

# 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)
<b>¥131.6 billion</b>	<b>¥132.1 billion</b>	<b>50%</b>
ROA*1	CAGR*2	
<b>7%</b>	<b>22%</b>	

\*1 ROA based on core profit.

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

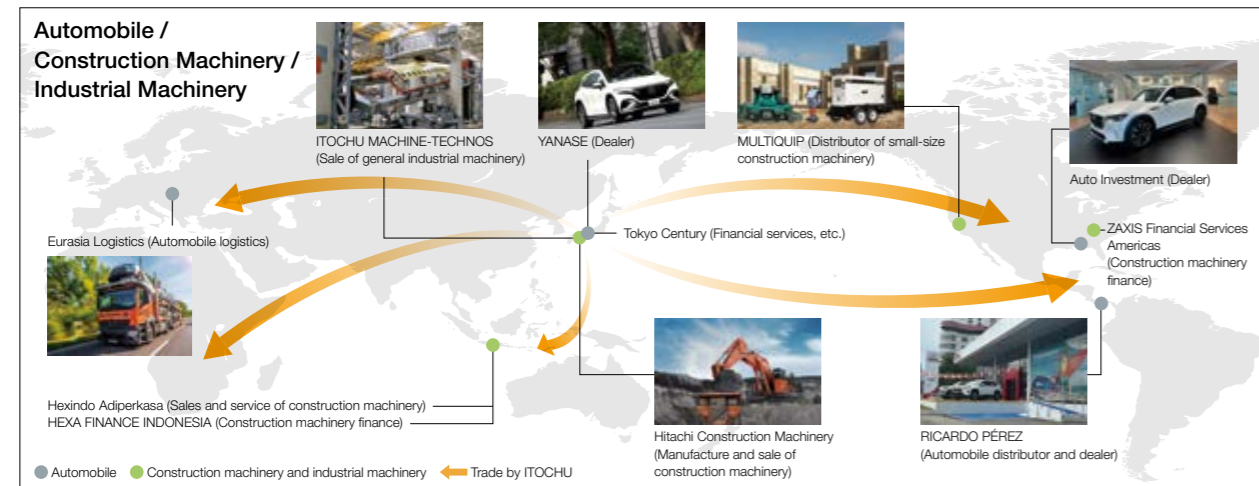
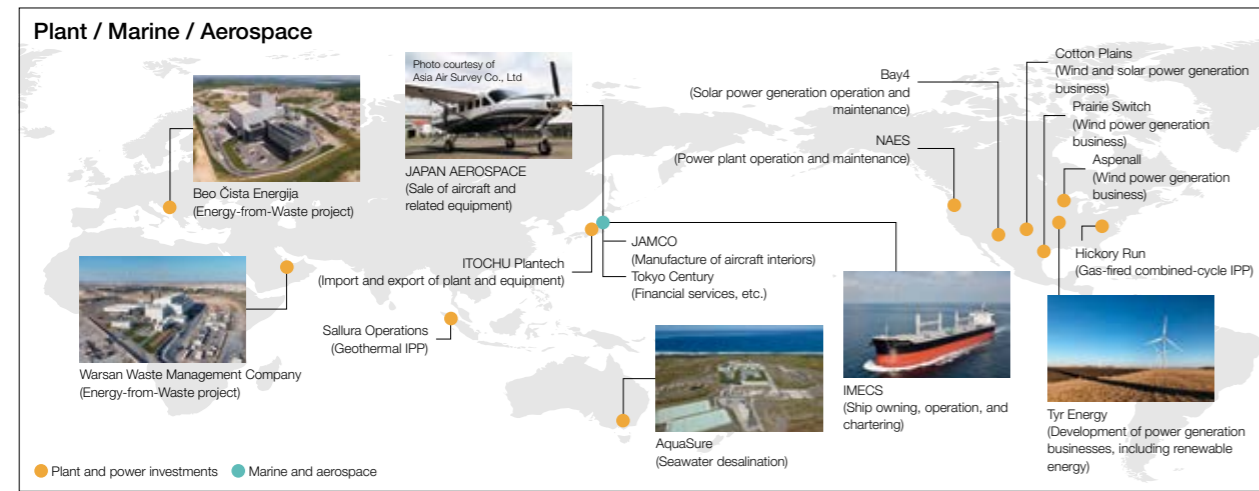


**Hiroyuki Tsubai**  
President, Machinery Company



- 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

## Business Development



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

ITOCHU is promoting the adoption of electric trucks as a partner in EVision, 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**

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

- 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)

- 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 EVision 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](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/>