

# Track Record of Profit Growth under “Brand-new Deal” Strategies

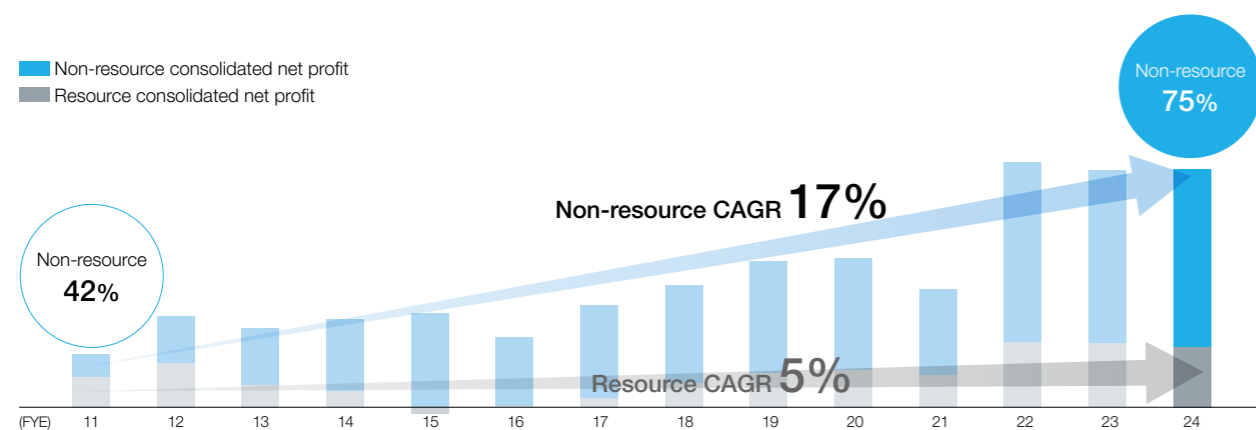
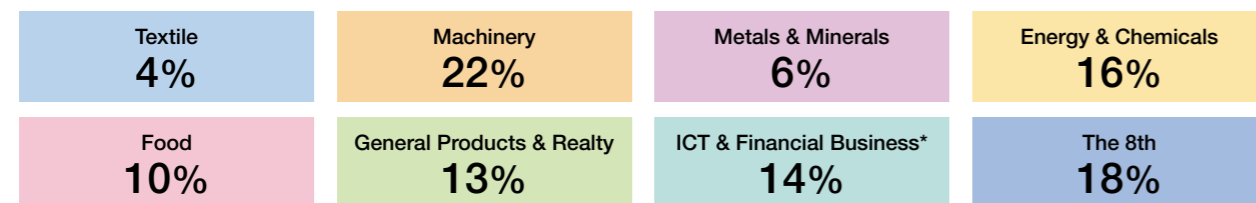
Under the series of “Brand-new Deal” strategies (management plans) that started with Brand-new Deal 2012, we have achieved steady, upward growth despite various environmental changes. This profit growth has been supported by high growth rates realized in each segment and the steady accumulation of Group company profits, bolstered by a high ratio of profitable companies through the thorough implementation of the “earn, cut, prevent” principles.



## Point 1 CAGR: 13%

Rather than concentrating management resources in specific areas, we adopt a management approach that provides growth investment opportunities across all segments, while carefully turning around underperforming businesses. By improving underperforming businesses and enhancing well-performing ones, we raise the Company’s overall average. This approach fosters a foundation for many profitable businesses to grow across all segments. The compound annual growth rate (CAGR) of our consolidated net profit from FYE 2011 to FYE 2024 is 13%. While the strong profitability in the resource sector has provided solid support, we have achieved a high CAGR of 17% in the non-resource sector, steadily building a diversified and robust earnings base with high resilience to economic fluctuations.

### CAGR of Consolidated Net Profit for Each Segment (FYE 2011 to FYE 2024)

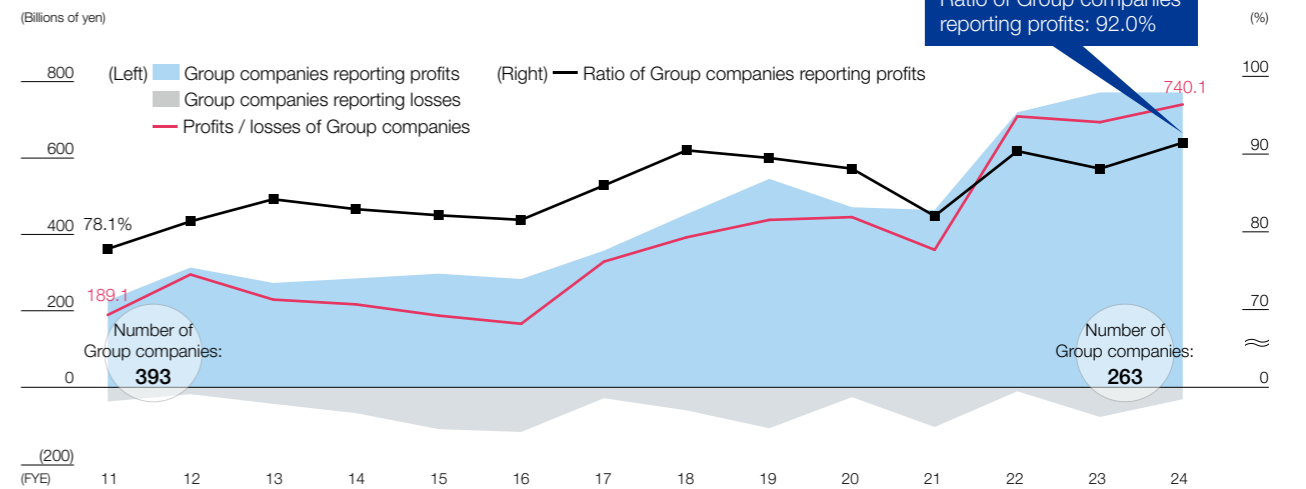


\* Since FYE 2011 reported loss due to the impairment loss on Orient Corporation, etc., CAGR is shown from FYE 2012 onwards.

## Point 2 Profitable Group companies: Over 90%

The profit growth of the Group is supported by the earnings base of Group companies. By thoroughly implementing hands-on management across all Group companies and strengthening monitoring from the headquarters through various reviews and effective asset replacement, we have achieved a record-high 92% ratio of Group companies reporting profits in FYE 2024. While the number of Group companies in FYE 2024 is about 70% of that in FYE 2011, the profits and losses of Group companies have reached approximately ¥740 billion, steadily realizing high Group profitability.

### Accumulation of the Profits of Group Companies



The enhancement of profitability in each Group company supports the overall accumulation of Group profits. Through rigorous management efforts, including the thorough implementation of the “earn, cut, prevent” principles, each Group company has steadily achieved profit growth. As a result, the profit scale per company has expanded approximately sixfold from FYE 2011 to FYE 2024, significantly contributing to the establishment of our earnings base.

### Trend of Profits / Losses from Major Group Companies

	BND 2012 FYE 2011	BND 2014 FYE 2015	BND 2017 FYE 2018	BND 2020 FYE 2021	BND 2023 FYE 2024
DESCENTE	Non-disclosed	Non-disclosed	1.4	1.6	5.3
Tokyo Century	4.0	9.1	12.5	13.5	23.4
YANASE	Non-disclosed	Non-disclosed	3.7	4.6	12.8
ITOCHU Minerals & Energy of Australia	80.1	42.3	62.3	90.6	166.9
Marubeni-Itochu Steel	6.8	12.8	9.2	8.7	40.1
ITOCHU ENEX	2.2	2.8	6.0	6.6	7.4
ITOCHU CHEMICAL FRONTIER	2.0	3.1	3.7	4.7	8.2
NIPPON ACCESS	6.5	8.6	9.8	7.1	21.0
ITOCHU LOGISTICS	0.7	1.9	2.7	3.0	6.1
DAIKEN	0.2	0.7	1.6	2.0	5.2
CTC	6.3	10.2	13.6	17.8	37.6
FamilyMart	4.0	8.1	11.8	(16.7)	41.8
Orchid Alliance Holdings	—	—	67.9	72.5	98.3