

# SECTION 01

## DRIVING FORCE FOR SUSTAINABLE VALUE CREATION

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Consolidated Net Profit



#### Founded—



Chubei Itoh I

#### Focus Mainly on the Textile Sector

Chubei Itoh I commenced linen trading operations via Osaka in Senshu (now the southwestern part of Osaka Prefecture) and Kishu (now Wakayama Prefecture). From a base in Osaka we expanded business, mainly in the textile sector.

#### 1950s—



#### Diversification, Including Automobiles, Petroleum, and Food

We pursued a path of diversification, and as a result non-textile areas accounted for around 40% of trading volume in 1958. In the 1960s, we expanded our business to include energy, machinery, general merchandise projects, and the iron and steel business, becoming a "¥1 trillion trading company." In 1977, we further expanded the iron and steel business through a merger with Ataka & Co., Ltd.

#### 1980s—



#### Expansion in the ICT Sector

As yen appreciation became a fixture of the economy, we promoted internationalization and globalization. We moved aggressively into the ICT field and entered the satellite business.

#### 1990s—



#### Set the Steppingstones for the Current Business

We took decisive action to dispose of low-efficiency and unprofitable assets to sweep away negative legacy assets from the bubble era. At the same time, we set in place the steppingstones for the future, such as acquiring shares in FamilyMart in 1998.

#### 2010s—



#### Enhancing Comprehensive Strength through Downstream-Driven Transformation

Ahead of other general trading companies, we began focusing on the non-resource sector. We commenced a strategic business and capital alliance with CITIC and CP Group, strengthened the North American construction materials business, acquired the Dole business, increased stake in major Group companies, and privatized FamilyMart and CTC. While creating multifaceted businesses that connect for synergy through strategic investments, we have pursued downstream-driven business model transformation with a market-oriented perspective. This is exemplified by the establishment of The 8th Company and the expansion of our business fields of North American electric power business. By enhancing our comprehensive capabilities, we have built an earnings base that is resilient to economic fluctuations.