

# General Products & Realty Company

Business Fields	<ul style="list-style-type: none"> <li>Building materials and wood products (fences, interior materials, engineered wood products, fiberboard, plywood, lumber, logs, etc.)</li> <li>Mobility, goods and materials (tires, natural rubber, slag, cement, ceramics, etc.)</li> <li>Pulp, paper, and hygiene materials (pulp, paper products, hygiene materials, new wood-based materials, wood chips, etc.)</li> <li>Logistics (3PL, domestic logistics, international logistics, logistics systems, etc.)</li> <li>Development and operation of real estate (housing, logistics facilities, hotels, and public facilities, etc.)</li> </ul>
Company Strengths	<ul style="list-style-type: none"> <li>Accumulated M&amp;A expertise and personnel with competence in hands-on management</li> <li>Construction materials-related companies that constitute an excellent value chain in North America</li> <li>The 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 recycling</li> <li>Competitive pulp manufacturing business and a worldwide network for pulp sales</li> <li>Stable real estate development by leveraging the distinctive and diverse networks of a general trading company</li> </ul>



**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

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	40%
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

Business Development

<h3>Building Materials &amp; Wood Products</h3> <p><b>North American construction materials business</b></p> <ul style="list-style-type: none"> <li>Development of a robust value chain</li> <li>ITOCHU Building Products Holdings <ul style="list-style-type: none"> <li>MASTER-HALCO (Manufacture and wholesale of fences)</li> <li>Alta Forest Products (Manufacture of wooden fences)</li> <li>US Premier Tube Mills (Manufacture of pipes for fences)</li> </ul> </li> <li>CIPA Lumber (Manufacture of veneer)</li> <li>Pacific Woodtech (Manufacture of laminated veneer lumber)</li> </ul> <ul style="list-style-type: none"> <li>ITOCHU KENZAI (Wholesale of wood products and building materials)</li> <li>DAIKEN (Manufacture and wholesale of building materials)</li> </ul>	<h3>Mobility / Goods &amp; materials</h3> <p><b>European Tyre Enterprise</b></p> <ul style="list-style-type: none"> <li>Conducts the operations of Kwik-Fit, the U.K.'s largest tire retailer</li> <li>WECARS (Retail chain of used vehicles)</li> <li>Nalnet Communications (Vehicle maintenance management services)</li> <li>ITOCHU CERATECH (Manufacture of molding sand, Ceramic-based catalyst for hydrogen production, and other ceramic raw materials and products)</li> <li>Aneka Bumi Pratama (Processing of natural rubber / Indonesia)</li> </ul>	<h3>Pulp / Paper / Hygiene Materials</h3> <p><b>Metsä Fibre (Finland)</b></p> <ul style="list-style-type: none"> <li>One of the world's largest manufacturers of commercial softwood pulp</li> <li>Pulp production capacity: Approx. 4.0 million tons per year</li> <li>ITOCHU Pulp &amp; Paper (Wholesale of paper, paper board, and processed paper products)</li> </ul>
<h3>Development &amp; Operation of Real Estate</h3> <ul style="list-style-type: none"> <li>ITOCHU Property Development <ul style="list-style-type: none"> <li>Development of condominiums (CREVIA series)</li> <li>Development of profit-earning real estate</li> </ul> </li> <li>ITOCHU Urban Community (Management of condominiums, rental apartments, and office buildings)</li> <li>ITOCHU HOUSING (Real estate agent and property consultant)</li> <li>ITOCHU REIT Management (Management of REITs and funds)</li> <li>CENTURY 21 REAL ESTATE OF JAPAN (Real estate franchise operation)</li> <li>ITOHPA HOME (Planning and construction of detached houses)</li> <li>CHUSETSU Engineering (Planning and construction of plants, logistics facilities, etc.)</li> <li>IZU-CHITO DEVELOPMENT (Golf course management)</li> <li>Paraca* (Business and operational management of parking lots)</li> </ul> <p><b>Overseas businesses</b></p> <ul style="list-style-type: none"> <li>Condominium and detached house leasing business (the U.S.)</li> <li>KARAWANG INTERNATIONAL INDUSTRIAL CITY (Indonesia)</li> <li>Saigon Sky Garden (Serviced apartments / Vietnam)</li> </ul>	<h3>Logistics</h3> <ul style="list-style-type: none"> <li>ITOCHU LOGISTICS</li> </ul> <ul style="list-style-type: none"> <li>Comprehensive logistics services (Freight forwarding, warehousing, trucking, and distribution centers)</li> <li>ITOCHU LOGISTICS (CHINA) (Comprehensive domestic logistics services in China)</li> <li>Dateng Logistics (Shanghai) (Comprehensive domestic logistics services in China)</li> </ul>	

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

\*3 Non-affiliated companies

## 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**



### 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")

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/>