region: China and other parts of Asia)

Spreading the business model established in Japan, China, and other parts of Asia throughout the world

Brand Business

Brand owner

Participation in management / Trademark rights

Exclusive import and distribution rights / Master license rights

Primary brands handled: CONVERSE, HUNTING WORLD, Leilian, LeSportsac, OUTDOOR PRODUCTS, Paul Smith

Primary brands handled: FILA, LANVIN, Reebok, Vivienne Westwood

Initiative for Sustainable Enhancement of Corporate Value through a Market-Oriented Perspective
Rolling Out the Luxury Handbag Brand GHERARDINI in Japan, Europe, and the United States

In December 2023, ITOCHU acquired exclusive rights to sell GHERARDINI brand handbags—a brand that originates from Florence, Italy—in the markets of Japan, Europe, and the United States. The signature product SOFTY is renowned for its exceptional lightness, functionality, and elegant design, and is loved by consumers worldwide. By leveraging our extensive expertise and networks gained from our multiple bag businesses, such as HUNTING WORLD, LeSportsac, and OUTDOOR PRODUCTS, and by adopting a market-oriented perspective to meet market and consumer demands, we aim to convey the appeal of this brand, which has a tradition of approximately 140 years since its founding, and further expand the earnings base of our brand business.

Brand Marketing Section 1, Brand Marketing Department 1
From left:
Masaru Watanabe,
Ayako Nunogaki,
Takahide Masuda,
Akari Hashimoto

Corporate Value

=

Created Value

Cost of Capital

—

Growth Rate

Items related to Sustainability Action Plans are indicated with a mark for the corresponding material issues.

Evolve Businesses through Technological Innovation

Develop a Rewarding Work Environment

Contribute to Healthier and More Affluent Lifestyles

Maintain Rigorous Governance Structures

Address Climate Change (Contribute to a Decarbonized Society)

Respect and Consider Human Rights

Ensure Stable Procurement and Supply

Expand Created Value (FYE 2024 Review)

Acquired exclusive rights to sell GHERARDINI, a luxury Italian handbags brand, in the markets of Japan, Europe, and the United States

Established IFJ Inc. to conduct the design, production, and sales of shoes and apparel, a core product category for the Italian sports brand FILA, and accelerated initiatives to further enhance the brand's value through hands-on management

Acquired the master license rights and the import and sales rights in the Japanese market for the Italian sportswear brand Kappa, and launched it through a wide range of sales channels, from sporting goods stores to select shops

Launched GAKU-RELAY, a flea market-style consumer-to-consumer platform for reused school uniforms and school supplies

Increase Growth Rate

Expanding the sports-related business: Strengthening the branding at DESCENTE LTD. and advancing collaborations in the Chinese business, enhancing the competitiveness of the U.S. sports brand UNDER ARMOUR, and beginning to manage unique brands such as Kappa

Strengthening the earnings base of the footwear-related business (CONVERSE, FILA, Reebok, etc.), and bolstering cross-functional initiatives in production and sales by leveraging economies of scale

Strengthening the competitiveness of the brands we manage by proactively recruiting advanced outside specialists, etc.

Increasing the number of new commercial products managed such as cosmetics and lifestyle products by using our brand business expertise cultivated over many years

Advancing initiatives that contribute to the sustainability of the textile industry: Promoting the recycled polyester material RENU and the ARChemia project for recycling used plastics and textiles, etc.

Expanding our overseas business foundation in the industrial materials field through collaboration with blue-chip partners

Lower Cost of Capital

Executing a digital strategy through the development of data analysis infrastructure

Respecting human rights throughout supply chains and promoting trade with companies that engage in sustainable practices

Establishing stable operational infrastructure by updating the backbone systems (ERP) of Group companies, etc.

Machinery Company

- Business Fields
- Urban environment and power infrastructure (water and environmental business, independent power producer (IPP), infrastructure, chemical plants, renewable energy, etc.)
 - Marine and aerospace (trading of newbuilding and secondhand vessels, ship owning, sales of commercial aircraft, aircraft leasing, satellite information services, drones, etc.)
 - Automobile (sales and finance, etc., of passenger cars and commercial vehicles in the domestic and international markets)
 - Construction machinery and industrial machinery (sales and finance, etc., in domestic and international markets)

- Company Strengths
- Diverse businesses in developed countries and business development in emerging countries while minimizing country risk
 - Solid business relationships with blue-chip partners in the waste treatment / renewable energy areas and advanced project development capabilities
 - Broad business portfolio encompassing both trading (in automobile, construction machinery, and other areas) as well as business investment in areas such as wholesale, retail, and finance businesses, widely spread in Japan and overseas

Quantitative information (FYE 2024 results) ▶ Pages 99–101, 128–131

Consolidated Net Profit	Core Profit	Percentage of Earnings from Business in Japan (image)
¥131.6 billion	¥132.1 billion	<div><div></div>50%</div>
ROA*1	CAGR*2	
7%	22%	

*1 ROA based on core profit.
*2 Compound annual growth rate of consolidated net profit from FYE 2011 to FYE 2024

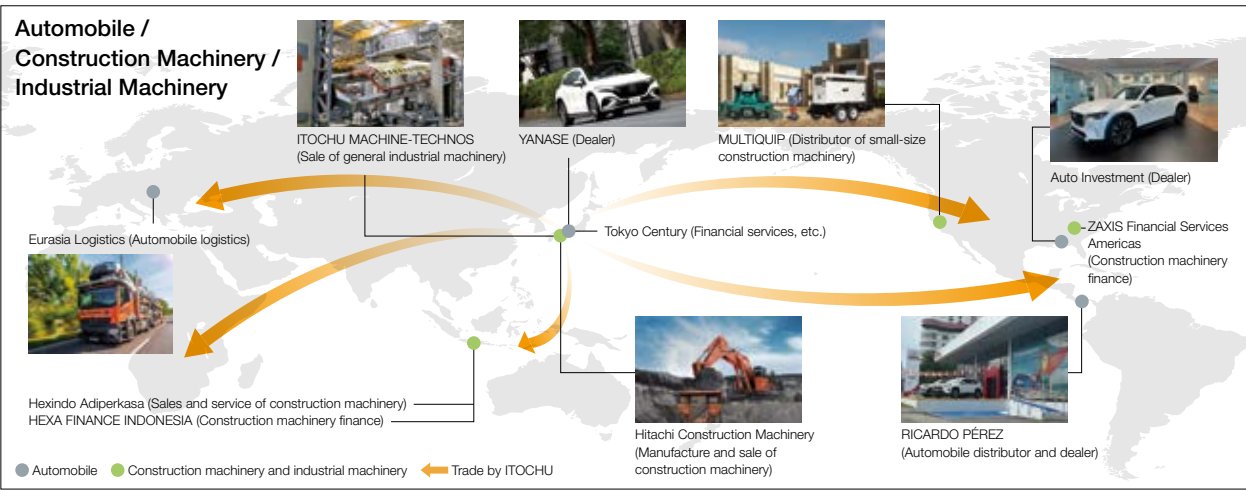
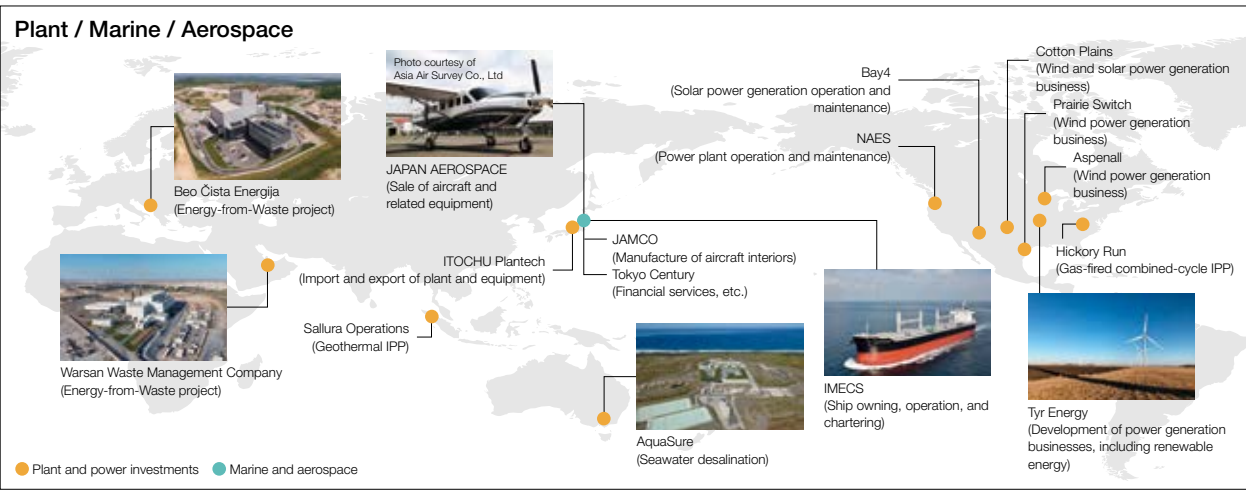


Hiroyuki Tsubai
President, Machinery Company



From left:

Eiichiro Higashiyama	Chief Operating Officer, Plant Project, Marine & Aerospace Division
Hiroshi Ushijima	Chief Operating Officer, Automobile, Construction Machinery & Industrial Machinery Division
Masato Sakuragi	Chief Financial Officer
Toshio Okudera	General Manager, Planning & Administration Department



Initiative for Sustainable Enhancement of Corporate Value through a Market-Oriented Perspective
EVison: Providing Total Solutions for Electric Truck Users through Leasing

ITOCHU is promoting the adoption of electric trucks as a partner in EVison, a total solution program provided by Isuzu Motors Limited aimed at electric truck users. In FYE 2024, ISUZU LEASING SERVICES LIMITED, a joint venture between Isuzu Motors Sales Ltd. and ITOCHU, began offering a specialized leasing service for electric trucks which includes leasing periods reflecting the anticipated degradation of batteries. In order to address the challenges associated with the introduction of electric trucks, including the installation of charging facilities and the quantification of GHG emissions reductions, we will leverage our expertise in the field of energy management. By doing so, we aim to contribute to the steady and sustainable adoption of EVs and the decarbonization of the mobility sector, while providing optimal and flexible solutions tailored to the individual circumstances of our users through a market-oriented perspective.



The ELF EV, an electric truck launched by Isuzu Motors Limited in 2023



Mobility Service Planning Section, Isuzu & Mobility Business Department
From left: Hiroaki Murai, Satoko Manabe, Sakura Tanaka

Corporate Value = $\frac{\text{Created Value}}{\text{Cost of Capital} - \text{Growth Rate}}$

Items related to Sustainability Action Plans are indicated with a mark for the corresponding material issues.

- Evolve Businesses through Technological Innovation
- Develop a Rewarding Work Environment
- Contribute to Healthier and More Affluent Lifestyles
- Maintain Rigorous Governance Structures
- Address Climate Change (Contribute to a Decarbonized Society)
- Respect and Consider Human Rights
- Ensure Stable Procurement and Supply

Expand Created Value (FYE 2024 Review)

- Realized and accelerated collaboration with Hitachi Construction Machinery Co., Ltd., worldwide through initiatives such as launching financing services via ZAXIS Financial Services Americas, LLC, a joint venture finance company for construction machinery in North America established by Tokyo Century Corporation, Hitachi Construction Machinery Co., Ltd., and ITOCHU, and handling portable charging facilities for Hitachi-made electric construction machinery in Europe
- Established a fund through Tyr Energy Inc. that invests in renewable energy projects in North America
- Enhanced our maintenance business in the renewable energy market through the acquisition of American Hydro Corporation which provides engineering, manufacturing and maintenance services to Hydro turbines mainly in North America
- Invested in Purus Marine (a shipping investment company specializing in the ownership and operation of decarbonized ships and marine infrastructure assets) in the U.K. to seek collaboration in the field of environmentally friendly ships
- As a partner of the Isuzu Motors EVison total solution program for electric truck users, collaborated with the Energy & Chemicals Company to provide support for the installation of charging infrastructure and offer leasing services that account for projected battery degradation
- Entered the Ferrari business, the Italian sports car brand, at YANASE & CO., LTD., expanding the premium sports car business

Increase Growth Rate

- Expanding peripheral functions, such as the operation and maintenance of plants and the provision of demand and supply balancing services, and strengthening business development capabilities in the renewable energy field overseas
- Developing ammonia-fueled ships for owning and operation, and promoting fuel ammonia supply business, for reducing GHG emissions at sea
- Expanding the value chain to include leasing, rental, after-sales services, used vehicle sales, etc., and promoting the introduction of EVs in the automobile and construction machinery fields
- Expanding the value chain for the construction machinery business through our capital alliance with Hitachi Construction Machinery Co., Ltd.

Lower Cost of Capital

- Complying with policies related to coal-fired power generation and promoting renewable energy power generation projects in consideration of national and regional energy situations
- Reducing environmental impact by expanding mobility services and promoting EVs, autonomous cruising vehicles, and aircraft electrification, etc.

The list of major subsidiaries and associated companies is available on ITOCHU's website.
https://www.itochu.co.jp/en/files/ar2024E_12.pdf

Details on the Sustainability Action Plans are available on ITOCHU's website.
<https://www.itochu.co.jp/en/csr/itochu/actionplan/>

Metals & Minerals Company

Business Fields

- Development of metal & mineral resource projects (iron ore, coal, non-ferrous metals, rare metals, etc.)
- Trading of raw materials for steelmaking (iron ore, coal, etc.), fuel for power generation (coal and uranium), non-ferrous raw materials and products (aluminum, etc.), and recycling business (metal scrap, waste treatment, etc.)
- Decarbonization-related business (hydrogen; ammonia; carbon dioxide capture, utilization, and storage (CCUS); emissions trading, etc.)
- Steel-related business (import and export to / from Japan, trading in non-Japanese markets, processing, etc.)

Company Strengths

- Strong relationships with blue-chip business partners in each business area
- Ownership of superior natural resource assets, in particular iron ore and coking coal
- Broad-ranging trade flows that run from upstream (metal & mineral resources and metal materials) to downstream (steel / non-ferrous products)

Quantitative information (FYE 2024 results) ▶ Pages 99–101, 128–131

Consolidated Net Profit	Core Profit	Percentage of Earnings from Business in Japan (image)
¥226.1 billion	¥224.6 billion	<div><div>10%</div></div>
ROA*1	CAGR*2	
17%	6%	

*1 ROA based on core profit.
*2 Compound annual growth rate of consolidated net profit from FYE 2011 to FYE 2024

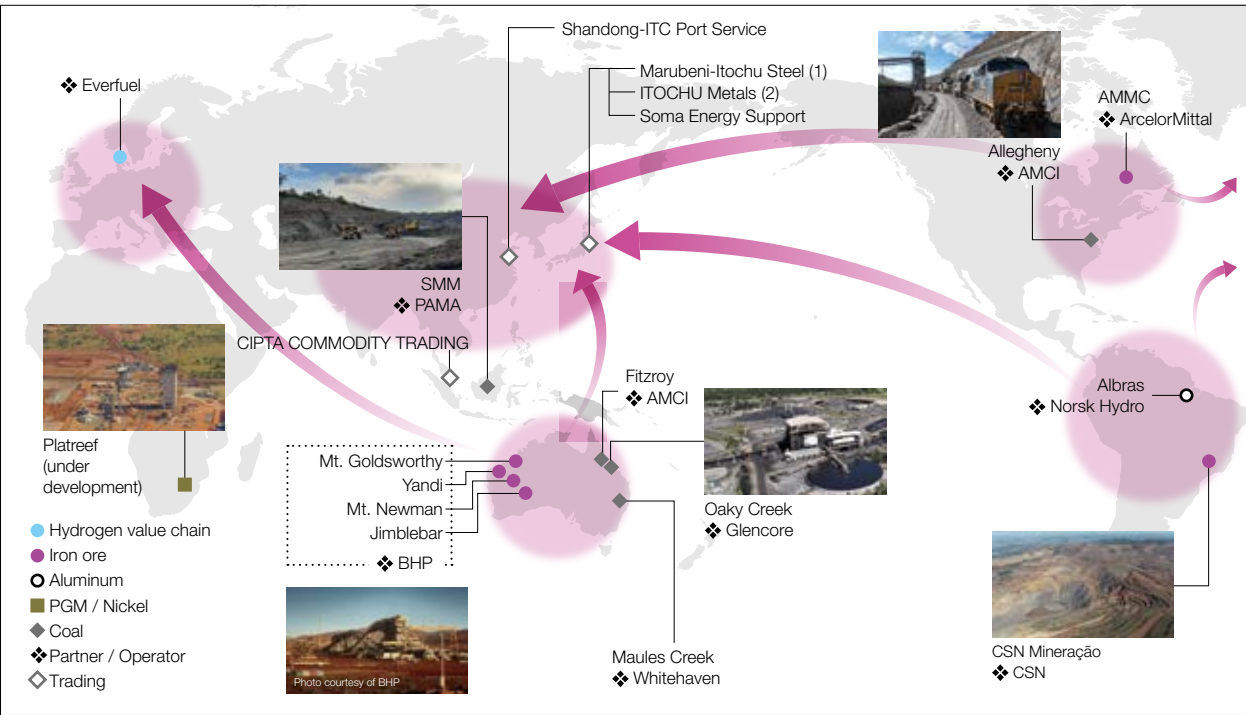


Jun Inomata
President, Metals & Minerals Company



From left:

Daisuke Inoue	Chief Operating Officer, Metal & Mineral Resources Division
Katsunori Sato	Chief Financial Officer
Kotaro Suzuki	General Manager, Planning & Administration Department
Masakatsu Murayama	General Manager, Steel Business Coordination Department



(1) Marubeni-Itochu Steel

- Trading company that specializes in the steel distribution business and has business foundations in regions worldwide
- Provision of high-value-added services related to steel and other products, including import, export, sale, processing, supply chain management, and investment in steel-related industries

(2) ITOCHU Metals

- Trading company that specializes in non-ferrous metals and recycling, operates from raw material supply to resource recycling with a worldwide network
- Raw material supply, product distribution, and proactive advancement of a comprehensive recycling business that is helping build a circular economy
- Invested in a major U.S. scrap metal recycling company to expand the procurement scope

Initiative for Sustainable Enhancement of Corporate Value through a Market-Oriented Perspective
Participation in One of the World's Largest Green Hydrogen Value Chains in Northern Europe

ITOCHU and a subsidiary of Osaka Gas Co., Ltd. have jointly invested in Everfuel A/S, which is one of the world's largest hydrogen producers. Everfuel A/S is advancing a green hydrogen*3 local production and consumption project in Denmark. The commercial operations of Everfuel A/S's first project, which will be one of the world's largest green hydrogen production projects, are scheduled to begin in 2024. By selling hydrogen to the industrial and mobility sectors, the company will build a value chain for local production and consumption. The company also plans to supply hydrogen via pipeline to Germany, which is expected to become a major consumption area of hydrogen. We aim to help realize a decarbonized society and strengthen our business foundations by rapidly monetizing this green hydrogen project and horizontally developing similar projects in Japan, other Asian countries, the United States, and Europe and by participating in businesses engaged in the manufacturing business of hydrogen-derived products, such as ammonia and e-fuel (synthetic fuel), for which demand is expected to grow in the future.

*3 Hydrogen produced through water electrolysis using renewable energy, which does not emit CO₂ during its production



Carbon Neutral Management Section
From left:
Ken Kurihara, Kenny Nakanishi, Carlos Tanaka

Corporate Value = Created Value / (Cost of Capital × Growth Rate)

Items related to Sustainability Action Plans are indicated with a mark for the corresponding material issues.

- Evolve Businesses through Technological Innovation
- Develop a Rewarding Work Environment
- Contribute to Healthier and More Affluent Lifestyles
- Maintain Rigorous Governance Structures
- Address Climate Change (Contribute to a Decarbonized Society)
- Respect and Consider Human Rights
- Ensure Stable Procurement and Supply

Expand Created Value (FYE 2024 Review)

- Sought to create a supply chain of low-carbon direct reduced iron by promoting detailed feasibility studies jointly with JFE Steel Corporation; Emirates Steel Arkan, the largest steel company in the United Arab Emirates; and others, in parallel with procuring rare, high-grade iron ore, the main raw material for direct reduced iron, from Brazil's CSN Mineração S.A.
- Began commercial production at the Allegheny coking coal mine in the United States to ensure a stable supply of high-quality raw materials for steelmaking
- Invested in PNW Metal Recycling, LLC, a major U.S. scrap metal recycling company, to ensure the stable procurement of steel scrap, for which demand is expected to increase
- Invested in Denmark's Everfuel A/S, a company promoting the construction of the green hydrogen value chain, and advanced the construction of one of the world's largest hydrogen production and distribution plants as a green hydrogen project with commercial operation

Increase Growth Rate

- Increasing interests in and realizing stable supplies of metal resources, which underpin the base of economic activities and are indispensable for the transition to a decarbonized society
- Leveraging our solid relationships with steel manufacturers and power companies to strengthen our initiatives related to direct reduced iron and other low-carbon raw materials that help realize a decarbonized society, carbon dioxide capture, utilization, and storage (CCUS), emissions rights, and hydrogen and ammonia projects
- Steadily promoting initiatives for venous industries (industries where wastes are turned into reusable resources) to help build a circular economy (recycling, appropriate waste treatment, etc.)
- Developing businesses that respond to structural changes in society (EVs and FCVs, energy storage systems (ESS), lighter-weight materials that improve energy efficiency, etc.)

Lower Cost of Capital

- Pursuing efforts to completely withdraw from thermal coal mine investments and promoting technological development that contributes to GHG emissions reductions
- Promoting businesses that facilitate weight reduction of vehicles and EVs (including wider use of aluminum and other non-ferrous metals and rare metals)
- Optimizing our asset portfolio to support stable supply of raw materials and fuels to meet social needs
- Complying with our Environment, Health, and Safety (EHS) Guidelines, continuing employee education on these Guidelines, and contributing to local communities where we do business through the provision of healthcare, education, donations, and assistance in the establishment of regional infrastructure
- Promoting increases in efficiency through mining operations and facility management utilizing digital transformation, and conversion to automated operation of mining equipment

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Energy & Chemicals Company

Business Fields	<ul style="list-style-type: none">Energy projects and trading (crude oil, petroleum products, LPG, LNG, natural gas, hydrogen and ammonia, renewable fuel, nuclear fusion (fusion energy*), etc.)Chemical products business and trading (basic petrochemical products, synthetic resins, household goods, fine chemicals, pharmaceuticals, functional food ingredients, electronic materials, eco-friendly materials, etc.)Power and environmental solutions business and trading (renewable energy power generation, power trading, heat supply, solar panels, energy storage systems (ESS), solid biomass fuel, and other related materials)
Company Strengths	<ul style="list-style-type: none">Development and trading of eco-friendly energy through collaborations with blue-chip business partnersRobust Group companies and overseas networks that support a wide range of areas in the chemicals sector, ranging from basic products to retail-related productsComprehensive value chain in the next-generation power sector consisting of both business investments and trade businesses

* A technology that utilizes the principles by which the sun continues to shine, and if commercialized, it can generate enormous amounts of energy stably with a small amount of fuel, and does not emit CO₂ during the production process, making it the ultimate clean energy source.

Quantitative information (FYE 2024 results) ▶ Pages 99–101, 128–131

Consolidated Net Profit	Core Profit	Percentage of Earnings from Business in Japan (image)
¥91.7 billion	¥74.7 billion	<div><div></div>70%</div>
ROA* ¹	CAGR* ²	
5%	16%	

*¹ ROA based on core profit.
*² Compound annual growth rate of consolidated net profit from FYE 2011 to FYE 2024



Masaya Tanaka
President, Energy & Chemicals Company

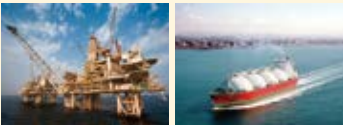


From left:	
Tetsuya Yamada	Chief Operating Officer, Energy Division
Nobuyuki Tabata	Chief Operating Officer, Chemicals Division
Yasuhiro Abe	Chief Operating Officer, Power & Environmental Solution Division
Hideki Sugiura	Chief Financial Officer
Hajime Sakanashi	General Manager, Planning & Administration Department

Energy

Oil & Gas project


- ACG Project (BP / Azerbaijan)
- BTC Project (BP / Azerbaijan)
- West Qurna-1 Project (PetroChina / Iraq)
- Eastern Siberia Project (INK-Zapad / Russia)
- Sakhalin-1 Project^{*3} (Russia)
- QatarEnergy LNG S(1) Project^{*3} (Qatar)
- Oman LNG Project^{*3} (Oman)
- Qalhat LNG Project^{*3} (Oman)



❖ Operator


Petroleum / LPG wholesale and retail

- ITOCHU ENEX (Wholesale, retail, power and heat supply)
- ITOCHU PETROLEUM SINGAPORE (Energy trading / Singapore)
- Isla Petroleum & Gas (LPG wholesale and retail / Philippines)



Renewable fuel business / New-energy business


- Raven^{*3} (Producer of renewable fuel derived from municipal solid waste / the U.S.)
- Blue Laser Fusion^{*3} (Fusion energy* development / the U.S.)



Chemicals


Production

- C.I. TAKIRON (Synthetic resin products)
- BRUNEI METHANOL (Basic chemicals / Brunei)
- Aquafil^{*3} (Nylon recycling / Italy)




Chemicals trading

- ITOCHU CHEMICAL FRONTIER (Fine chemicals / pharmaceuticals)
- ITOCHU PLASTICS (Synthetic resin materials)
- ITOCHU Plastics (Synthetic resin materials / Singapore)



Retail-related business


- ITOCHU Retail Link (Daily necessities / commercial materials)
- Sanipak Company Of Japan (Daily life-related materials)
- REMEJE PHARMACEUTICALS (Pharmaceuticals / China)



Power & Environmental Solution


Renewable energy

- Aoyama Solar (Renewable energy development)
- i GRID SOLUTIONS (Distributed renewable energy business)
- Clean Energy Connect^{*3} (Supplier of green energy to companies)




Energy storage systems (ESS) / Next-generation business

- GridShare Japan (Battery optimal control AI)
- NF Blossom Technologies (Manufacture of next-generation ESS)
- 24M Technologies^{*3} (Development and manufacture of semisolid lithium-ion batteries / the U.S.)
- TRENDE (Peer-to-peer power trading)



Energy solution

- UON (Off-grid power solutions / Australia)



*³ Non-affiliated companies

Initiative for Sustainable Enhancement of Corporate Value through a Market-Oriented Perspective
Strengthening Development and Deployment of High-Demand Recycled Materials in Collaboration with Italy's Aquafil S.p.A.

As environmental regulations are being strengthened, particularly in Europe, the demand for recycled materials is growing across various industries, not only in the apparel and daily necessities but also in the automotive industry and other industries. In 2022, ITOCHU invested in Aquafil S.p.A., the world's largest chemical recycling nylon manufacturer, and has been developing applications of their recycled nylon brand, ECONYL®, which is adopted by over 2,500 companies worldwide.

In March 2024, leveraging Aquafil S.p.A.'s advanced manufacturing technology and our expertise in the nylon field, we established a new recycling business that manufactures high-quality fishing products from used nylon items such as fishing nets. By utilizing our networks and collaborating with excellent partners, we will continue to promote the construction of businesses that meet the needs of society.

Recycled nylon ECONYL® made from fiber waste, discarded carpets, and used fishing nets

Industrial Chemicals Section,
Industrial Chemicals Department
From left:
Yuko Asakura,
Tatsuhiko Nagase,
Shiaki Yamada, Narumi Tezuka,
Kanakō Hagiwara, Kano Okabe

Corporate Value

=

Created Value

Cost of Capital

−

Growth Rate

Items related to Sustainability Action Plans are indicated with a mark for the corresponding material issues.

Evolve Businesses through Technological Innovation

Develop a Rewarding Work Environment

Contribute to Healthier and More Affluent Lifestyles

Maintain Rigorous Governance Structures

Address Climate Change (Contribute to a Decarbonized Society)

Respect and Consider Human Rights

Ensure Stable Procurement and Supply

Expand Created Value (FYE 2024 Review)

- Began collaboration with Neste Oyj of Finland to increase the distribution of renewable diesel in Japan
- Invested in Blue Laser Fusion Inc. of the United States and began a business alliance for fusion energy-related businesses that use laser technology developed by the company
- Established a mass production system for recycled fishing nets using the previously difficult-to commercialize recycled nylon ECONYL® by Aquafil S.p.A. in collaboration with a net manufacturer, in pursuit of a sustainable marine environment
- Fully entered the large utility scale energy storage system business, which is essential for the expansion of renewable energy adoption; invested in three projects with excellent partners, and established a public-private partnership fund with the Tokyo Metropolitan Government for large utility scale energy storage system
- Invested in UON Pty Limited, an Australian company that provides independent power supply systems in remote and off-grid regions, such as mining sites, and initiated a decarbonized power solution business that packages solar power generation and energy storage system

Increase Growth Rate

- Strengthening the value chain from upstream oil and gas operations to downstream business, and enhancing initiatives for carbon dioxide capture and storage (CCS) by leveraging our expertise
- Strengthening our handling of medical packaging and supplies, generic pharmaceuticals, and products and raw materials of supplements in the healthcare sector, and expanding the sales of various chemicals and materials in the semiconductor sector
- Through the acquisition of TRENDE Inc. (engaged in the development of peer-to-peer electricity trading technology), promoting integration of distributed power supply and energy storage system businesses, as well as advancing the social implementation of peer-to-peer electricity trading
- Participating in offshore wind power project off Oga City, Katagami City, and Akita City in Akita Prefecture with excellent partners, contributing to regional economic development and the realization of a sustainable society through decarbonization
- Building a sustainable fuel value chain for products including hydrogen and ammonia

Lower Cost of Capital

- Accelerating initiatives to strengthen the environment-related businesses, such as sustainable fuels, chemicals recycling services, and renewable energy, which contribute to a decarbonized society
- Enhancing activities to further minimize the environmental impact of our existing business portfolio

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Details on the Sustainability Action Plans are available on ITOCHU's website.
<https://www.itochu.co.jp/en/csr/itochu/actionplan/>

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Food Company

Business Fields	<ul style="list-style-type: none">Food resources and ingredients (feed, vegetable oils, soybeans, grain, coffee, fresh produce, meats, marine products, etc.)Food production and processing (sugar, processed agricultural products, processed meat products, processed marine products, industrial chocolate, soybean processing materials, etc.)Food marketing and distribution (import and sale of raw materials for food products, wholesale of foods, etc.)
Company Strengths	<ul style="list-style-type: none">Top-class food distribution and retail networkWorldwide network of production, distribution, and sales value chain for fresh foods (marine, meat, and agricultural products)Global supply chain for food resources

Quantitative information (FYE 2024 results) ▶ Pages 99–101, 128–131		
Consolidated Net Profit	Core Profit	Percentage of Earnings from Business in Japan (image)
¥66.3 billion	¥69.8 billion	
ROA**	CAGR**	
3%	10%	

*1 ROA based on core profit.
*2 Compound annual growth rate of consolidated net profit from FYE 2011 to FYE 2024



Shuichi Miyamoto
President, Food Company



From left:	
Yoshihiro Tachikawa	Chief Operating Officer, Provisions Division
Kuniaki Abe	Chief Operating Officer, Fresh Food Division
Hiroyuki Nakamura	Chief Operating Officer, Food Products Marketing & Distribution Division
Yuichi Toyoda	Chief Financial Officer
Yoshihiro Kamigaichi	General Manager, Planning & Administration Department

Food Resources & Ingredients	Food Production & Processing	Food Marketing & Distribution
<p>Food resources</p> <ul style="list-style-type: none">PROVENCE HUILES (Manufacturing of vegetable oils / France)Fuji Oil International (Production and sale of vegetable oil / the U.S.)Value chain for functional vegetable oilsCGB (Grain collection, soybean processing, and logistics / the U.S.)Quality Technology International (Sale of functional feed / the U.S.)UNEX (GUATEMALA) (Manufacturing and export of coffee / Guatemala)	<ul style="list-style-type: none">FUJI OIL<ul style="list-style-type: none">Industrial chocolateNo. 1 share of the Japanese marketNo. 3 share of the global marketSoybean protein (soybean meat raw material)No. 1 share of the Japanese marketWELLNEO SUGAR (Production, processing, and sale of sugar)No. 2 share of the Japanese marketITOCHU FEED MILLS (Production and sale of compound feed and eggs)JAPAN NUTRITION (Production and sale of functional feed)	<ul style="list-style-type: none">ITOCHU Food Sales and Marketing (Import and sale of raw materials for food products)ITOCHU-SHOKUJIN (Wholesale and distribution of foods, etc.)NIPPON ACCESS<ul style="list-style-type: none">General wholesalers for convenience store and general merchandise storesNo. 1 net sales among Japan's food wholesale industry507 distribution locationsSHANGHAI ZHONGXIN*3 (Wholesale and distribution of foods / China)BIX*3 (Wholesale and distribution of foods / China)
<p>Fresh food</p> <ul style="list-style-type: none">Dole (Asian fresh produce business and packaged foods business)No. 1 share of the U.S. market for canned pineapple and pineapple juiceHYLIFE GROUP HOLDINGS (Processed foods and meat business)PRIMA MEAT PACKERS, LTD.<ul style="list-style-type: none">No. 2 share of the Japanese market for ham and sausagesYANTAI LONGRONG FOODSTUFFS (Production and sale of processed meat products / China)ANEKA TUNA INDONESIA (Production and sale of canned and pouched tuna / Indonesia)		

Region legend: ♦ Japan ■ North America ■ Europe ■ China and other Asian countries ■ Other countries
*3 Non-affiliated companies

Initiative for Sustainable Enhancement of Corporate Value through a Market-Oriented Perspective
Expanding DX Support Services in the Area of Food Product Planning and Development

We provide the digital transformation (DX) support service FOODATA related to food. FOODATA is an analytical tool that comprehensively analyzes and visualizes object data related to food, such as taste and ingredients, and human data related to consumer awareness and behavior, including purchase data and reviews. In recognition of this service, at the 2023 Nikkei Excellent Products and Services Awards, ITOCHU became the first general trading company in history to independently receive the Nikkei Sangyo Shimbun Award.

We will support food manufacturers, retailers, and other businesses in enhancing their product planning and development capabilities by addressing major challenges such as providing intuition- and experience-based support, shortening data analysis tasks, reducing data acquisition costs, and creating an environment where ideas can be efficiently tested. Through these efforts, we aim to offer high-value-added services.



Product planning and development utilizing FOODATA



Food Products Marketing & Retail Section No. 2, Food Products Marketing & Retail Department
From left: Tomoya Ishii, Takuya Machitani, Haruki Iijima, Kosuke Aso, Atsuko Yoshimi, Kento Tsukada, Mineyuki Nakanishi



Expand Created Value (FYE 2024 Review)

- Promoted the reorganization of overseas business foundations for the turnaround of companies such as Dole International Holdings, Inc. and HYLIFE GROUP HOLDINGS LTD.
- Implemented an additional investment in the U.S. domestic distribution business through CGB ENTERPRISES, INC. and built a stable supply system to meet the growing demand for grains
- Utilized e-commerce websites and convenience stores to launch the sales of products from the plant-based food brand “wellbeans,” which uses environment-friendly beans and emphasizes taste, ingredients, health, and the environment
- Promoted the development and sales of products that utilize Dole’s non-standard bananas and contributed to the reduction of food wastage and to the creation of employment opportunities in production areas

Increase Growth Rate

- Expanding and enhancing production bases and developing a stable supply network to address consumers’ growing focus on assured food safety and security
- Leveraging the Group’s wide range of products, functions, and expertise, combined with new technologies, to diversify the value we provide in the food business
- Reorganizing and expanding our overseas business by providing high-value-added raw materials and products that meet consumer needs, and by strengthening marketing
- Supporting development to create employment and improve healthcare, education, and other aspects of day-to-day life by nurturing local industries in regions that produce food ingredients and materials
- Realizing digital transformation of food distribution to strengthen the value chain and rationalize logistics operations

Lower Cost of Capital

- Diversifying the geographic distribution of food manufacturers to ensure stable supplies of fresh foods and avoid risks of disruption related to weather and epidemics
- Strengthening our sustainable food resource procurement structure, which protects the environment and respects human rights
- Reducing our environmental burden by using clean energy in our packaged foods business
- Enhancing the capabilities of employees holding international qualifications for inspections under the food safety management system (FSMS)
- Creating a procurement system that complies with third-party certifications and our business partners’ own codes of conduct
- Promoting initiatives to reduce food wastage by leveraging IT to enhance inventory management and utilizing food banks

The list of major subsidiaries and associated companies is available on ITOCHU’s website.
https://www.itochu.co.jp/en/files/ar2024E_12.pdf

Details on the Sustainability Action Plans are available on ITOCHU’s website.
<https://www.itochu.co.jp/en/csr/itochu/actionplan/>

General Products & Realty Company

Business Fields	<ul style="list-style-type: none">Building materials and wood products (fences, interior materials, engineered wood products, fiberboard, plywood, lumber, logs, etc.)Mobility, goods and materials (tires, natural rubber, slag, cement, ceramics, etc.)Pulp, paper, and hygiene materials (pulp, paper products, hygiene materials, new wood-based materials, wood chips, etc.)Logistics (3PL, domestic logistics, international logistics, logistics systems, etc.)Development and operation of real estate (housing, logistics facilities, hotels, and public facilities, etc.)
Company Strengths	<ul style="list-style-type: none">Accumulated M&A expertise and personnel with competence in hands-on managementConstruction materials-related companies that constitute an excellent value chain in North AmericaThe No. 1 tire retailer network and brand in the United Kingdom and a vertically integrated logistics network extending from wholesale to post-consumer car tires recyclingCompetitive pulp manufacturing business and a worldwide network for pulp salesStable real estate development by leveraging the distinctive and diverse networks of a general trading company

Quantitative information (FYE 2024 results) ▶ Pages 99–101, 128–131

Consolidated Net Profit	Core Profit	Percentage of Earnings from Business in Japan (image)
¥66.2 billion	¥59.2 billion	
ROA**	CAGR**	
4%	13%	

*1 ROA based on core profit.

*2 Compound annual growth rate of consolidated net profit from FYE 2011 to FYE 2024



Masatoshi Maki

President, General Products & Realty Company



From left:

Kotaro Yamamoto	Chief Operating Officer, Forest Products, General Merchandise & Logistics Division
Yusuke Takasaka	Chief Operating Officer, Construction & Real Estate Division
Tetsuya Sebe	Chief Financial Officer
Yasuhiro Takahashi	General Manager, Planning & Administration Department

Initiative for Sustainable Enhancement of Corporate Value through a Market-Oriented Perspective Leveraging a Capital and Business Partnership with Oriental Shiraishi

In May 2023, ITOCHU entered into a capital and business partnership with Oriental Shiraishi Corporation and became its largest shareholder. Oriental Shiraishi Corporation is one of Japan's leading bridge manufacturers, with notable projects such as the construction of the Rainbow Bridge, and a pioneer in the infrastructure maintenance market, including highway renewal projects. By combining Oriental Shiraishi Corporation's advanced technical expertise and know-how with the ITOCHU Group's extensive customer network in the construction and building materials sectors, we aim to address urgent social issues such as national resilience, infrastructure renewal, and regional revitalization, and to build safe and secure social infrastructure. Through these efforts, we will contribute to the long-term development of a sustainable society and expand our infrastructure business domain.



Tsunoshima Bridge, constructed by Oriental Shiraishi Corporation (received the Civil Engineering Design Prize and the Prestressed Concrete Technology Association Prize)



From left:
Planning & Administration Department, General Products & Realty Company
Hiroaki Ina, Yuriko Mori
Construction & Building Material Department
Takashi Ozawa
Building Material Section, Construction & Building Material Department
Shimpei Nakano
Planning & Administration Section, Construction & Real Estate Division
Shingo Sugiyama

$$\text{Corporate Value} = \frac{\text{Created Value}}{\text{Cost of Capital} - \text{Growth Rate}}$$

Items related to Sustainability Action Plans are indicated with a mark for the corresponding material issues.

- Evolve Businesses through Technological Innovation
- Develop a Rewarding Work Environment
- Contribute to Healthier and More Affluent Lifestyles
- Maintain Rigorous Governance Structures
- Address Climate Change (Contribute to a Decarbonized Society)
- Respect and Consider Human Rights
- Ensure Stable Procurement and Supply

Expand Created Value (FYE 2024 Review)

- Increased production capacity for softwood pulp and strengthened the sales system at Metsä Fibre Oy of Finland
- Expanded the automotive aftermarket business through investment in Nalnet Communications Inc.
- Expanded PROJECT TREE, an initiative to enhance the sustainability of natural rubber, with the participation of TOKYU BUS CORPORATION and the Sumitomo Rubber Group
- Promoted the complete acquisition of DAIKEN CORPORATION and the capital and business alliance with Oriental Shiraishi Corporation to strengthen and expand the construction and building materials alliance
- Promoted the development of multifunctional all-weather swimming pool with features such as shelter capabilities during disasters, as part of a public-private partnership project

Increase Growth Rate

- Enhancing profitability of new business fields by promoting M&As in the North American construction materials business and collaboration with DAIKEN CORPORATION
- Pursuing business expansion in the Japanese domestic mobility sector and company-wide synergies through rebuilding of WECARS Co., Ltd.
- Pursuing the optimization of customers' logistics operations through the launch of a physical internet business*4 to address the 2024 problem—the cap on truck drivers' overtime hours starting from 2024—in the Japanese logistics industry
- Strengthening and expanding alliances in businesses peripheral to the construction and construction materials realms (capital and business alliances with Nishimatsu Construction Co., Ltd., Oriental Shiraishi Corporation, etc.), and promoting measures that address societal needs such as road infrastructure
- Expanding operations in the North American real estate business through strategic alliances and joint investments with leading U.S. real estate companies

*4 A new collaborative delivery system that applies the concept of efficient information transmission and reception from the internet to logistics by visualizing information on cargo, warehouses, and vehicles through digital technology, and by standardizing and sharing this information across industries to improve the efficiency and sustainability of logistics

Lower Cost of Capital

- Promoting the effective use of sustainable by-products (slag) as a cement alternative and creating sustainable and stable distribution channels
- Promoting the production and distribution of natural rubber with enhanced sustainability through the use of a traceability system developed by ITOCHU
- Revising Group companies' backbone systems (ERP) to improve efficiency in analysis operations ("cut") and reduce security risk ("prevent")



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Details on the Sustainability Action Plans are available on ITOCHU's website.

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

Building Materials & Wood Products

- North American construction materials business
 - Development of a robust value chain
 - ITOCHU Building Products Holdings
 - MASTER-HALCO (Manufacture and wholesale of fences)
 - Alta Forest Products (Manufacture of wooden fences)
 - US Premier Tube Mills (Manufacture of pipes for fences)
 - CIPA Lumber (Manufacture of veneer)
 - Pacific Woodtech (Manufacture of laminated veneer lumber)



- ITOCHU KENZAI (Wholesale of wood products and building materials)
- DAIKEN (Manufacture and wholesale of building materials)

Mobility / Goods & materials

- European Tyre Enterprise



- Conducts the operations of Kwik-Fit, the U.K.'s largest tire retailer

- WECARS (Retail chain of used vehicles)
- Nalnet Communications (Vehicle maintenance management services)
- ITOCHU CERATECH (Manufacture of molding sand, Ceramic-based catalyst for hydrogen production, and other ceramic raw materials and products)
- Aneka Bumi Pratama (Processing of natural rubber / Indonesia)

Pulp / Paper / Hygiene Materials

- Metsä Fibre (Finland)



- One of the world's largest manufacturers of commercial softwood pulp
- Pulp production capacity: Approx. 4.0 million tons per year

- ITOCHU Pulp & Paper (Wholesale of paper, paper board, and processed paper products)

Development & Operation of Real Estate

- ITOCHU Property Development
 - Development of condominiums (CREVIA series)
 - Development of profit-earning real estate



- ITOCHU Urban Community (Management of condominiums, rental apartments, and office buildings)
- ITOCHU HOUSING (Real estate agent and property consultant)
- ITOCHU REIT Management (Management of REITs and funds)
- CENTURY 21 REAL ESTATE OF JAPAN (Real estate franchise operation)
- ITOHPIA HOME (Planning and construction of detached houses)
- CHUSETSU Engineering (Planning and construction of plants, logistics facilities, etc.)
- IZU-OHITO DEVELOPMENT (Golf course management)
- Paraca* (Business and operational management of parking lots)

- Nishimatsu Construction*3 (Construction business, real estate-related business, etc.)
- Oriental Shiraishi*3 (Maintenance and repair of bridges, etc.)



Overseas businesses

- Condominium and detached house leasing business (the U.S.)
- KARAWANG INTERNATIONAL INDUSTRIAL CITY (Indonesia)
- Saigon Sky Garden (Serviced apartments / Vietnam)

Logistics

- ITOCHU LOGISTICS



- Comprehensive logistics services (Freight forwarding, warehousing, trucking, and distribution centers)

- ITOCHU LOGISTICS (CHINA) (Comprehensive domestic logistics services in China)
- Dateng Logistics (Shanghai) (Comprehensive domestic logistics services in China)

Region legend: Japan North America The U.K. and Europe China and other Asian countries

*3 Non-affiliated companies

ICT & Financial Business Company

Business Fields

- Information technology (IT solutions, BPO, consulting, digital marketing, venture capital, healthcare, etc.)
- Communications (mobile devices, related equipment and services, space and satellite, media and content, etc.)
- Finance (retail finance, corporate finance, asset management, etc.)
- Insurance (insurance shop, retail insurance, corporate insurance brokerage, reinsurance, credit guarantee, etc.)

Company Strengths

- Earnings base and synergies, driven by Group companies with leading scale and presence in the Japanese domestic ICT field
- Development of retail businesses together with market-driving core Group companies in the financial and insurance business
- Network of start-ups and leading-edge companies in Japan and overseas through relationships with top-tier venture capital firms in North America, Europe, and other regions

Quantitative information (FYE 2024 results) ▶ Pages 99–101, 128–131

Consolidated Net Profit	Core Profit	Percentage of Earnings from Business in Japan (image)
¥67.8 billion	¥76.8 billion	<div><div>80%</div></div>
ROA*1	CAGR*2	
6%	14%	

*1 ROA based on core profit.
*2 Compound annual growth rate of consolidated net profit from FYE 2012 to FYE 2024.
Since FYE 2011 reported loss due to the impairment loss on Orient Corporation, etc., CAGR is shown from FYE 2012 onwards.



Shunsuke Noda
President, ICT & Financial Business Company



From left:

Masato Horiuchi	Chief Operating Officer, ICT Division
Yasuhito Kawauchino	Chief Operating Officer, Financial & Insurance Business Division
Suguru Amano	Chief Financial Officer
Tetsuya Asano	General Manager, Planning & Administration Department

Information Technology / Communications

IT Services and BPO

- ITOCHU Techno-Solutions (IT solutions, from software development to sales, maintenance, and support)
- BELLSYSTEM24 (CRM³ solutions and contact center services)
- WingArc1st (Software development and sales)
- ITOCHU INTERACTIVE (Digital marketing)
- AKQA UKA (Customer experience design)
- I&B Consulting (Consulting)
- Hongo Tsuji IT Consulting (Digital transformation support for small- and medium sized companies)

Communication and Mobile Business

- Asurion Japan (Insurance for mobile devices)
- Belong (Retail and wholesale of used mobile devices)
- ITC Auto Multi Finance (Mobile device finance / Indonesia)

Healthcare Business

- A2 Healthcare (Clinical development contract services)
- Century Medical (Import and sale of medical devices)
- Docquity Holdings (Online platform for healthcare professionals / Singapore)
- TXP Medical (Medical data platform)

Space, Satellite, and Media-Related Business

- SKY Perfect JSAT (Media business and space satellite business)
- ITOCHU Cable Systems (System integration for broadcasters and telecommunication companies)
- Advanced Media Technologies (Distribution of cable TV products / the U.S.)
- Avidex Industries (Sale of AV equipment for hospitals, companies, and schools / the U.S.)
- Rights & Brands Asia (Character / brand licensing in Asia / Hong Kong)

Leading-edge technologies and services that drive innovation

Venture Capital Business (Investment in top-tier venture capital firms in Japan, North America, Europe, and other regions)

- Itochu Technology Ventures
- ITC Ventures XI

Finance / Insurance

Retail Finance & Insurance

Retail Finance Business

Japan

Diverse retail financial business

- POCKET CARD (Credit card business)
- Gaitame.Com (Provider of an FX margin transaction platform)
- Orient Corporation (Consumer credit business)

Overseas

Industry-leading overseas financial business

- United Asia Finance (Retail finance business / Hong Kong and China)
- EASY BUY (Retail finance business in Thailand)
- First Response Finance (Pre-owned vehicle finance business / the U.K.)

Insurance Shop and Retail Insurance Business

Japan's leading retail insurance distributor with approx. 700 retail shops

- HOKEN NO MADOGUCHI (Retail insurance distributor)

Corporate Insurance

Insurance Brokerage Business, Reinsurance Business, Credit Guarantee Business

Risk solutions business that leverages the strengths of a general trading company

- ITOCHU Orico Insurance Service (Insurance agency)
- Cosmos Risk Solutions (Insurance broker)
- Cosmos Services (Insurance broker / Hong Kong)
- Siam Cosmos Services (Insurance broker / Thailand)

Region legend: ♦ Japan ■ North America ■ The U.K. and Europe ■ China and other Asian countries

*3 CRM: Customer Relationship Management

Initiative for Sustainable Enhancement of Corporate Value through a Market-Oriented Perspective Advancing a Joint Venture with Boston Consulting Group, a Leading Management Consulting Firm

In April 2024, we established a joint venture with Boston Consulting Group (BCG) to engage in digital transformation (DX) consulting services that help clients solve issues and transform their businesses through the utilization of IT and digital technologies. By combining BCG's world-class consulting expertise with our business know-how and the capabilities of our group of digital businesses centered around CTC and BELLSYSTEM24, Inc., we will provide comprehensive and flexible DX consulting services tailored to our clients' needs. In addition to identifying business challenges and solutions, we will provide proposals that include optimal collaboration with IT services and business process outsourcing (BPO). By providing highly effective consulting services tailored to customer needs and preferences, we aim to further expand our business foundation.



Providing DX consulting services based on a market-oriented perspective



From left:
IT Business Section No. 1, Information Technology Business Department
Keita Koizumi, Taichi Isogaya
IT Business Section No. 3, Information Technology Business Department
Shinichi Oomoto
I&B Consulting Inc.
Tasuku Yamazaki (Dispatched), **Yuko Kawamoto** (Dispatched), **Makoto Takeuchi** (Dispatched)

Corporate Value

=

Created Value

Cost of Capital

—

Growth Rate

Items related to Sustainability Action Plans are indicated with a mark for the corresponding material issues.

- Evolve Businesses through Technological Innovation
- Develop a Rewarding Work Environment
- Contribute to Healthier and More Affluent Lifestyles
- Maintain Rigorous Governance Structures
- Address Climate Change (Contribute to a Decarbonized Society)
- Respect and Consider Human Rights
- Ensure Stable Procurement and Supply

Expand Created Value (FYE 2024 Review)

- Privatized CTC, the core of our digital value chain strategy, and strengthened our earnings base
- Agreed to establish a joint venture with BCG, a leading management consulting firm in the United States, to develop a DX consulting business
- Began supporting overseas biotech companies' development of new drugs in Japan through A2 Healthcare Corporation to promote the elimination of drug loss*4
- Commenced the handling of financial products compatible with the new NISA and iDeCo schemes at HOKEN NO MADOGUCHI GROUP INC.
- Began offering the Gaitame.Com Card, which allows users to use credit card points for foreign currency savings, through a collaboration between Gaitame.Com Co., Ltd. and POCKET CARD CO., LTD.

*4 Due to the complexity of Japan's pharmaceutical regulations and clinical trial procedures, as well as the differences in the drug pricing system compared to Western countries, foreign pharmaceutical companies are avoiding Japan, resulting in a lack of new drug development in the country.

Increase Growth Rate

- Finding and forming alliances with start-up companies, and leveraging new technologies to create and promote next-generation businesses
- Utilizing our group of digital businesses to expand the earnings base for the DX business and strengthen the synergies with existing businesses, such as BELLSYSTEM24, Inc. and CTC within the digital value chain.
- Making smartphone reuse more accessible and promoting the effective use of limited resources through a collaboration between Belong Inc., which operates a distribution business for used mobile devices, and Mercari, Inc.
- Creating a finance and insurance business value chain in the retail sector

Lower Cost of Capital

- Increasing the handling of used mobile devices with the aim of reducing the negative environmental impact caused by the frequent replacement of mobile devices
- Reducing health-related risks by supporting the development of pharmaceutical products and distributing and selling advanced medical equipment
- Contributing to the improvement of people's quality of life through retail finance businesses that encompass diverse regions and products
- Reducing the risk of business disruptions by realizing a highly robust ICT environment, backed up by reliable telecommunication infrastructure

The list of major subsidiaries and associated companies is available on ITOCHU's website.
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The 8th Company

Business Fields

- Developing and evolving downstream businesses closer to consumers through collaboration with other seven Division Companies
- Promoting business that leverages FamilyMart's customer contact points
- Expanding consumer-related businesses by combining physical and digital customer bases

Company Strengths

- An organizational culture that creates businesses flexibly with a market-oriented perspective
- An amoeba-like organization with high mobility, characterized by a diverse composition of personnel who have accumulated experience in various Division Companies and mutual personnel dispatch with Group companies
- Physical and digital customer bases that are founded on FamilyMart's store network



Tatsuo Odani
President, The 8th Company



From left:
Manabu Nishimura Chief Financial Officer
Toru Oka General Manager,
Planning & Administration Section

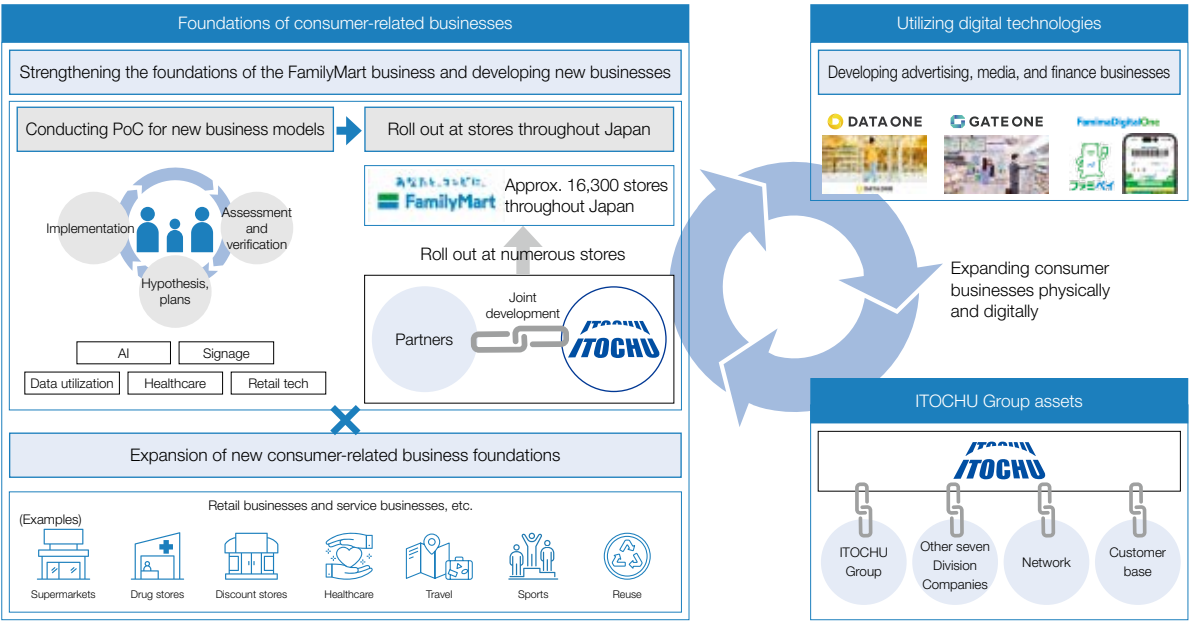
Quantitative information (FYE 2024 results) ▶ Pages 99–101, 128–131

Consolidated Net Profit	Core Profit	Percentage of Earnings from Business in Japan (image)
¥35.8 billion	¥33.8 billion	<div>100%</div>
ROA*1	CAGR*2	
2%	18%	

*1 ROA based on core profit.
*2 Compound annual growth rate of consolidated net profit from FYE 2011 to FYE 2024

By capturing the diversifying needs through a market-oriented perspective and leveraging our various business foundations with strengths in the consumer sector, we will develop new services and business models utilizing digital technologies and AI.

- We will create new business models that reflect customer needs and which utilize FamilyMart's data, store network, and ability to attract customers. After conducting proof-of-concept (PoC) tests for these business models, we will roll them out at FamilyMart stores throughout Japan. Further, we will expand business foundations by rolling out these new services and technologies in other retail businesses and service businesses.
- We will increase data volume and customer contact points to maximize the profits of advertising, media, and finance businesses. In addition, we will utilize digital technologies to expand consumer businesses physically and digitally. In the consumer-related sector, we will actively advance investment projects that promise significant growth going forward.
- In the consumer-related sector, we will actively advance investment projects that promise significant growth going forward.



Initiative for Sustainable Enhancement of Corporate Value through a Market-Oriented Perspective
Building the Largest Retail Media Network in Japan

ITOCHU is promoting a retail media collaboration with FamilyMart, Data One Corp., and Gate One Corp. In March 2024, we installed digital signage in approximately 10,000 FamilyMart stores nationwide, establishing the largest-scale retail media in Japan, capable of reaching roughly 64 million people per week. Stores serve as broadcasting hubs, creating enjoyable in-store experiences through the distribution of various contents, including not only advertisements but also news, music, and more. In addition, by utilizing around 33 million distributable licensed advertising IDs and purchasing data from FamilyMart and other retailers, we are providing integrated solutions from in-store advertisements and content distribution to digital marketing outside the store. This allows us to provide services that meet the diverse needs of various advertisers in a media that is diversifying to include SNS and platforms. Moving forward, we will expand the number of target stores and enhance functionalities to grow our business as a top runner in the retail media field.



FamilyMartVision digital signage



From left:
The 8th Company
Hiroshi Iwamoto
Data One Corp.
Airi Mitsumoto (Dispatched)
FamilyMart
Fuyuki Kokuryu (Dispatched)
Gate One Corp.
Go Matsuoka (Dispatched)

Corporate Value

=

Created Value

Cost of Capital

Growth Rate

Items related to Sustainability Action Plans are indicated with a mark for the corresponding material issues.

Evolve Businesses through Technological Innovation

Develop a Rewarding Work Environment

Contribute to Healthier and More Affluent Lifestyles

Maintain Rigorous Governance Structures

Address Climate Change (Contribute to a Decarbonized Society)

Respect and Consider Human Rights

Ensure Stable Procurement and Supply

Expand Created Value (FYE 2024 Review)

- Achieved record-high core operating profit by strengthening the competitiveness of merchandise and marketing capabilities at FamilyMart, capitalizing on the recovery in foot traffic.
- Increased downloads of the FamiPay smartphone app, which is as a digital customer contact point (approximately 20 million downloads)
 - Expanded digital initiatives aimed at improving operational capabilities and labor-saving at FamilyMart stores (stores that introduced humanoid AI assistants: approximately 5,000; Touch To Go unmanned payment stores: approximately 40)
 - Increased installation of FamilyMartVision digital signage at FamilyMart stores through Gate One Corp. (approximately 10,000 stores across all 47 prefectures in Japan)
 - Began collaboration in the retail media business with Pan Pacific International Holdings Corporation, which operates Don Quijote and other retail stores
 - Advanced effective digital marketing that links consumers and retail stores in the line-side areas of Nagoya Railroad Co., Ltd.

Increase Growth Rate

- Expanding FamilyMart's earnings base by continuously strengthening the convenience store business and increasing the sophistication of the entire supply chain
 - Creation and expansion of new businesses leveraging FamilyMart's business foundation
 - Enlarging our data infrastructure and increasing the earnings of advertising, media, and financial services that leverage digital technologies
- In the consumer-related sector, actively advancing investment projects that promise significant growth going forward

Lower Cost of Capital

- Strengthening supply chain risk management in response to such factors as fluctuations in raw material prices
- Responding to such issues as the shortage of workers and the 2024 problem—the cap on truck drivers' overtime hours starting from 2024—in the Japanese logistics industry by leveraging AI and digital technologies

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