

# Business Results for FYE 2024 / FYE 2025 Management Plan

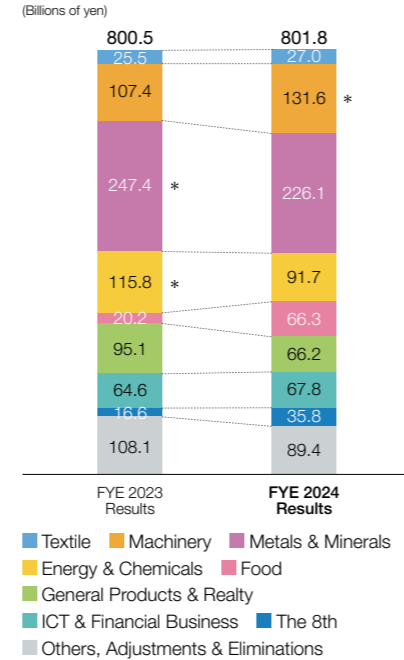
In FYE 2024, the final year of our previous medium-term management plan Brand-new Deal 2023, we established a profit stage of ¥800.0 billion in preparation for the next phase of growth. In the FYE 2025 management plan, we outline record-high investment of up to ¥1 trillion and project profit growth of approximately 10%.

## Business Results

(Billions of yen)	FYE 2023 Results	FYE 2024 Results	Increase / Decrease
Consolidated net profit	800.5	801.8	+1.3
Extraordinary gains and losses	13.0	13.0	—
Core profit	Approx. 787.5	* Approx. 789.0	Approx. +1.5
Non-resource	587.8	603.5	+15.7
Resource	215.6	204.6	(11.0)
Others	(2.8)	(6.2)	(3.4)
Non-resource	73%	75%	+2%
Profits / losses of Group companies	693.7	740.1	+46.3
Ratio of Group companies reporting profits	88.6%	* 92.0%	Increased 3.5pt
EPS	¥546.10	* ¥553.00	+¥6.90

\* Record high

## Consolidated Net Profit by Segment



## Cash Flows

### Cash Flows

(Billions of yen)	FYE 2023 Results	FYE 2024 Results
Cash flows from operating activities	938.1	* 978.1
Cash flows from investing activities	(453.8)	(206.0)
Free cash flows	484.3	772.1
Cash flows from financing activities	(500.1)	(801.2)

### Core Free Cash Flows

(Billions of yen)	FYE 2023 Results	FYE 2024 Results
Core operating cash flows*1	* 871.0	823.0
Net investment cash flows*2	(393.0)	(614.0)
Core free cash flows	478.0	209.0

\*1 "Cash flows from operating activities" – "Changes in working capital" + "Repayment of lease liabilities, etc."

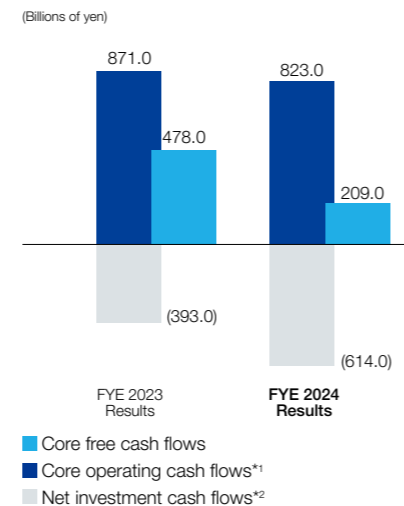
\*2 Payments and collections for substantive investment and capital expenditure

"Investment cash flows" + "Equity transactions with non-controlling interests" –

"Changes in loan receivables," etc.

\* Record high

## Core Free Cash Flows

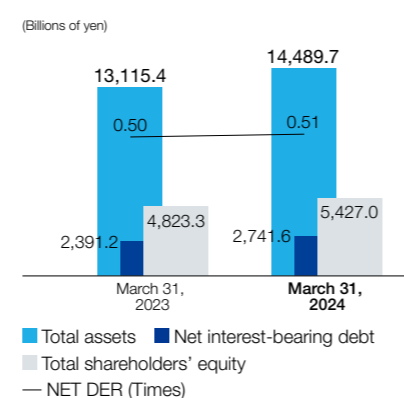


## Financial Position

(Billions of yen)	March 31, 2023	March 31, 2024	Increase / Decrease
Total assets	13,115.4	* 14,489.7	+1,374.3
Net interest-bearing debt	2,391.2	2,741.6	+350.4
Total shareholders' equity	4,823.3	* 5,427.0	+603.7
Ratio of shareholders' equity to total assets	36.8%	* 37.5%	Increased 0.7pt
NET DER	* 0.50 times	0.51 times	Increased 0.01
ROE	17.7%	15.6%	Decreased 2.1pt

\* Record high as of the end of the fiscal year (NET DER: Best record)

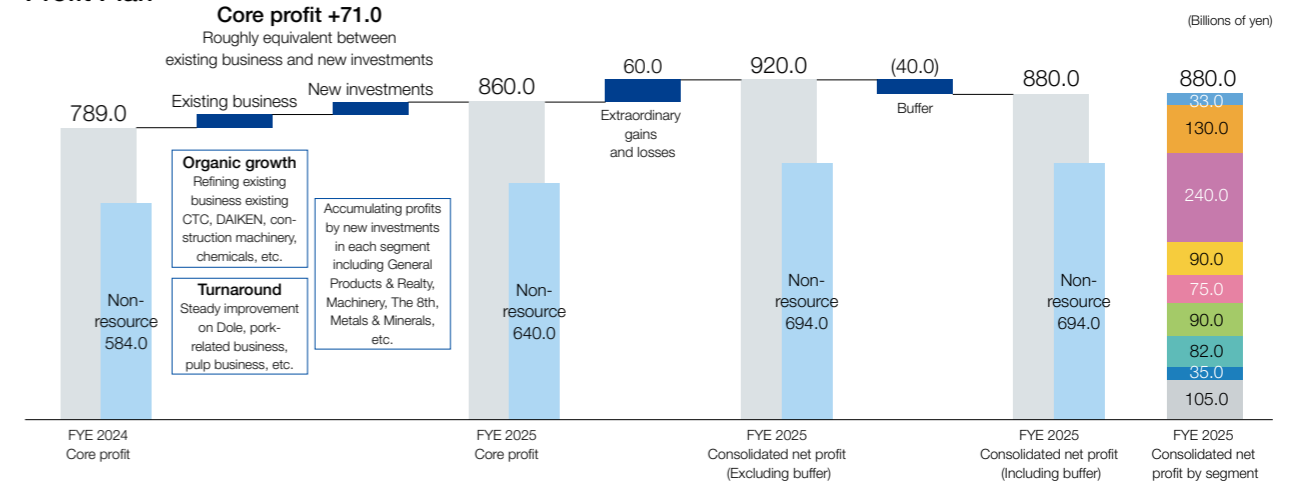
## Financial Position



## FYE 2025 Management Plan

Profit Plan	Shareholder Returns	Growth Investments
<p><b>Consolidated net profit</b> ¥880.0 billion</p> <p><b>ROE</b> 16%</p>	<p><b>Total payout ratio</b> Aiming at 50%</p> <p><b>Dividends</b> The higher of 30% payout ratio or dividend ¥200 per share</p> <p><b>Share buybacks</b> Approx. ¥150.0 billion</p>	<p><b>Maximum ¥1 trillion</b> Core operating cash flows after deducting shareholder returns in FYE 2025</p> <p>+ Surplus capital in the previous medium-term management plan</p> <p><b>NET DER</b> Less than 0.6 times</p>

## Profit Plan



## Cash Allocation / NET DER

(Billions of yen)	BND 2017 Total	BND 2020 Total*4	BND 2023 Total
Core operating cash flows*3	1,255.0	1,691.0	2,484.0
Net investment cash flows	(970.0)	(1,065.0)	(960.0)
Proportion*5	77%	63%	39%
Shareholder returns	(318.5)	(528.9)	(818.9)
Proportion*5	25%	31%	33%
Core free cash flows after deducting shareholder returns	(33.5)	+97.0	+705.0
NET DER (Times)*6	0.87	0.78	0.51

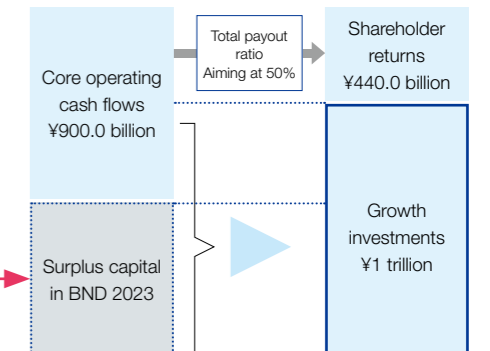
\*3 "Cash flows from operating activities" – "Changes in working capital" + "Repayment of lease liabilities, etc."

\*4 BND 2020 includes the FYE 2021 management plan.

\*5 The proportion of core operating cash flows.

\*6 NET DER are the figures of the final fiscal year.

## FYE 2025 Image



## Assumptions

	FYE 2023 Results	FYE 2024 Results	FYE 2025 Plan	(Reference) Sensitivities on consolidated net profit for FYE 2025
Exchange rate (Yen/US\$ Average)	134.48	144.59	145	Approx. ±¥3.5 billion*7
Exchange rate (Yen/US\$ Closing)	133.53	151.41	140	—
Interest rate (%) TIBOR 3M (¥)	0.07%	0.08%	0.4%	—*8
Interest rate (%) LIBOR 3M (US\$)*9	3.52%	—	—	—
Interest rate (%) SOFR 3M (US\$)*9	—	5.30%	5.0%	—*8
Crude oil (Brent) (US\$/BBL)	95.07	82.08	80	±¥0.27 billion*10
Iron ore (CFR China) (US\$/ton)	117*11	119*11	N.A.*12	±¥1.60 billion*10

\*7 The impact in case the average exchange rate during FYE 2025 depreciated (increased)/appreciated (decreased) is shown.

\*8 It is assumed that the increase/decrease in interest income/expense will be offset by the impact of interest rate fluctuation on the transaction prices. However, in the situation that interest rate fluctuates significantly, interest cost may have temporary impact on the Company's performance.

\*9 Due to the cessation of LIBOR publication in June 2023, the US\$ benchmark interest rate has been changed to Term SOFR.

\*10 The above sensitivities vary according to changes in sales volume, foreign exchange rates, production cost, etc.

\*11 FYE 2023 and FYE 2024 prices for iron ore are prices that ITOCHU regards as general transaction prices based on the market.

\*12 The prices of iron ore used in the FYE 2025 Plan are assumptions made in consideration of general transaction prices based on the market. The actual prices are not presented, as they are subject to negotiation with individual customers and vary by ore type.