

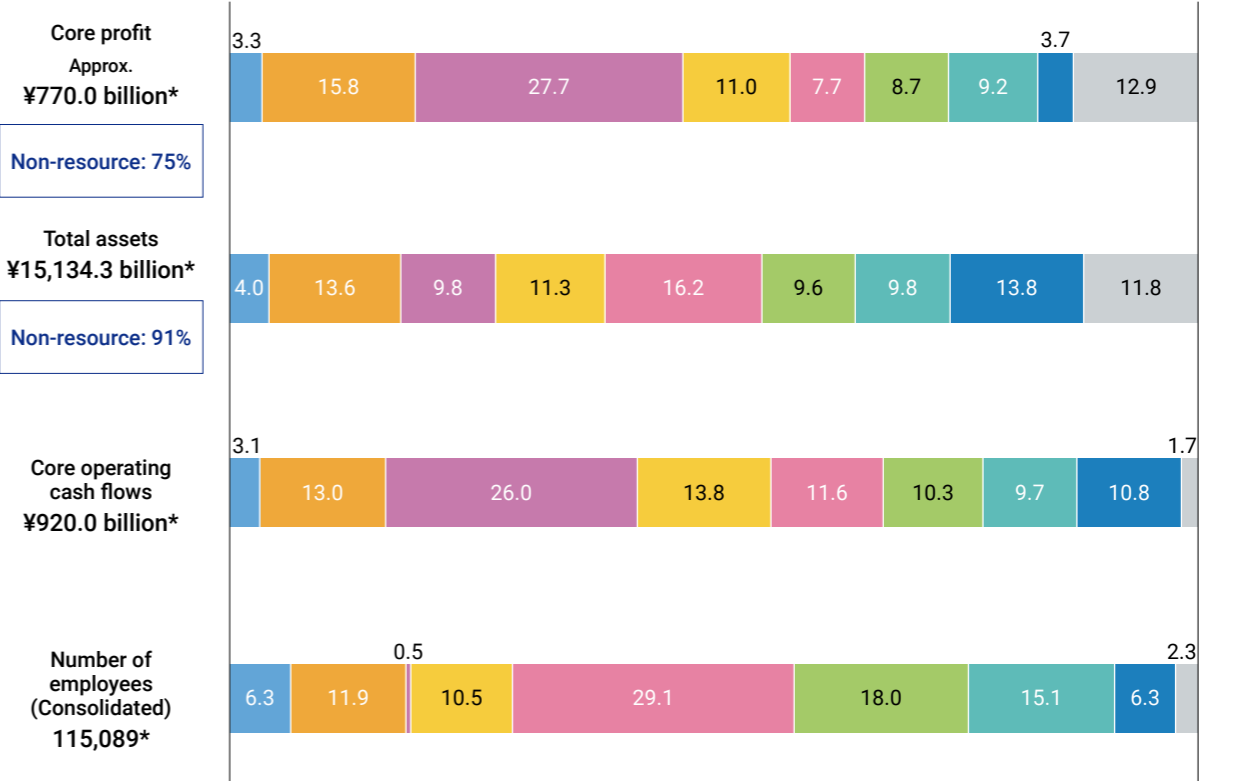
# Business Portfolio

Our eight Division Companies serve as drivers of corporate value enhancement, creating new business opportunities across a wide range of business fields every day. In addition to outlining the strengths and growth strategies of each Division Company, we also explain the opportunities and risks associated with the external environment, as well as how various front-line initiatives are connected to our corporate value calculation formula.



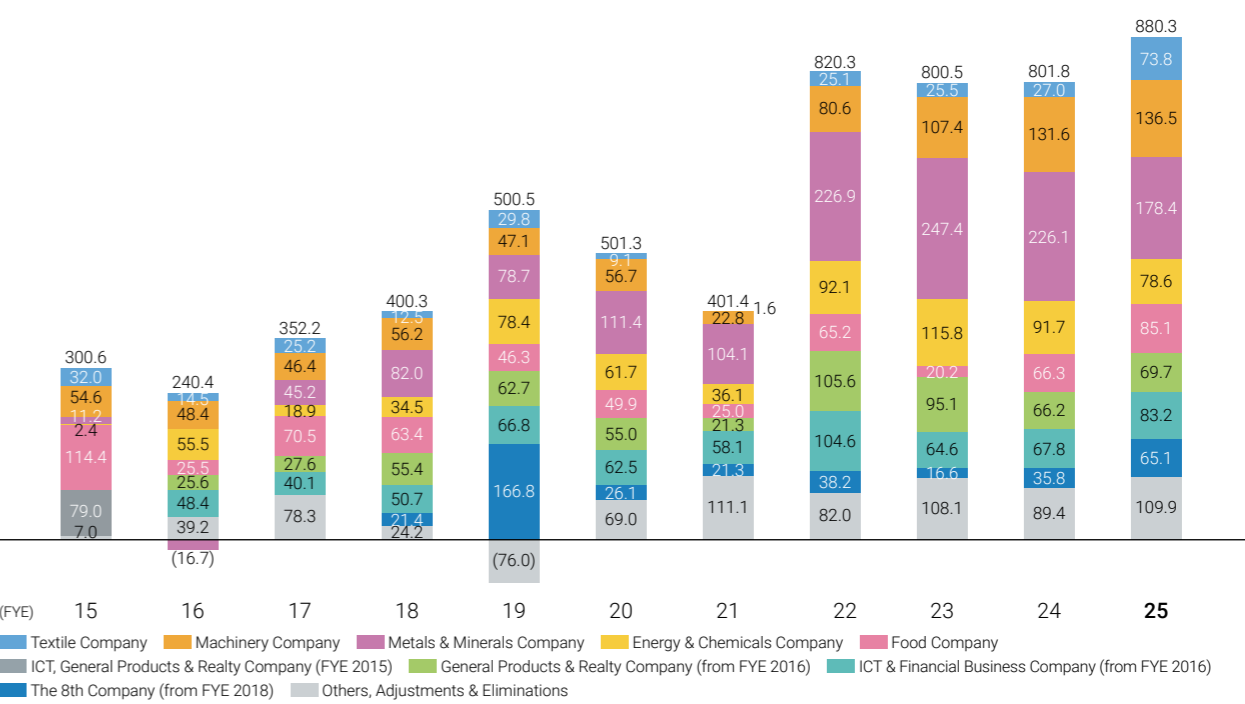
## Portfolio Overview

### Percentage of the Total for ITOCHU (3-year average)



\* The results for FYE 2025 and the end of March 2025

### Consolidated Net Profit (Loss) by Segment



\* In April 2016, the ICT, General Products & Realty Company was reorganized into the General Products & Realty Company and the ICT & Financial Business Company.  
\* On July 1, 2019, The 8th Company was established, and ITOCHU began mutual holdings in which The 8th Company was the minority shareholder and the other Division Companies were the majority shareholders. On October 1, 2022, ITOCHU dissolved such mutual holdings. Therefore, the results from FYE 2018 to FYE 2021 have been presented based on the mutual holdings, while the results from FYE 2022 to FYE 2023 have been presented based on the dissolution of the mutual holdings.

## ► Quantitative Information (FYE 2025 Results)

Consolidated Net Profit .....¥73.8 billion

ROA\*1 .....4.5%

\*1 ROA based on core profit

## ► Areas with High Growth Potential

- Expanding sports business centered around DESCENTE LTD., and strengthening the value chain of the footwear business
- Enhancing core brands and improving profitability through the strengthening of directly managed stores



Flagship store of DESCENTE LTD., which became a wholly owned subsidiary in FYE 2025



Footwear from the Italian sports brand FILA

For more details on DESCENTE's growth strategy, please refer to ITOCHU's website:  
<https://www.itochu.co.jp/en/ir/doc/presentation/>

## PRESIDENT MESSAGE

## Aiming for a Higher Profit Stage

Since the COVID-19 pandemic, we have steadily increased our core profit while adapting to rapidly changing market conditions. Currently, we are focusing on four key areas: (1) Implementing strategic initiatives in the sports, footwear, premium and luxury, and casual areas; (2) Companywide collaboration, not limited to organizational boundaries; (3) Strengthening sustainability initiatives; and (4) Enhancing product competitiveness. With a strategic focus on DESCENTE LTD., which became a wholly owned subsidiary in FYE 2025, we are striving to unlock the next level of revenue growth. As the only general trading company with a specialty in textiles, we will utilize our knowledge to refine our collaborations with outstanding Group companies and brands, and make steady progress toward further growth.



## Hideto Takeuchi

President, Textile Company

Since joining the Company, Mr. Takeuchi has been consistently involved in the brand business. He also has extensive experience in leadership roles at apparel retail companies, having previously served as president of JOIX Corporation, which handles brands such as Paul Smith. He has also contributed to the profit growth of numerous major brands, including Vivienne Westwood, LANVIN, and FILA. A strict hands-on businessman, he still regularly visits stores and exhibitions. Currently in this position since 2023.

## Key Macroenvironmental Factors Affecting the Company

## P Political / Legal

- Changes in tariffs and trade policies of each country
- Strengthening of environmental regulations on the apparel industry

## E Economical

- Trends in domestic apparel consumption
- Economic trends in China
- Increase in inbound consumption

## S Social / Cultural

- Strengthening human rights initiatives across the entire supply chain
- Response to natural capital, such as water resources
- Increasing interest in health consciousness and sustainability

## T Technological

- Changes in sales channels
- Adoption of digital marketing utilizing generative AI and other technologies
- Emergence of renewable materials and recycling technologies

## Key Opportunities

- Expansion of the sports apparel market driven by increasing awareness of health
- Creation of new markets through development of sustainable materials and products

## Key Risks

- Growing awareness of the problem for environmental burden from mass production and disposal in the apparel industry
- Increase in supply chain costs due to strengthening of human rights measures

## Connection to the Corporate Value Calculation Formula

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

## Expand Created Value

At DESCENTE LTD., which became a wholly owned subsidiary in FYE 2025, we are leveraging the full resources of the ITOCHU Group to promote region-specific strategies in Japan, South Korea, and China. We aim to double DESCENTE LTD.'s consolidated net profit at an early stage through enhancement of brand value and increasing the Direct-to-Consumer (DTC) ratio.

## Increase Growth Rate

We aim to accelerate further growth by strengthening internal collaboration, such as sharing operational and production expertise that has been cultivated over the years across our diverse portfolio, which includes fashion brands, shoes, and sportswear. We will also expand our overseas business in the textile materials category through collaboration with strategic partners.

## Lower Cost of Capital

We are promoting the RENU project, which collects and sorts unwanted textile products to produce recycled polyester. Through these initiatives, we are contributing to the creation of a circular economy in the textile and fashion industries and helping to solve environmental issues while also creating sustainable growth.

## ► Strengths and Business Domains

Percentage of Earnings from Business in Japan (image)

80%

## Strengths

- Strong position as the unmistakable leader among general trading companies in the textile industry
- Full-spectrum value chain that includes everything from upstream to downstream operations in the textile industry
- Solid business relationships with strategic partners in each business area in Japan and overseas markets

## Apparel

We offer a wide range of products, from raw materials and textiles to apparel accessories and garments, mainly produced in Japan and Asia, with a focus on quality manufacturing.



## Brand Marketing

We handle a diverse range of lifestyle brands, from luxury to casual fashion, as well as sports, shoes, bags, and accessories brands.

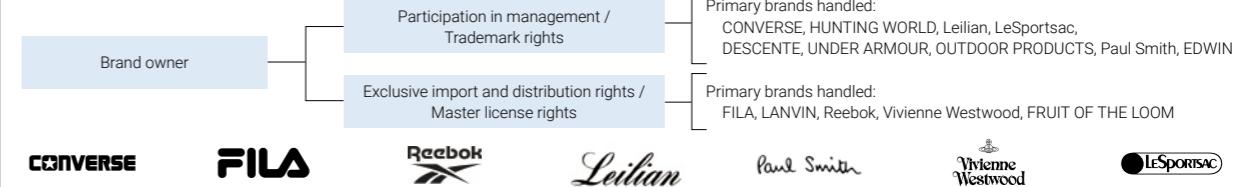


## Textile Materials &amp; Lifestyle

We provide a variety of materials, to the global market from industrial textiles featuring advanced technology and high functionality to nonwoven fabrics for sanitary products such as disposable diapers.



## Brand Business

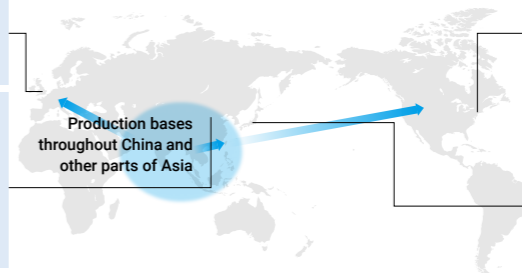


## Product planning and sales base for the European market

· ITOCHU Europe

## Product planning, production, and sales bases for markets in China and other parts of Asia / Production base for the Japanese, European, U.S., and global markets

· ITOCHU TEXTILE (CHINA)  
· ITOCHU Textile Prominent (ASIA)



## Product planning and sales base for the North American market

· ITOCHU Prominent U.S.A.

## Product planning, production, and sales bases targeting Japanese, Chinese, Asian, and global markets

· EDWIN · Sanki  
· DESCENTE · DOME  
· UNICO · ROYNE

UNDER ARMOUR

Focusing on the sports-related business

## ► Demonstrating "Front-Line Capabilities" to Enhance Corporate Value

## Joint Acquisition of LeSportsac Japan Shares with the Mash Group; Strengthening Collaboration with Leading Partners

In October 2024, in partnership with MASH Holdings Co., Ltd., we jointly acquired shares of LeSportsac Japan Co., Ltd., which is responsible for sales of the U.S. bag brand "LeSportsac" in the Japanese market. By leveraging the Mash Group's product planning capabilities and extensive sales channels, we aim to further accelerate brand growth.

We are also strengthening collaborations with other prominent retailers in our brand business. In March 2025, we announced a partnership with UNITED ARROWS LTD. to

develop the Korean lifestyle brand NICE WEATHER in Japan. We also partnered with Adastria Co., Ltd., to jointly acquire shares of KARRIMOR International Ltd., which operates the Japanese business for the British outdoor brand KARRIMOR. By partnering with leading retail companies, we aim to further expand our earnings base by combining our extensive knowledge of the brand business with the expertise of our strategic partners.



A lifestyle brand centered on bags, founded in New York in 1974



LeSportsac representative (at the showroom)



NICE WEATHER shop, Hankyu Umeda Main Store

## ► Quantitative Information (FYE 2025 Results)

Consolidated Net Profit .....¥136.5 billion

ROA\*1 .....6.4%

\*1 ROA based on core profit

## ► Areas with High Growth Potential

- Broadening our earnings base by expanding the North American power business and enhancing our functions in the marine and aerospace sectors
- Strengthening the value chain by overseas partnerships with Japanese manufacturers in the automobile and construction machinery areas



Wind and solar power plants



Mining machinery of Hitachi Construction Machinery Co., Ltd.

## PRESIDENT MESSAGE

## Expansion of the Earnings Base through Value Chain Extension into Downstream Areas

We are expanding our retail finance business by leveraging Groupwide expertise, including the development of a North American finance business through joint ventures with Hitachi Construction Machinery Co., Ltd. and Tokyo Century Corporation, as well as a North American finance business in partnership with Kawasaki Motors, Ltd.

In addition to a broad global business portfolio, we are strengthening our foundation in diverse business domains, such as enhancing O&M businesses centered on NAES Corporation in the U.S., which provides operations and maintenance services for power plants, and investing in Killick Aerospace Limited, which is located in Ireland and engaged in the aircraft aftermarket business. We are committed to further expanding our earnings base through value chain extension into downstream areas, aiming to achieve record-high profits.



## Hiroyuki Tsubai

President, Machinery Company

Mr. Tsubai has mainly been involved in overseas plant construction projects and has contributed to the expansion of ITOCHU's global business, particularly in Nigeria, Thailand, and the Middle East. He served as CEO for three overseas blocs, Middle East, Africa, and Europe, and demonstrated outstanding management as the ITOCHU Group's bloc CEO worldwide. Currently in this position since 2019 and serving as Deputy COO from 2025.

## Key Macroenvironmental Factors Affecting the Company

## P Political / Legal

- Changes in tariffs and trade policies of each country
- Changes in renewable energy-related legislation
- Security and government spending

## E Economical

- Impact of foreign exchange fluctuations
- U.S. economic trends
- Global capital investment trends

## S Social / Cultural

- Response to climate change
- Changes in the mobility market (MaaS, etc.)

## T Technological

- Technological innovation such as autonomous driving and electrification
- Advances in aviation and aerospace technology

## Key Opportunities

- Expansion of power business in response to growing electricity demand
- Creation of new markets due to strengthened environmental regulations, such as ammonia-fueled ships

## Key Risks

- Decline in competitiveness of Japanese automakers due to changes in the mobility market
- Decrease in export trade due to higher tariffs

## Connection to the Corporate Value Calculation Formula

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

## Expand Created Value

In addition to creating synergies through collaboration such as retail finance with Hitachi Construction Machinery Co., Ltd., we are aiming to expand the value chain and earnings base in the automobile and construction machinery areas by collaborating with domestic manufacturers such as Kawasaki Motors, Ltd. and AICHI CORPORATION.

## Increase Growth Rate

We will expand our North American power business by utilizing the U.S. tax benefits and funds targeting renewable energy power generation assets while taking advantage of the growing demand for electricity in North America due to the spread of AI. We will steadily accumulate high-quality power generation assets and aim to further increase earnings.

## Lower Cost of Capital

Toward resolving environmental and social issues, we are advancing large-scale waste-to-energy projects in the U.K., the Republic of Serbia, and the Emirate of Dubai. In addition to proper waste management, we are providing comprehensive solutions to environmental issues through the supply of clean energy and district heating systems utilizing incineration heat.

## ► Strengths and Business Domains

Percentage of Earnings from Business in Japan (image)

60%

## Strengths

- Strong business relationships with blue-chip partners and high capabilities in business development in the plant project, marine and aerospace business
- 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

## Plant / Marine / Aerospace

- Utilizing business development capabilities to promote power, environmental, and infrastructure projects around the world
- Developing ship trading, ship owning business, and offshore projects based on domestic and international partnerships
- Diversifying earnings base in the aerospace sector by engaging in a wide range of business for both commercial and government clients

## [Example] North American power business

- Promoting power business in North America for over 20 years. Building a system to expand profits throughout the value chain of project development, construction, power generation, and operation and maintenance centered on core Group companies (Tyr Energy / NAES)
- Taking advantage of the growing electricity demand in North America, we will strengthen our efforts in the renewable energy sector, where private-sector demand is strong



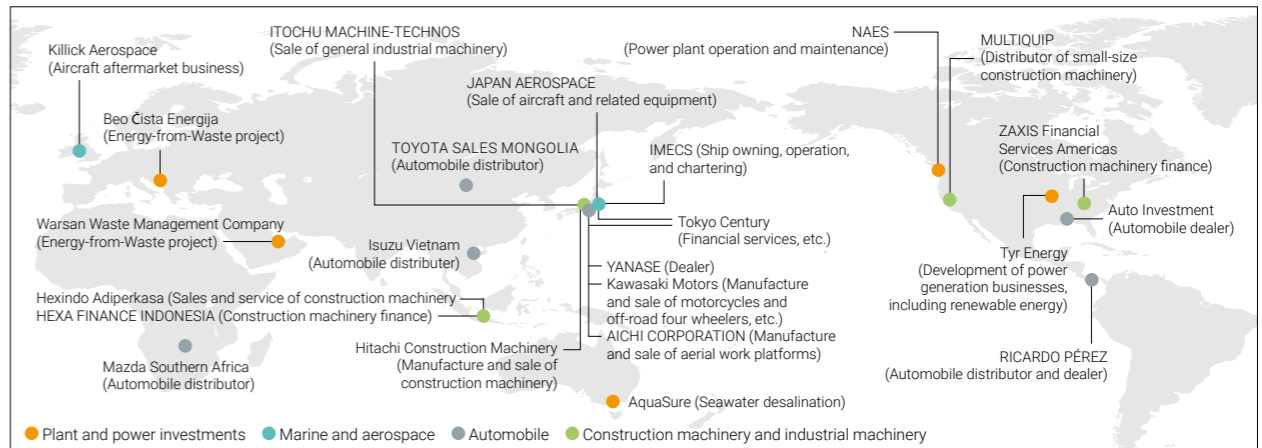
## Automobile / Construction Machinery / Industrial Machinery

- Expand from a sales-centered business to an ownership business, expanding customer contact points from points to surfaces
- Extend and strengthen the value chain while demonstrating capabilities in downstream areas both in Japan and overseas



## [Examples] Value chain extension

- Leasing and maintenance contracted services by ISUZU LEASING SERVICES LIMITED
- Used car sales by ISUZU U-MAX Co., Ltd.
- Entry into the field of aerial work platforms through investment in AICHI CORPORATION
- Entry into the autonomous driving field through investment in Gatik
- Establish North American finance company in joint venture with Hitachi Construction Machinery and Tokyo Century



For more details on the North American power business' growth strategy, please refer to ITOCHU's website.

<https://www.itochu.co.jp/en/ir/doc/presentation/>

## ► Demonstrating "Front-Line Capabilities" to Enhance Corporate Value

## Capital and Business Alliance with Kawasaki Motors, Ltd.

ITOCHU and Kawasaki Motors, Ltd. have maintained a collaborative relationship in the trading business since the 1960s, and ITOCHU conducted a 20% equity investment in Kawasaki Motors, Ltd. as a long-term partner in April 2025. In addition, we jointly established a finance company in the U.S. and launched a retail finance business. Leveraging our expertise in consumer-oriented finance in downstream areas, we focus on collaboration to expand sales of Kawasaki Motors, Ltd.'s

motorcycles, off-road four-wheelers vehicles, and jet skis in the U.S., which is in the world's largest power sports\*2 market.

Furthermore, by utilizing our capabilities in the automobile business and overseas network, we will promote broad-based collaboration in the global market, striving for further enhancement of corporate value.

\*2 Power sports vehicles refer to motorcycles, off-road four-wheelers vehicles, jet skis, and other vehicles equipped with engines or motors for outdoor recreational activities.



Ninja ZX-10R



New model TERYX4 H2



Our company representative stationed at Kawasaki Motors Corp., U.S.A.

## ► Quantitative Information (FYE 2025 Results)

Consolidated Net Profit .....¥178.4 billion

ROA\*1 ..... 12.3%

\*1 ROA based on core profit

## ► Areas with High Growth Potential

- Adding high-quality assets in iron ore and coking coal, etc.
- Engaging in projects that contribute to the realization of a decarbonized society (direct reduced iron, aluminum, hydrogen, ammonia, etc.)



Photo courtesy of BHP



Various green aluminum products which ITOCHU trade

## PRESIDENT MESSAGE

### Securing a Stable Supply of Resources and Contributing to the Environment

In FYE 2025, despite the stagnant market conditions for raw materials and steel products, we leveraged our strength in trading to provide customers with essential raw materials. In iron ore and coking coal existing businesses, we increased our equity stakes and worked with partners to enhance business operations and steadily accumulate profits. Although the business environment remains uncertain, we will focus on improving the operation of our coking coal projects while strengthening the foundations of our existing businesses. Furthermore, we will lay the groundwork for future growth, such as developing a supply chain for low-carbon direct reduced iron in the UAE, to expand our profitability.



### Jun Inomata

President, Metals & Minerals Company  
Mr. Inomata has mainly been involved in iron ore and coal resource development and has experience of expatriation in Brazil for eight years and Australia for three years. Utilizing an extensive network of relationships, he is actively promoting direct reduced iron projects involving a wide range of value chain participants. After returning from his post in São Paulo in 2020, he took office of COO of the Metal & Mineral Resources Division. Currently in this position since 2024.

## Key Macroenvironmental Factors Affecting the Company

### P Political / Legal

- Changes in tariffs and trade policies in each country
- Strengthening of GHG emissions regulations and environmental regulations

### E Economical

- Fluctuations in commodity markets
- Crude steel production volumes in China and other countries
- Rising mining operation costs

### S Social / Cultural

- Response to climate change and natural capital
- Strengthening of human rights initiatives and labor safety
- Stable procurement of natural resources

### T Technological

- Advancement of carbon-neutral technologies such as Carbon Capture and Storage (CCS) and hydrogen, etc.
- Technological innovations such as promoting digital transformation in mining operations and automating mining machinery

## Key Opportunities

- Expansion of businesses such as low-carbon direct reduced iron in response to GHG emissions regulations
- Creation of low-carbon energy businesses including hydrogen

## Key Risks

- Decline in commodity prices and steel product prices due to economic downturns or overproduction in demand countries
- Drastic decrease in consumption of existing raw materials by widespread of clean energy

## Connection to the Corporate Value Calculation Formula

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

### Expand Created Value

In FYE 2025, we have steadily expanded our equity ore volume through the further increase of equity stake of the Brazil iron ore business as well as the stable ramp-up of the Western Australia iron ore business with operational optimization and efficiency improvements.

### Increase Growth Rate

We are advancing a feasibility study for a low-carbon direct reduced iron supply chain in the UAE. We are building a framework with partners to procure raw materials in Brazil and establish a supply system for Japan and other countries, aiming to enhance value in both contributing to a decarbonized society and expanding our mineral resources business.

### Lower Cost of Capital

ITOCHU Metals Corporation is developing a one-stop industrial waste treatment and management service and metal recycling business utilizing a nationwide recycling network in Japan. Procuring and supplying scrap as a low-emission steel material contributes to building a circular economy.

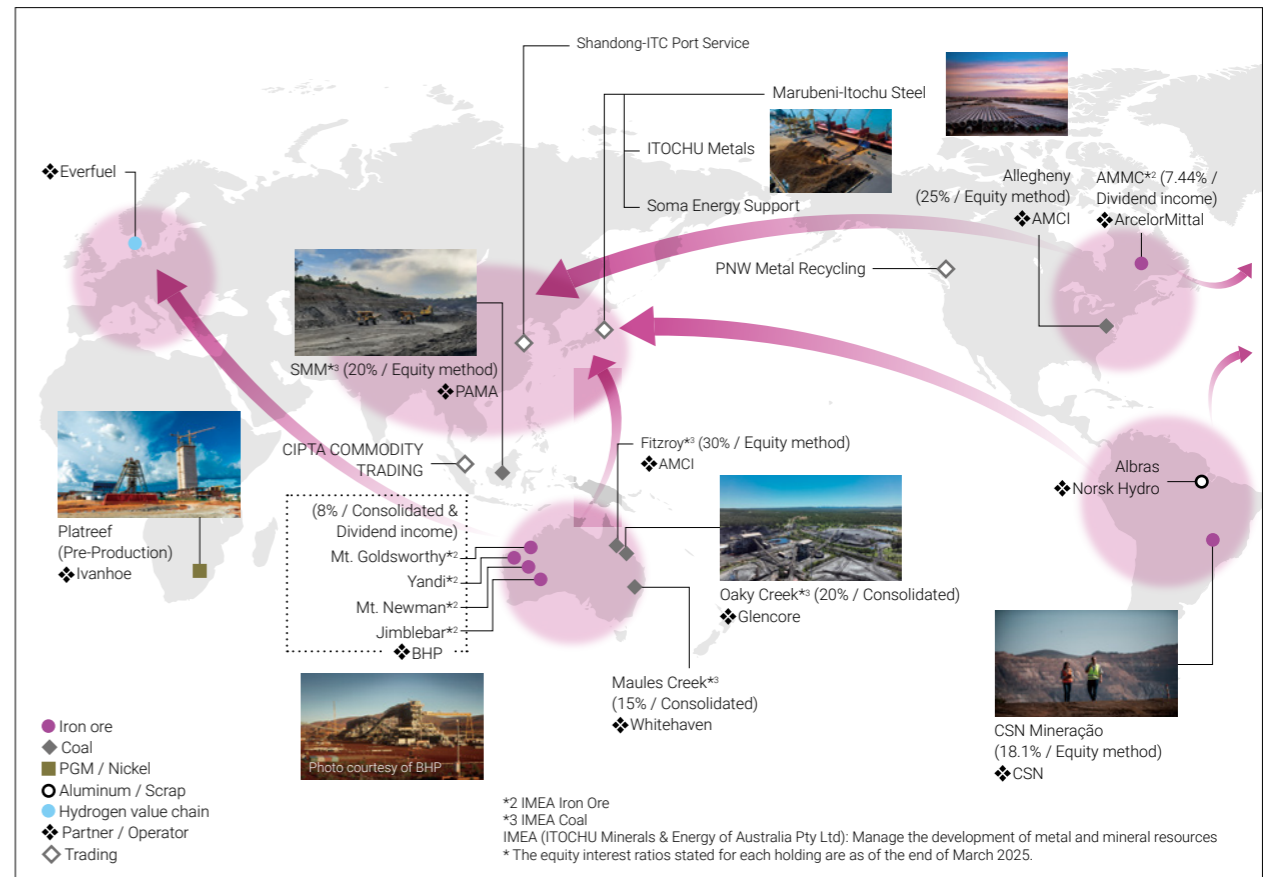
## ► Strengths and Business Domains

Percentage of Earnings from Business in Japan (image)

10%

### Strengths

- Ownership and development of superior natural resource assets, in particular iron ore and coking coal
- Strong and long-term relationships with blue-chip partners in each business area
- Broad-ranging trade flows that run from upstream (metal and mineral resources, metal materials) to downstream (steel and non-ferrous products)



## ► Demonstrating "Front-Line Capabilities" to Enhance Corporate Value

### Additional Investment in a Highly Efficient and Cost-Competitive Brazilian Iron Ore Business

We made an additional investment in CSN Mineração S.A. (CM), a leading Brazilian iron ore supplier, in which we jointly participate with Companhia Siderúrgica Nacional, one of the major Brazilian steel makers, increasing our equity stake to approximately 18%. CM is based on one of the world's largest iron ore mines, and has built an integrated operations system with all of the important infrastructure, including railways, ports, and ore-dressing facilities, enabling it to produce efficiently and cost-competitively. In addition, the high-grade iron

ore produced at this mine will be used as a raw material for the direct reduction method, which significantly reduces CO<sub>2</sub> emissions in the steelmaking process. By deepening its collaborative relationship with CM and strengthening its system for stable supply of high-grade iron ore, we will play a part in building a low-carbon reduced iron supply chain that is being promoted with partner companies in the UAE, aiming to increase added value and further expand profits.



MRS railway and conveyor belt



Terminal at Port Itaguaí



On-site representatives at the Casa de Pedra mine

## ► Quantitative Information (FYE 2025 Results)

Consolidated Net Profit ..... ¥78.6 billion

ROA\*1 ..... 4.6%

\*1 ROA based on core profit

## ► Areas with High Growth Potential

- Expanding business in core Group companies such as ITOCHU CHEMICAL FRONTIER Corporation and C.I. TAKIRON Corporation
- Investment in utility scale energy storage and expansion of business in peripheral areas



C.I. TAKIRON Corporation Ibogawa Plant



Grid-scale battery storage

## PRESIDENT MESSAGE

## Strengthening the Value Chain through Growth Investments and Accelerating the Growth of Existing Businesses through Hands-On Management

We engage in trading and business investments across the energy, chemicals, and electric power businesses, including renewable energy. We will achieve solid growth by making maximum use of our value chain centered on upstream energy interests, midstream chemical manufacturing companies such as C.I. TAKIRON Corporation, and downstream strengths such as ITOCHU ENEX CO., LTD., as well as our global trading network. In FYE 2026, we will further accelerate our growth through M&A of peripheral businesses by C.I. TAKIRON Corporation, which has been privatized.



## Masaya Tanaka

President, Energy &amp; Chemicals Company

Since joining the Company, Mr. Tanaka has been engaged in the chemicals-related business and has experience working in Korea. He has promoted business while valuing connections with local business partners. He also has experience working as a staff in the planning department, and places great importance on teamwork and listens to the opinions of those around him. Currently in this position since 2021.

## Key Macroenvironmental Factors Affecting the Company

## P Political / Legal

- Changes in tariffs and trade policies of each country
- Strengthening of GHG emissions regulations and environmental regulations
- Strengthening economic sanctions against interest-holding countries

## E Economical

- Commodity market fluctuations
- Restructuring of the domestic petrochemical industry

## S Social / Cultural

- Response to climate change
- Increasing needs for environmentally friendly products
- Increasing health consciousness and focus on quality of life

## T Technological

- Innovation in renewable energy and energy storage technology
- Accelerating decarbonization of energy sources and next-generation power transmission and distribution infrastructure

## Key Opportunities

- Developing new markets through innovation in renewable energy and energy storage technologies
- Increase in new M&A opportunities due to restructuring in the domestic petrochemical industry

## Key Risks

- Suspension of existing businesses due to strengthening economic sanctions
- Decreasing demand in some businesses due to stricter environmental regulations

## Connection to the Corporate Value Calculation Formula

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

## Expand Created Value

By mutually utilizing the management resources of the ITOCHU Group at C.I. TAKIRON Corporation, which was privatized in FYE 2025, we aim to further expand our profitability by leading industry restructuring through M&A, strengthening sales and marketing capabilities by restructuring distribution and sales, and accelerating the expansion of overseas business, which is expected to grow.

## Increase Growth Rate

In addition to trading raw materials for generic drugs at ITOCHU CHEMICAL FRONTIER Corporation, we are aiming to expand the life science business through investments in Maypro Group LLC in the U.S., which develops, manufactures, and markets health food ingredients.

## Lower Cost of Capital

By building a value chain in the next-generation electricity area in the Power & Environmental Solutions Division and expanding the handling of renewable fuels such as SAF in the Energy Division, we aim to contribute to the realization of a decarbonized society and also strengthen our position in the environmental business.

## ► Strengths and Business Domains

Percentage of Earnings from Business in Japan (image)

70%

## Strengths

- Development and trading of eco-friendly energy through collaborations with blue-chip business partners
- Robust Group companies and overseas networks that support a wide range of areas in the chemicals sector, ranging from basic products to retail-related products
- Comprehensive value chain in the next-generation power sector consisting of both business investments and trade businesses

## Energy

## Oil &amp; Gas project

- ACG Project (BP / Azerbaijan)
- BTC Project (BP / Azerbaijan)
- West Qurna-1 Project (PetroChina / Iraq)
- Eastern Siberia Project (INK-Zapad / Russia)
- Sakhalin-1 Project\*2 (Russia)
- QatarEnergy LNG S(1) Project\*2 (Qatar)
- Oman LNG Project\*2 (Oman)
- Qalhat LNG Project\*2 (Oman)



Operator

## Petroleum / LPG wholesale and retail

- ITOCHU ENEX (Petroleum products wholesaler, retail, power and heat supply)
- ITOCHU PETROLEUM SINGAPORE (Energy trading / Singapore)
- Isla Petroleum & Gas (LPG wholesale and retail / Philippines)
- HINDUSTAN AEGIS LPG (LPG receiving terminal / India)



## Renewable fuel business / New-energy business

- Raven\*2 (Producer of renewable fuel derived from municipal solid waste / the U.S.)
- Blue Laser Fusion\*2 (Fusion energy development / the U.S.)

## Chemicals

## Production

- C.I. TAKIRON (Synthetic resin products)
- BRUNEI METHANOL (Basic chemicals / Brunei)
- Aquafil\*2 (Nylon recycling / Italy)



## Chemicals trading

- ITOCHU CHEMICAL FRONTIER (Fine chemicals, pharmaceuticals)
- ITOCHU PLASTICS (Food packaging materials, electrical materials, and synthetic resin trading)
- ITOCHU Plastics (Synthetic resin materials / Singapore)



## Retail-related business

- ITOCHU Retail Link (Daily necessities, commercial materials)
- Sanipak Company Of Japan (Daily life-related materials)
- REMEJE PHARMACEUTICALS (Pharmaceuticals / China)
- Maypro Group (Functional food ingredients / the U.S.)



## Power &amp; Environmental Solutions

## Renewable energy

- Aoyama Solar (Renewable energy development)
- IGRID SOLUTIONS (Distributed renewable energy business)
- Clean Energy Connect (CEC)\*2 (Supplier of green energy to companies)



## Energy storage systems (ESS) / Next-generation business

- GridShare Japan (Battery optimal control AI)
- 24M Technologies\*2 (Development and manufacture of semisolid lithium-ion batteries / the U.S.)
- TRENDE (Peer-to-peer power trading)
- GI Energy Storage Management (Energy storage fund management)



Energy storage plant

## Energy solution

- UON (Off-grid power solutions / Australia)
- Aoyama Energy Service (Heat supply)

\*2 Non-affiliated companies

## ► Demonstrating "Front-Line Capabilities" to Enhance Corporate Value

## Accelerating Sales and Business Expansion into Overseas Markets Following the Privatization of C.I. TAKIRON Corporation

ITOCHU has privatized C.I. TAKIRON Corporation, which has been an important partner for many years and has had business relationships such as supplying raw materials and selling its products, as well as personnel exchanges through the dispatch and acceptance of seconded employees. We will maximize the management resources of the ITOCHU Group to promote the further growth of C.I. TAKIRON Corporation.

The market environment surrounding C.I. TAKIRON Corporation is changing due to the maturation of the domestic market for construction materials and films business, as

well as the localization of the high-functional materials industry, such as plates for semiconductor equipment, and it has become essential for the company's growth to expand sales and business into overseas markets. We aim to further expand our business by combining our management resources, such as our global network, our customer and information gathering capabilities, as well as our human resources and know-how in M&A, with the technology that C.I. TAKIRON Corporation has developed in the domestic market.



Polycarbonate resin panel



Non-slip flooring material with a high market share

Headquarters of C.I. TAKIRON Corporation  
Employees of ITOCHU, including those seconded

## Quantitative Information (FYE 2025 Results)

Consolidated Net Profit ..... ¥85.1 billion

ROA\*1 ..... 3.1%

\*1 ROA based on core profit

## Areas with High Growth Potential

- Strengthening functions and competitiveness in the food distribution field by leveraging Group capabilities
- Improving profitability by expanding transactions of high-value-added raw materials



Digital transformation (DX) support services in the food product planning and development domain (FOODATA)



High-value-added raw materials (premix)

## PRESIDENT MESSAGE

### Strengthening Market-Oriented Collaboration between Production and Sales through New Investments and Ongoing Turnaround of Group Companies

In FYE 2025, in addition to the turnaround of HYLIFE GROUP HOLDINGS LTD., a Canadian pork business, we have achieved an improvement in our core profit due to the strong performance of ITOCHU's trade business and NIPPON ACCESS, INC. On the other hand, issues remain with Dole International Holdings, Inc. and FUJI OIL CO., LTD.'s U.S. chocolate business, and we recognize that a fundamental turnaround is urgently needed. In addition, in a situation where various changes are occurring in the global food supply chain, such as the "Reiwa rice shortage" and Trump tariffs, we will optimize our value chain by responding flexibly and quickly to changes. Furthermore, we will accelerate the improvement of our profitability through new initiatives based on a market-oriented perspective, mainly in the food distribution business.



### Shuichi Miyamoto

President, Food Company

Since joining the Company, Mr. Miyamoto has consistently worked in the food area, with a total of 11 years stationed in Asia and Oceania. His experience covers a wide range of areas, from food ingredients to fresh products and retail distribution. While his career has been largely global, he was also engaged in domestic sales during his secondment to ITOCHU Food Sales and Marketing Co., Ltd. His mottoes are "Adapt to Change" and "TRUE GRIT." Currently in this position since 2023.

## Key Macroenvironmental Factors Affecting the Company

### P Political / Legal

- Strengthening of food safety regulations
- Changes in tariffs and trade policies of each country
- Ongoing 2024 logistics issue of driver shortages—the cap on truck drivers' overtime hours starting from 2024—

### E Economical

- Domestic consumption trends
- Inflation and rising costs of raw materials

### S Social / Cultural

- Increase in health consciousness and ensuring food safety
- Strengthening efforts for human rights throughout the supply chain
- Response to climate change and natural capital

### T Technological

- Optimization of the supply chain and support for product development using AI
- Development of new products utilizing plant-based proteins, etc.
- Enhancement of traceability through blockchain technology

## Key Opportunities

- Expanding earnings through product development support using DX and improved logistics efficiency
- Creation of new markets, including health foods and plant-based proteins

## Key Risks

- Deterioration of profitability in food manufacturing and processing businesses due to rising raw material costs
- Decline in production of primary commodities due to climate change, pests, and infectious diseases

## Connection to the Corporate Value Calculation Formula

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

## Expand Created Value

We achieved a turnaround at HYLIFE GROUP HOLDINGS LTD. through comprehensive cost reduction and sales expansion. In addition to rebuilding Dole International Holdings, Inc. and FUJI OIL CO., LTD.'s U.S. chocolate business, we will strengthen our earning power by expanding products and services based on a market-oriented perspective.

## Increase Growth Rate

In the food distribution area, we aim to further strengthen our competitive advantage by expanding our business base and market share using digital technologies, such as supporting product development for manufacturers and retailers through FOODATA, and streamlining logistics by optimizing store orders based on demand information.

## Lower Cost of Capital

We are developing sustainable food sources through initiatives such as the plant-based food brand "wellbeans," which uses beans with a low environmental burden as raw materials. By providing ingredients focused on "taste," "material," "health," and "environment," we contribute to improving the sustainability of food.

Textile Company

Machinery Company

Metals & Minerals  
Company

Energy & Chemicals  
Company

Food Company

General Products &  
Realty Company

ICT & Financial Business  
Company

The 8th Company

## Strengths and Business Domains

Percentage of Earnings from Business in Japan (image)

80%

## Strengths

- Top-class food distribution and retail network
- Worldwide network of production, distribution, and sales value chain for fresh foods (marine, meat, and agricultural products)
- Global supply chain for food resources

## Food Resources & Ingredients

### Food resources

- ITOCHU (Import and sale of cacao, sugar, etc.)



- CGB Enterprises (Grain collection, soybean processing, and logistics / the U.S.)



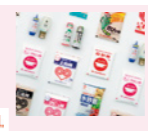
- Quality Technology International (Sale of functional feed / the U.S.)
- UNEX (GUATEMALA) (Manufacturing and export of coffee / Guatemala)

## Food Production & Processing

- WELLNEO SUGAR (Production, processing, and sale of sugar)

- No. 2 share of the Japanese market

WELLNEO SUGAR Co., Ltd.



- ITOCHU FEED MILLS (Production and sale of compound feed and eggs)
- JAPAN NUTRITION (Production and sale of functional feed)

- FUJI OIL (Development, manufacture, and sale of vegetable oils and industrial chocolate)



- Industrial chocolate
- No. 1 share of the Japanese market
- No. 3 share of the global market
- Soybean protein (soybean meat raw material)
- No. 1 share of the Japanese market

## Fresh food



- Dole (Asian fresh produce business and packaged foods business)
- No. 1 share of the U.S. market for canned pineapple and pineapple juice

- HYLIFE GROUP HOLDINGS (Hog farming and pork production and sales)



- Integrated pork production meat value chain (Canada)

- Prima Meat Packers (Processed foods and meat business)

- No. 1 share of the Japanese market for ham and sausages



- YANTAI LONGRONG FOODSTUFFS (Production and sale of processed meat products / China)

- ANEKA TUNA INDONESIA (Production and sale of canned and pouched tuna / Indonesia)

Region legend: ♦ Japan ■ North America ■ China and other Asian countries ■ Other countries

\*2 Non-affiliated companies

## Demonstrating "Front-Line Capabilities" to Enhance Corporate Value

### Stable Supply of "Mocha" Coffee and Support for Next-Generation Development in Ethiopian Coffee-Producing Regions

In recent years, coffee-producing regions have been facing the "Coffee 2050 Problem"<sup>\*3</sup>, which includes declining production due to climate change, pests, and diseases, as well as a decrease in the number of producers due to economic hardship. This poses significant challenges for the long-term stable supply of coffee to customers and consumers, including FamilyMart. We are widely engaged in the import and sale of coffee beans, including supplying to FAMIMA CAFÉ counter coffee, one of FamilyMart's most popular flagship offerings.

Among the FAMIMA CAFÉ lineup, the specialty coffee Mocha Blend has received high praise from our customers for its carefully selected coffee beans ingredients and meticulous

roasting. In collaboration with FamilyMart, we made donations to Ethiopia, where "Mocha" is produced, based on the number of Mocha Blends and Iced Mocha Blends sold. In cooperation with the Embassy of Japan in Ethiopia, we built toilets for local junior and senior high schools and purchased educational materials to preserve and pass on the history and culture of coffee. Through this initiative, we aim to contribute to improving education and sanitation in Ethiopia, while also strengthening our response to the "Coffee 2050 Problem" and procuring and supplying sustainable coffee beans.

<sup>\*3</sup> There is concern that, by 2050, the area suitable for cultivating arabica coffee beans, which accounts for approximately 60% of global coffee production, could be reduced by half.



Supporting Ethiopian producers through FAMIMA CAFÉ



Coffee bean production areas in Ethiopia



Coffee section staff in charge of trading "Mocha"

## ► Quantitative Information (FYE 2025 Results)

Consolidated Net Profit .....¥69.7 billion

ROA\*1 .....3.8%

\*1 ROA based on core profit

## ► Areas with High Growth Potential

- Expanding functions and strengthening profitability in the North American construction-materials business with DAIKEN CORPORATION and acquisitions of competitors
- Strengthening and expanding public-private partnership projects
- Rebuilding of WECARS Co., Ltd.



New entry into the outdoor living business



The newly renovated WECARS Co., Ltd. store

## PRESIDENT MESSAGE

**Relentless Pursuit of Realizing Enriched Lifestyles:  
Strengthening the Earnings Base by Proactive Business  
Investments and Hands-On Management**

We are building a business foundation centered on products and services that support daily life, including the mobility business in Europe, the real estate development business both in Japan and overseas, and the building materials business in North America, including residential fences and wooden decks. We are expanding our business domain by accurately capturing consumer needs through a variety of customer contact points.

In recent years, in response to social issues such as aging infrastructure and the trend toward national resilience plans, we have been strengthening our profitability by expanding alliances in peripheral businesses related to construction and building materials, including a capital and business partnership with Nishimatsu Construction Co., Ltd. We are also fully committed to the rebuilding of WECARS Co., Ltd. in collaboration with other Division Companies.

Through proactive business investment and thorough hands-on management as a “trading company-style PE model,” we will continue to strengthen our earnings base in each business area.

**Masatoshi Maki**

President,  
General Products & Realty Company

Since joining the Company, Mr. Maki has demonstrated his skills in a wide range of fields in the construction and real estate industries. Through outstanding leadership, he has won the trust of partners and expanded real estate operations both domestically and overseas. During his posting in China, he oversaw not only real estate but the entire general products & realty area. He leverages his extensive practical experience to promote strategies from a global perspective. Currently in this position since 2022.

**Key Macroenvironmental Factors Affecting the Company****P Political / Legal**

- Changes in tariffs and trade policies of each country
- Changes in monetary and housing-related policies in each country
- National resilience, disaster prevention, and mitigation policies

**E Economical**

- Economic trends in the U.S., Europe, and China
- Interest rates, real estate market conditions and housing starts in each country
- Commodity and raw material market trends (pulp, wood, etc.)

**S Social / Cultural**

- Response to climate change and natural capital (forest resources, etc.)
- Increased demand for maintenance and renewal due to aging infrastructure
- Growing interest in traceability

**T Technological**

- Application of digital transformation in each business field (construction, logistics, mobility)
- Enhancement of traceability using blockchain technology

**Key Opportunities**

- Expansion of rebuilding, repair, and maintenance businesses due to aging infrastructure
- Increase in M&A opportunities in North America amid concerns over a U.S. economic downturn

**Key Risks**

- Shrinking building materials business in Japan due to population decline
- Prolonged downturn in the U.S. housing market due to persistently high interest rates

**Connection to the Corporate Value Calculation Formula**

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

**Expand Created Value**

Promoting profit growth and strengthening the value chain in the North American construction-materials business through expanding synergies between the North American construction-materials business and DAIKEN CORPORATION, as well as strengthening manufacturing and wholesale functions through M&A.

**Increase Growth Rate**

Through strengthening and expanding alliances in the construction and building materials business, such as capital and business alliances with Nishimatsu Construction Co., Ltd. and Oriental Shiraishi Corporation, we aim to expand growth in the infrastructure business domain by meeting the growing needs for responding to social issues, such as national resilience, infrastructure renewal, and regional revitalization.

**Lower Cost of Capital**

Utilizing our proprietary blockchain-based traceability system, we procure natural rubber with origin information through returning a portion of sponsored tire sales to small-scale farmers, and through on-site training and productivity improvement activities conducted by PT. Aneka Bumi Pratama in Indonesia, we will promote the sustainable production and spread of natural rubber. (● Page 52 Initiatives to Promote Sustainability Across the Value Chain)

## ► Strengths and Business Domains

Percentage of Earnings from Business in Japan (image)

50%

**Strengths**

- Accumulated M&A expertise and hands-on management talent deeply involved in business operations
- Core Group companies forming robust and high-quality value chains
- Stable real estate development leveraging the diverse network unique to a general trading company

**Building Materials & Wood Products****North American construction materials business**• Development of a **robust value chain**

- ITOCHU Building Products Holdings
  - MASTER-HALCO (Manufacture and wholesale of fences)
  - Alta Forest Products (Manufacture of wooden fences)
  - US Premier Tube Mills (Manufacture of pipes for fences)
  - CIPA Lumber (Manufacture of veneer)
  - Pacific Woodtech (Manufacture of laminated veneer lumber)



- ◆ ITOCHU KENZAI (Wholesale of wood products and building materials)
- ◆ DAIKEN (Manufacture and wholesale of building materials)

**Mobility / Goods & Materials**

## ■ European Tyre Enterprise



- Conducts the operations of Kwik-Fit, the U.K.'s **largest tire retailer**

- ◆ WECARS (Retail chain of used vehicles)
- ◆ Nalnet Communications (Vehicle maintenance management services)
- ◆ ITOCHU CERATECH (Manufacture of molding sand, ceramic-based catalyst for hydrogen production, and other ceramic raw materials and products)
- Aneka Bumi Pratama (Processing of natural rubber / Indonesia)

**Pulp / Paper / Hygiene Materials**

## ■ Metsä Fibre (Finland)



- **One of the world's largest** manufacturers of commercial softwood pulp
- Pulp production capacity: Approx. 4.0 million tons per year

- ◆ ITOCHU Pulp & Paper (Wholesale of paper, paper board, and processed paper products)

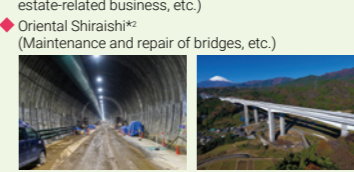
**Development & Operation of Real Estate**

- ◆ ITOCHU Property Development
  - Development of condominiums (CREVIA series)
  - Development of profit-earning real estate



- ◆ ITOCHU Urban Community (Management of condominiums, rental apartments, and office buildings)
- ◆ ITOCHU HOUSING (Real estate agent and property consultant)
- ◆ ITOCHU REIT Management (Management of REITs and funds)
- ◆ CENTURY 21 REAL ESTATE OF JAPAN (Real estate franchise operation)
- ◆ ITOHPIA HOME (Planning and construction of detached houses)
- ◆ CHUSETSU Engineering (Planning and construction of plants, logistics facilities, etc.)
- ◆ IZU-OHITO DEVELOPMENT (Golf course management)
- ◆ Paraca (Business and operational management of parking lots)

- ◆ Nishimatsu Construction (Construction business, real estate-related business, etc.)
- ◆ Oriental Shiraishi\*2 (Maintenance and repair of bridges, etc.)

**Overseas businesses**

- Condominium and detached house leasing business (the U.S.)
- KARAWANG INTERNATIONAL INDUSTRIAL CITY (Indonesia)
- Saigon Sky Garden (Serviced apartments / Vietnam)

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

\*2 Non-affiliated companies

## ► Demonstrating “Front-Line Capabilities” to Enhance Corporate Value

**Rebuilding of WECARS Co., Ltd.: Initiatives to Become an Industry Leader**

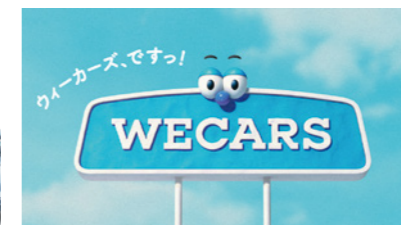
We established WECARS Co., Ltd. in May 2024 and took over the used car sales and maintenance business of the former BIGMOTOR Co., Ltd. Our biggest goal for WECARS Co., Ltd. is to be a company that is trusted and appealing by sincerely engaging with both our customers and society under the concept of “customer first.” We have dispatched over 70 personnel from our Group, from management to the front lines, to build a robust governance system that places the utmost

importance on compliance, in an effort to restore trust.

By combining the comprehensive strength of our Group with our industry-leading repair shops, auto body and paint shops, and a nationwide network of approximately 240 stores (as of June 2025), we aim to provide safety and security to car users and become a leading company in the used car industry.



WECARS Co., Ltd. launched with a new brand logo



The familiar “Singing Signboard” from TV commercials



Our dispatched employees at WECARS Co., Ltd. headquarters

## Quantitative Information (FYE 2025 Results)

Consolidated Net Profit .....¥83.2 billion

ROA\*1 .....5.7%

\*1 ROA based on core profit

## Areas with High Growth Potential

- Strengthening the digital value chain centered around CTC
- Expanding overseas business in the retail finance and insurance areas
- Expanding the business foundation in growth areas such as space and satellite, healthcare, circular economy-related business, etc.



Promotion of digital transformation (DX) support by accurately capturing IT demand



Investment in Thaivivat Insurance PCL, a non-life insurance company in Thailand

## PRESIDENT MESSAGE

### Capturing DX Demand through the Digital Value Chain and Building an Earnings Base in Finance and Insurance

We are promoting a digital value chain strategy centered around CTC, capturing strong demand for domestic IT investment and steadily expanding our business in the information and communications areas. We will continue to promote businesses that respond to the trend of DX, and will rapidly adopt new technologies such as generative AI to further expand our business. In the finance and insurance area, we will actively invest in the retail sector, primarily in HOKEN NO MADOGUCHI GROUP INC. and Gaitame.Com Co., Ltd., in order to build up core profits. In addition, we will leverage our knowledge and capabilities to contribute to accelerating the transformation and growth of a wide range of businesses and projects, including other Division Companies.



### Shunsuke Noda

President,  
ICT & Financial Business Company  
Since joining the Company, Mr. Noda has been involved in the information and communications business, was seconded to CTC\*, and has been involved in the development of the internet business since the dawn of the internet era. He has served as President and Representative Director of Excite Japan Co., Ltd., General Manager of the Corporate Planning & Administration Division, and as CSO, CDO・CIO, contributing to the overall management of ITOCHU by promoting DX throughout the ITOCHU Group. After serving as President and Representative Director of BellSystem24, currently in this position since 2024 and serving as Deputy COO from 2025.

\*2 Company name at the time:  
ITOCHU Techno-Science Corporation

## Key Macroenvironmental Factors Affecting the Company

### P Political / Legal

- Strengthening of Money Lending Business Act and maximum interest rate regulations
- Introduction of next-generation communications standards

### E Economical

- IT investment trends
- Changes in interest rate policies in various countries
- Shortage of human resources (medical, IT, consulting, BPO industries, etc.)

### S Social / Cultural

- Expansion of cloud computing utilization and data utilization
- Increasing importance of cybersecurity
- Expanding the circular economy

### T Technological

- Advances in generative AI and IoT technologies
- Growth of fintech and insurtech

## Key Opportunities

- Increase in related businesses due to the expansion of generative AI usage
- Expansion of related businesses driven by domestic IT investment and DX

## Key Risks

- Loss of business opportunities due to a shortage of engineers in Japan
- Decline in profitability of overseas financial businesses due to lower maximum interest rates in various countries

## Connection to the Corporate Value Calculation Formula

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

## Expand Created Value

By accurately capturing robust domestic demand for AI investments, CTC, which was privatized in FYE 2024, achieved a significant increase over the previous record-high profit. CTC has continuous strong orders and is expected to achieve a record-high profit for the second consecutive year.

## Increase Growth Rate

We are strengthening our digital value chain by establishing a joint venture with Boston Consulting Group and entering into capital and business alliances with our Group of digital businesses. We aim to strengthen CTC's upstream project acquisition, capture demand in high-growth areas, and further expand our business base.

## Lower Cost of Capital

We will strengthen the distribution business of used mobile devices, including through Belong Inc., which operates an online distribution business for used mobile devices in Japan, and the used mobile phone trading business in North America, in order to respond to changing consumer needs while contributing to the efficient use of resources and reducing the environmental burden.

Textile Company

Machinery Company

Metals & Minerals  
Company

Energy & Chemicals  
Company

Food Company

General Products &  
Realty Company

ICT & Financial Business  
Company

The 8th Company

## Strengths and Business Domains

Percentage of Earnings from Business in Japan (image)

90%

## Strengths

- Earnings base and synergies, driven by Group companies with leading scale and presence in the Japanese domestic ICT field
- Development of retail businesses together with market-driving core Group companies in the financial and insurance business
- Network of start-ups and leading-edge companies in Japan and overseas through relationships with top-tier venture capital firms in North America, Europe, and other regions



## Demonstrating "Front-Line Capabilities" to Enhance Corporate Value

### Privatization of PASCO Corporation, the Largest Domestic Surveying Service Provider, through a Joint TOB with SECOM CO., LTD.

We acquired 25% of the shares of PASCO Corporation, which handles a wide range of geospatial information, through a tender offer (TOB) conducted jointly with SECOM CO., LTD. from September 2024, in order to further enhance the non-communications area of our satellite business.

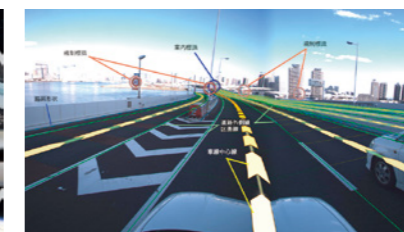
As technological advances such as miniaturization of satellites and reduction in launch costs continue, the data that can be obtained from satellites is becoming more diverse. In addition to traditional communications satellite

services, we will also focus on initiatives that utilize this data.

The geospatial information obtained through Earth observation can be used to improve the efficiency of customers' operations and DX, as well as autonomous driving in the future. By collaborating with our Group of digital businesses, we aim to further expand our earnings base by providing a comprehensive service from data acquisition to data processing and analysis.



Accumulating a wealth of geospatial information using satellites, vehicles, aircraft, etc.



3D maps for autonomous driving



Seconded to PASCO Corporation employees and Satellite & IP Content Business Section staff

## ► Quantitative Information (FYE 2025 Results)

Consolidated Net Profit .....¥65.1 billion

ROA\*1 .....1.7%

\*1 ROA based on core profit

## ► Areas with High Growth Potential

- Enhancing FamilyMart's convenience store business while creating and expanding new businesses by leveraging FamilyMart's business foundation
- Creating new consumer-related businesses



FamilyMart store



FamiPay

## PRESIDENT MESSAGE

## Accelerating Expansion of Consumer-Related Businesses through a Market-Oriented Perspective

Our mission is to evolve businesses with a downstream perspective close to consumers, in collaboration with the other seven Division Companies. As the Group's largest consumer contact points we are supporting the sustainable growth of FamilyMart by utilizing internal and external resources, while also taking on the challenge of creating new businesses that leverage FamilyMart's business foundations, such as the retail media business. In addition, through our market-oriented perspective, we will accelerate investments in consumer sectors where growth is expected, thereby contributing to strengthening our value chain, expanding our business domain, and enhancing our corporate brand.



## Tatsuo Odani

President, The 8th Company

Mr. Odani transitioned to the brand business after starting his career in the textile materials business, and demonstrated his management skills on the retail front lines as President of Lellian Co., Ltd. and EDWIN Co., Ltd. Leveraging his extensive experience in the consumer business, he continues to take on front-line challenges with a hands-on approach. Currently in this position since 2023.

## Key Macroenvironmental Factors Affecting the Company

## P Political / Legal

- Tightening of environmental regulations
- Ongoing 2024 logistics issue of driver shortages—the cap on truck drivers' overtime hours starting from 2024—

## E Economical

- Increase in inbound consumption
- Increasing severity of labor shortage
- Domestic consumption trends

## S Social / Cultural

- Low birthrate and aging population; regional population decline
- Growing health consciousness
- Promotion of food loss reduction

## T Technological

- Labor-saving and efficiency improvements by using AI, etc.
- Transformation of business models through expanded data utilization

## Key Opportunities

- Expansion of new businesses leveraging purchasing data
- Cost reductions in operations and logistics through digital transformation (DX) promotion

## Key Risks

- Saturation of convenience store market due to population decline
- Decreased profitability caused by inflation, logistics constraints, and labor shortages

## Connection to the Corporate Value Calculation Formula

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

## Expand Created Value

Through strengthening product competitiveness and marketing capabilities at FamilyMart, achieved record-high business profit. These product enhancements are the result of Companywide collaboration, including stable rice supply from ITOCHU Food Sales and Marketing Co., Ltd. and the development of Convenience Wear leveraging expertise from the Textile Company.

## Increase Growth Rate

The retail media business, utilizing FamilyMartVision digital signage installed in over 10,000 stores and one of the largest advertising IDs in Japan, has grown into a large-scale media platform with an average daily audience of approximately 15 million. We are expanding new business areas in the domestic advertising market as a front-runner.

## Lower Cost of Capital

At FamilyMart, sustainability promotion is positioned as a core marketing strategy, and new initiatives have started. By changing the design of markdown stickers for near-expiry food products to "teary-eyed stickers," the purchase rate of discounted items has increased, and annual food loss at stores is expected to be reduced by approximately 3,000 tons per year. In addition, leveraging the expertise of ITOCHU PLASTICS INC., we provide packaging that balances consumer convenience with reduced environmental impact.

## ► Strengths and Business Domains

Percentage of Earnings from Business in Japan (image)

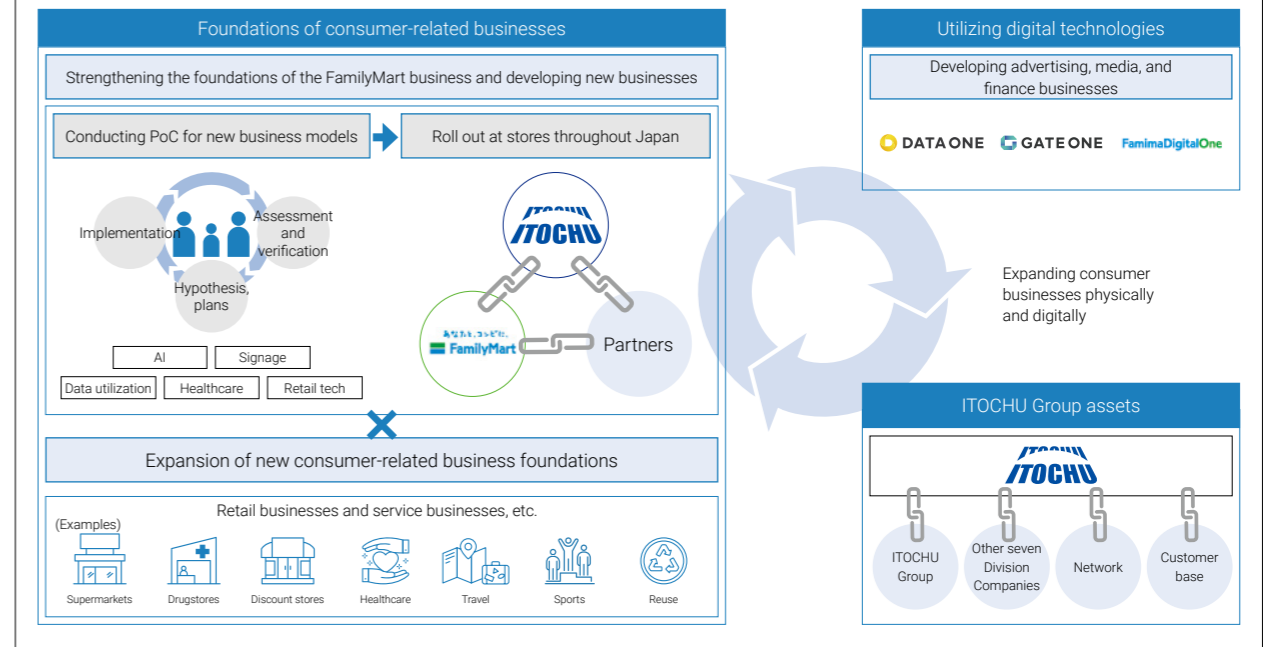
100%

## Strengths

- An organizational culture that creates new businesses from the downstream through a market-oriented perspective
- A highly agile, amoeba-like organization comprised of diverse talent with experience across Division Companies and mutual personnel exchanges with Group companies
- Customer base in both physical and digital domains, grounded in FamilyMart's store network

## By capturing the diversifying needs through a market-oriented perspective and leveraging our various business foundations with strengths in the consumer sector, we will develop new services and business models utilizing digital technologies and AI.

- We will create new business models that reflect customer needs and which utilize FamilyMart's data, store network, and ability to attract customers. After conducting proof-of-concept (PoC) tests for these business models, we will roll them out at FamilyMart stores throughout Japan. Further, we will expand business foundations by rolling out these new services and technologies in other retail businesses and service businesses.
- We will increase data volume and customer contact points to maximize the profits of advertising, media, and finance businesses. In addition, we will utilize digital technologies to expand consumer businesses physically and digitally.
- In the consumer-related sector, we will actively advance investment projects that promise significant growth going forward.



## ► Demonstrating "Front-Line Capabilities" to Enhance Corporate Value

## From Retail Media Front-Runner to Cross-Industry Platform Provider

The growth of Data One Corp., which was established under the leadership of our Company and is responsible for the digital advertising business, and Gate One Corp., which operates digital signage in FamilyMart stores, has dramatically improved FamilyMart's ability to communicate both physically and digitally. In FYE 2025, the installation of beacons\*2 at FamilyMart stores nationwide was completed, making it possible to implement more detailed marketing measures, such as distributing coupons to smartphones when customers visit the store. As recognition as a front-runner in retail media

increases, we have recently been expanding alliances that transcend industry boundaries. This includes various data collaborations with other retailers such as drugstores, as well as the development of advertising plans that combine external media (such as in-train signage, TV commercials) with digital advertising and in-store signage.

\*2 A device that transmits information within a certain range. Devices that receive its signal can receive information such as coupons or specific notifications.

For more details on the Retail Media business' growth strategy, please refer to ITOCHU's website.  
<https://www.itochu.co.jp/en/ir/doc/presentation/>



Deploying advertising based on purchasing data



Digital signage "FamilyMartVision"



Our representative in charge of promoting the retail media business