

Consolidated Financial Results for the First Quarter of the Fiscal Year 2016 ending March 31, 2016

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-Unaudited-

August 4, 2015

Consolidated Financial Results for the First Quarter of the Fiscal Year 2016 ending March 31, 2016

[Prepared in conformity with International Financial Reporting Standards]

Company name: ITOCHU Corporation
 Stock exchange code: 8001 <http://www.itochu.co.jp/en/ir/>
 President and Chief Executive Officer: Masahiro Okafuji
 General Manager, Investor Relations Department: Satoshi Nakajima TEL: 81 - 3 - 3497 - 7295
 The date of payout of dividend: -

1. Consolidated operating results for the first quarter of the fiscal year 2016 (from April 1, 2015 to June 30, 2015)

(1) Consolidated operating results (Summary) (%: Changes from the same period of the previous fiscal year)

	Revenues		Trading income (*3)		Profit before tax		Net profit attributable to ITOCHU		Total comprehensive income attributable to ITOCHU	
	millions of yen	%	millions of yen	%	millions of yen	%	millions of yen	%	millions of yen	%
For the first quarter of										
Fiscal year 2016	1,259,083	(4.9)	46,682	(12.4)	124,007	16.0	121,459	50.3	145,342	89.6
Fiscal year 2015	1,323,906	2.3	53,273	(4.4)	106,920	11.1	80,836	18.4	76,665	(39.2)

	Basic earnings per share attributable to ITOCHU	Diluted earnings per share attributable to ITOCHU
	yen	yen
For the first quarter of		
Fiscal year 2016	76.85	75.48
Fiscal year 2015	51.15	48.89

Equity in earnings of associates and joint ventures (millions of yen) 1st quarter of FY 2016 : 37,759 [+12.7%] 1st quarter of FY 2015 : 33,514 [+28.8%]
 Total comprehensive income (millions of yen) 1st quarter of FY 2016 : 141,797 [+79.5%] 1st quarter of FY 2015 : 79,008 [- 43.3%]

(2) Consolidated financial position

	Total assets	Total equity	Total shareholders' equity	Ratio of shareholders' equity to total assets	Shareholders' equity per share
	millions of yen	millions of yen	millions of yen	%	yen
June 30, 2015	8,960,281	2,840,294	2,538,840	28.3	1,606.40
March 31, 2015	8,560,701	2,748,251	2,433,202	28.4	1,539.55

2. Dividend distribution

	Dividend distribution per share				
	End of first quarter	End of second quarter	End of third quarter	Year-end	Annual
	yen	yen	yen	yen	yen
Fiscal year 2015	-	23.00	-	23.00	46.00
Fiscal year 2016	-				
Fiscal year 2016 (Planned)		25.00	-	25.00	50.00

(Note) Revisions to the plan of dividend distribution announced most recently: None

3. Outlook of consolidated operating results for fiscal year 2016 (from April 1, 2015 to March 31, 2016)

(%: Changes from the previous fiscal year)

	Revenues		Trading income		Profit before tax		Net profit attributable to ITOCHU		Basic earnings per share attributable to ITOCHU	
	millions of yen	%	millions of yen	%	millions of yen	%	millions of yen	%	yen	yen
Fiscal year 2016	5,600,000	0.2	240,000	(12.0)	406,000	(3.0)	330,000	9.8	208.80	

(Note) Revisions to the outlook of consolidated operating results announced most recently: None

(Note) Outlook of consolidated operating results for the first half of fiscal year 2016 is not prepared.

4. Other information

(1) Changes in significant subsidiaries accompanied by changes in the consolidation scope: None

(2) Changes in accounting policies and accounting estimates

- (a) Changes in accounting policies required by IFRS: None
- (b) Other changes: None
- (c) Changes in accounting estimates: None

(3) Number of common shares issued

(a) Number of common shares outstanding: (including the number of treasury stock)	1st quarter of FY 2016	1,662,889,504	Fiscal Year 2015	1,662,889,504
(b) Number of treasury stock:	1st quarter of FY 2016	82,431,483	Fiscal Year 2015	82,424,923
(c) Average number of common shares outstanding:	1st quarter of FY 2016	1,580,461,557	1st quarter of FY 2015	1,580,478,160

[Note]

*1. This document is an English translation of a statement written initially in Japanese. The Japanese original document should be considered as the primary version.

*2. The financial statements contain forward-looking statements regarding ITOCHU Corporation's corporate plans, strategies, forecasts, and other statements that are not historical facts. They are based on current expectations, estimates, forecasts and projections about the industries in which ITOCHU Corporation operates. As the expectations, estimates, forecasts and projections are subject to a number of risks, uncertainties and assumptions, including without limitation, changes in economic conditions; fluctuations in currency exchange rates; changes in the competitive environment; the outcome of pending and future litigation; and the continued availability of financing; financial instruments and financial resources, they may cause actual results to differ materially from those presented in such forward-looking statements. ITOCHU Corporation, therefore, wishes to caution that readers should not place undue reliance on forward-looking statements, and further, that ITOCHU Corporation undertakes no obligation to update any forward-looking statements as a result of new information, future events or other developments.

*3. "Trading income" is presented in accordance with Japanese accounting practices.

- "Trading income" = "Gross trading profit" + "Selling, general and administrative expenses" + "Provision for doubtful accounts"

*4. The consolidated financial statements are expressed in Japanese yen and, solely for the convenience of the reader, have been translated into U.S. dollars at the rate of 122.45 yen = 1 U.S. dollar, the exchange rate prevailing on June 30, 2015. The translation should not be construed as a representation that the Japanese yen amounts could be converted into U.S. dollars at the above or any other rate.

*5. "ITOCHU" referred to in the consolidated financial statements represents ITOCHU Corporation.

1. Qualitative Information

(1) Qualitative Information of the Consolidated Operating Results

[For the three-month period ended June 30, 2015]

(a) General Economic Situation

For the three-month period ended June 30, 2015, the pace of growth in the global economy grew at a sluggish pace overall reflecting the slow economic recovery in certain emerging countries and economic slowdowns in the Japan and Euro zones, although the U.S. economy showed a smooth recovery. Reflecting the expectation of improvement in the demand-supply balance stemming from reduced shale oil production in the U.S., the WTI crude oil price recovered to approximately US\$60 level per barrel in May. However, the rise in oil price subsequently leveled off because of low expectation of an early recovery in demand, and the price remained around \$60 per barrel.

In Japan, the consumer spending and the housing investment gradually recovered from the slump that followed the consumption tax hike, and there were signs that the corporate capital investment had begun to expand again. However, as increase in export tapered off and as production adjustments were implemented in certain sectors, the overall economic conditions in Japan were limited to a moderate recovery.

Against a backdrop of expectations for an early increase in interest rates in the U.S., the yen depreciated against the dollar, temporarily reaching the ¥125 - ¥126 range in early June. However, as the Bank of Japan worked to curb the progress of depreciation of the yen against the U.S. dollar and as the situation in the Greece worsened, the yen began to appreciate reaching the ¥122.0 - ¥122.5 range at the end of June. The Nikkei Stock Average recovered to approximately the ¥20,000 level in late April due to expectations of improvement in domestic business results, and reached approximately the ¥20,800 level in late June but due to the concern of the Greece situation, the price dropped to approximately the ¥20,200 level at the end of June. The yield on 10-year Japanese government bonds rose to 0.50% - 0.55% range at the mid of June due to the expectations of economic recovery, but declined slightly to approximately 0.45% in end of June due to the Greece situation.

(b) Consolidated Operating Results

	Billions of Yen				Millions of
	Apr.-Jun. 2015	Apr.-Jun. 2014	Increase (Decrease)	%	Apr.-Jun. 2015
Revenues	1,259.1	1,323.9	(64.8)	(4.9%)	10,282
Gross trading profit	253.7	245.9	7.8	3.2%	2,071
Selling, general and administrative expenses	(205.4)	(192.1)	(13.3)	6.9%	(1,677)
Gains on investments.....	33.0	11.7	21.3	182.5%	269
Equity in earnings of associates and joint ventures	37.8	33.5	4.2	12.7%	308
Income tax expense.....	3.2	(23.6)	26.9	-	26
Net profit attributable to ITOCHU.....	121.5	80.8	40.6	50.3%	992
(Reference) Trading income.....	46.7	53.3	(6.6)	(12.4%)	381

(i) Revenues (from external customers)

Revenues for the three-month period ended June 30, 2015, decreased by 4.9%, or 64.8 billion yen, compared with the same period of the previous fiscal year, to 1,259.1 billion yen (10,282 million U.S. dollars).

- **Food Company:**
Increased by 15.8 billion yen compared with the same period of the previous fiscal year, to 270.2 billion yen (2,207 million U.S. dollars), due to the effect of foreign currency translation of fresh food-related subsidiaries, and higher transaction volume in food-distribution-related subsidiaries.
- **Textile Company:**
Increased by 14.1 billion yen compared with the same period of the previous fiscal year, to 130.4 billion yen (1,065 million U.S. dollars), mainly due to the income from EDWIN CO., LTD. from the second quarter of the previous fiscal year.
- **Energy & Chemicals Company:**
Decreased by 95.2 billion yen compared with the same period of the previous fiscal year, to 399.8 billion yen (3,265 million U.S. dollars), due to the decline in oil prices in energy trading transactions, despite the favorable performance in the chemical trading transactions.

(ii) Gross trading profit

Gross trading profit increased by 3.2%, or 7.8 billion yen, compared with the same period of the previous fiscal year, to 253.7 billion yen (2,071 million U.S. dollars).

- **ICT, General Products & Realty Company:**
Increased by 6.8 billion yen compared with the same period of the previous fiscal year, to 75.7 billion yen (618 million U.S. dollars), due to the sales of real properties for sale, the favorable performance in European tire-related companies, and higher transaction volume in domestic ICT-related companies.
- **Food Company:**
Increased by 5.2 billion yen compared with the same period of the previous fiscal year, to 63.6 billion yen (520 million U.S. dollars), due to the improvement in profitability in the packaged food business in fresh food-related subsidiaries, and higher transaction volume in food-distribution-related subsidiaries.
- **Textile Company:**
Increased by 3.8 billion yen compared with the same period of the previous fiscal year, to 31.8 billion yen (260 million U.S. dollars), mainly due to the income from EDWIN CO., LTD. from the second quarter of the previous fiscal year.
- **Metals & Minerals Company :**
Decreased by 8.1 billion yen compared with the same period of the previous fiscal year, to 9.6 billion yen (78 million U.S. dollars), due to the decline in iron ore and coal prices, despite the increase in iron ore sales volume, reduction of costs in iron ore and coal-related companies, and the improvement in foreign currency translation.

(iii) Selling, general and administrative expenses

Selling, general and administrative expenses increased by 6.9%, or 13.3 billion yen, compared with the same period of the previous fiscal year, to 205.4 billion yen (1,677 million U.S. dollars), due to higher expenses in existing subsidiaries in the Food Company, the ICT, General Products & Realty Company, and the acquisition of EDWIN CO., LTD in the Textile Company and subsidiaries in energy-related companies in the previous fiscal year.

(iv) Gains on investments

Gains on investments increased by 182.5%, or 21.3 billion yen, compared with the same period of the previous fiscal year, to 33.0 billion yen (269 million U.S. dollars), due to the gain on sales of housing-materials-related subsidiaries in the U.S., despite the absence of gain on remeasurement accompanying the conversion of an Internet advertising company from associated companies to other investments in the same period of the previous fiscal year.

(v) Equity in earnings of associates and joint ventures

Equity in earnings of associates and joint ventures increased by 12.7%, or 4.2 billion yen, compared with the same period of the previous fiscal year, to 37.8 billion yen (308 million U.S. dollars).

- Metals & Minerals Company:

Increased by 6.0 billion yen compared with the same period of the previous fiscal year, to 13.6 billion yen (111 million U.S. dollars), due to the improvement in foreign currency translation in a Brazilian iron ore company, despite the decline in iron ore prices.

- ICT, General Products & Realty Company:

Increased by 5.2 billion yen compared with the same period of the previous fiscal year, to 14.5 billion yen (119 million U.S. dollars), due to the favorable performance of foreign pulp companies, and contribution of new associated companies.

- Food Company:

Decreased by 6.5 billion yen compared with the same period of the previous fiscal year, to 2.2 billion yen (18 million U.S. dollars), due to the absence of the gain on sales of affiliates in the CVS companies in the same period of the previous fiscal year and the effect from the conversion of TING HSIN (CAYMAN ISLANDS) HOLDING CORP. from associated companies to other investments.

(vi) Income tax expense

Income tax expense improved by 26.9 billion yen, compared with the same period of the previous fiscal year, to 3.2 billion yen (gains) (26 million U.S. dollars), due to the improvement of tax expenses accompanying the disposal of an U.S. oil and gas development company.

(vii) Net profit attributable to ITOCHU

Consequently, **Net profit attributable to ITOCHU** increased by 50.3%, or 40.6 billion yen, compared with the same period of the previous fiscal year, to 121.5 billion yen (992 million U.S. dollars).

(Reference) Trading Income

“Trading Income” in accordance with Japanese accounting practices (“Trading income” = “Gross trading profit” + “Selling, general and administrative expenses” + “Provision for doubtful accounts”) decreased by 12.4%, or 6.6 billion yen, compared with the same period of the previous fiscal year, to 46.7 billion yen (381 million U.S. dollars).

· ICT, General Products & Realty Company:

Increased by 4.7 billion yen compared with the same period of the previous fiscal year, to 12.3 billion yen (101 million U.S. dollars), mainly due to higher gross trading profit.

· Metals & Minerals Company:

Decreased by 8.2 billion yen compared with the same period of the previous fiscal year, to 5.0 billion yen (41 million U.S. dollars), mainly due to lower gross trading profit.

(2) Qualitative Information of the Consolidated Financial Position

(a) Consolidated Financial Position

	Billions of Yen				Millions of U.S. dollars
	Jun. 2015	Mar. 2015	Increase (Decrease)	%	Jun. 2015
Total assets	8,960.3	8,560.7	399.6	4.7%	73,175
Interest-bearing debt	3,413.6	3,092.2	321.4	10.4%	27,877
Net interest-bearing debt	2,811.1	2,380.5	430.6	18.1%	22,957
Total shareholders' equity	2,538.8	2,433.2	105.6	4.3%	20,734
Ratio of shareholders' equity to total assets	28.3%	28.4%	(0.1pt)		
NET DER (times)	1.1	0.98	0.1		

(i) Total assets

Total assets as of June 30, 2015, increased by 4.7%, or 399.6 billion yen, compared with March 31, 2015, to 8,960.3 billion yen (73,175 million U.S. dollars). This increase was due to the providing of loan accompanying the acquisition of CITIC Limited shares (including the temporary funding portion for CP Group*, approximately 490.0 billion yen), despite the decrease due to the sales of housing-materials-related subsidiaries in the U.S.

*temporary funding portion for CP Group (approximately 250.0 billion yen) was collected on Jul. 22, 2015

(ii) Interest-bearing debt

Interest-bearing debt increased by 10.4%, or 321.4 billion yen, compared with March 31, 2015, to 3,413.6 billion yen (27,877 million U.S. dollars), due to the increase in borrowings accompanying the providing of loan regarding the acquisition of CITIC Limited shares (including the temporary funding portion for CP Group). **Net interest-bearing debt** (**Interest-bearing debt** after deducting **Cash and cash equivalents** and **Time deposits**) increased by 18.1%, or 430.6 billion yen, compared with March 31, 2015, to 2,811.1 billion yen (22,957 million U.S. dollars).

(iii) Total shareholders' equity

Total shareholders' equity increased by 4.3%, or 105.6 billion yen, compared with March 31, 2015, to 2,538.8 billion yen (20,734 million U.S. dollars), due to the increase in **Net profit attributable to ITOCHU**, despite the dividend payments.

(iv) Ratio of shareholders' equity to total assets and NET DER (Net debt-to-shareholders' equity ratio)

Ratio of shareholders' equity to total assets was nearly at the same level compared with March 31, 2015, at 28.3%. **NET DER** (Net debt-to-shareholders' equity ratio) slightly increased compared with March 31, 2015 at 1.1 times due to an increase in interest-bearing-debt.

(b) Consolidated Cash Flows

	Billions of Yen		Millions of
	Apr.-Jun. 2015	Apr.-Jun. 2014	U.S. dollars Apr.-Jun. 2015
Cash flows from operating activities	71.0	64.8	580
Cash flows from investing activities	(410.1)	(20.1)	(3,349)
<i>Free cash flows</i>	<i>(339.1)</i>	<i>44.7</i>	<i>(2,769)</i>
Cash flows from financing activities	226.3	(84.4)	1,847

(i) Cash flows from operating activities

Cash flows from operating activities for the three-month period ended June 30, 2015, recorded a net cash-inflow of 71.0 billion yen (580 million U.S. dollars), resulting from the steady collections of trade receivables in the energy and food sectors, despite the increase in trade receivables and inventories in the general merchandise and chemicals sectors, and the decrease in the trade payables in the ICT sector.

(ii) Cash flows from investing activities

Cash flows from investing activities recorded a net cash-outflow of 410.1 billion yen (3,349 million U.S. dollars), due to the providing of loan accompanying the acquisition of CITIC Limited shares (including the temporary funding portion for CP Group*, approximately 490.0 billion yen), despite the decrease due to the sales of housing-materials-related subsidiaries in the U.S.

*temporary funding portion for CP Group (approximately 250.0 billion yen) was collected on Jul. 22, 2015

(iii) Cash flows from financing activities

Cash flows from financing activities recorded a net cash-inflow of 226.3 billion yen (1,847 million U.S. dollars), due to the increase in debt, despite the dividend payments.

Consequently, **Cash and cash equivalents** as of June 30, 2015 decreased by 105.2 billion yen to 595.1 billion yen (4,860 million U.S. dollars), compared with March 31, 2015.

2. Summary Information (Notes)

- (1) **Changes in significant subsidiaries accompanied by changes in the consolidation scope:** None
- (2) **Changes in accounting policies and accounting estimates**
- | | |
|--|------|
| (a) Changes in accounting policies required by IFRS: | None |
| (b) Other changes: | None |
| (c) Changes in accounting estimates: | None |

3. Quarterly Consolidated Financial Statements [Condensed]**(1) Consolidated Statement of Comprehensive Income [Condensed]**

ITOCHU Corporation and its Subsidiaries

For the three-month periods ended June 30, 2015 and 2014

	Millions of Yen		Millions of U.S. dollars
	Apr.-Jun. 2015	Apr.-Jun. 2014	Apr.-Jun. 2015
Revenues:			
Revenues from sale of goods.....	¥ 1,083,670	¥ 1,196,544	\$ 8,849
Revenues from rendering of services and royalties.....	175,413	127,362	1,433
Total revenues.....	1,259,083	1,323,906	10,282
Cost:			
Cost of sale of goods.....	(874,124)	(988,748)	(7,139)
Cost of rendering of services and royalties.....	(131,309)	(89,292)	(1,072)
Total cost.....	(1,005,433)	(1,078,040)	(8,211)
Gross trading profit	253,650	245,866	2,071
Other gains (losses):			
Selling, general and administrative expenses.....	(205,406)	(192,139)	(1,677)
Provision for doubtful accounts.....	(1,562)	(454)	(12)
Gains on investments.....	32,996	11,681	269
Gains (losses) on property, plant, equipment and intangible assets.....	(613)	2,483	(5)
Other-net.....	3,088	3,419	26
Total other-losses.....	(171,497)	(175,010)	(1,399)
Financial income (loss):			
Interest income.....	5,173	3,048	42
Dividends received.....	5,692	5,896	46
Interest expense.....	(6,770)	(6,394)	(55)
Total financial income.....	4,095	2,550	33
Equity in earnings of associates and joint ventures.....	37,759	33,514	308
Profit before tax.....	124,007	106,920	1,013
Income tax expense.....	3,236	(23,636)	26
Net Profit.....	127,243	83,284	1,039
Net profit attributable to ITOCHU.....	121,459	80,836	992
Net profit attributable to non-controlling interests.....	5,784	2,448	47

	Millions of Yen		Millions of U.S. dollars
	Apr.-Jun. 2015	Apr.-Jun. 2014	Apr.-Jun. 2015
Other comprehensive income, net of tax:			
Items that will not be reclassified to profit or loss			
FVTOCI financial assets.....	¥ 5,058	¥ 14,602	\$ 41
Remeasurement of net defined pension liability.....	(22)	486	(0)
Other comprehensive income in associates and joint ventures.....	6,408	4,275	52
Items that will be reclassified to profit or loss			
Translation adjustments.....	27,526	(14,106)	226
Cash flow hedges.....	(1,043)	(263)	(9)
Other comprehensive income in associates and joint ventures.....	(23,373)	(9,270)	(191)
Total other comprehensive income (loss), net of tax.....	14,554	(4,276)	119
Total comprehensive income	141,797	79,008	1,158
Total comprehensive income attributable to ITOCHU	145,342	76,665	1,187
Total comprehensive income attributable to non-controlling interests	(3,545)	2,343	(29)

Note 1 : The gains and losses on disposal and remeasurement of equity financial instruments, of which the changes in fair value are recorded in other comprehensive income, are recognized in "FVTOCI financial assets".

Note 2 : "Trading income" is presented in accordance with Japanese accounting practices.
("Trading income" = "Gross trading profit" + "Selling, general and administrative expenses" + "Provision for doubtful accounts")
Trading income for the three-month periods ended June 30, 2015 and 2014 were 46,682 million yen (381 million U.S. dollars) and 53,273 million yen, respectively.

(2) Consolidated Statement of Financial Position [Condensed]

ITOCHU Corporation and its Subsidiaries

As of June 30, 2015 and March 31, 2015

Assets	Millions of Yen		Millions of U.S. dollars
	Jun. 2015	Mar. 2015	Jun. 2015
Current assets:			
Cash and cash equivalents.....	¥ 595,072	¥ 700,292	\$ 4,860
Time deposits.....	7,376	11,368	60
Trade receivables.....	2,035,396	2,101,300	16,622
Other current receivables.....	372,380	132,495	3,041
Other current financial assets.....	40,010	53,109	327
Inventories.....	841,601	780,550	6,873
Advances to suppliers.....	183,692	167,812	1,500
Other current assets.....	136,935	191,026	1,118
Total current assets.....	4,212,462	4,137,952	34,401
Non-current assets:			
Investments accounted for by the equity method.....	1,659,536	1,618,138	13,553
Other investments.....	1,045,298	1,030,078	8,537
Non-current receivables.....	369,925	121,397	3,021
Non-current financial assets other than investments and receivables.....	159,637	148,391	1,304
Property, plant and equipment.....	796,998	786,562	6,509
Investment property.....	31,364	32,899	256
Goodwill and intangible assets.....	500,231	488,941	4,085
Deferred tax assets.....	54,616	55,450	446
Other non-current assets.....	130,214	140,893	1,063
Total non-current assets.....	4,747,819	4,422,749	38,774
Total assets.....	¥ 8,960,281	¥ 8,560,701	\$ 73,175

Liabilities and Equity	Millions of Yen		Millions of
			U.S. dollars
	Jun. 2015	Mar. 2015	Jun. 2015
Current liabilities:			
Short-term debentures and borrowings.....	¥ 728,489	¥ 543,660	\$ 5,949
Trade payables.....	1,694,944	1,669,814	13,842
Other current payables.....	88,324	76,605	721
Other current financial liabilities.....	28,658	28,082	234
Current tax liabilities.....	22,054	35,513	180
Advances from customers.....	190,758	173,683	1,558
Other current liabilities.....	275,961	319,154	2,254
Total current liabilities	3,029,188	2,846,511	24,738
Non-current liabilities:			
Long-term debentures and borrowings.....	2,685,075	2,548,504	21,928
Other non-current financial liabilities.....	104,337	103,819	851
Non-current liabilities for employee benefits.....	55,801	56,404	456
Deferred tax liabilities.....	150,691	166,171	1,231
Other non-current liabilities.....	94,895	91,041	775
Total non-current liabilities	3,090,799	2,965,939	25,241
Total liabilities	6,119,987	5,812,450	49,979
Equity:			
Common stock:			
Authorized: 3,000,000,000 shares;			
issued: 1,662,889,504 shares.....	253,448	253,448	2,070
Capital surplus.....	160,832	164,154	1,314
Retained earnings.....	1,675,492	1,587,318	13,683
Other components of equity :			
Translation adjustments.....	370,631	364,454	3,027
FVTOCI financial assets.....	184,340	176,487	1,505
Cash flow hedges.....	(1,751)	(8,517)	(14)
Total other components of equity.....	553,220	532,424	4,518
Treasury stock.....	(104,152)	(104,142)	(851)
Total shareholders' equity.....	2,538,840	2,433,202	20,734
Non-controlling interests.....	301,454	315,049	2,462
Total equity.....	2,840,294	2,748,251	23,196
Total liabilities and equity.....	¥ 8,960,281	¥ 8,560,701	\$ 73,175

(3) Consolidated Statement of Changes in Equity [Condensed]

ITOCHU Corporation and its Subsidiaries

For the three-month periods ended June 30, 2015 and 2014

	Millions of Yen		Millions of U.S. dollars
	<u>Apr.-Jun. 2015</u>	<u>Apr.-Jun. 2014</u>	<u>Apr.-Jun. 2015</u>
Common stock:			
Balance at the beginning of the period.....	¥ 253,448	¥ 202,241	\$ 2,070
Balance at the end of the period.....	<u>¥ 253,448</u>	<u>¥ 202,241</u>	<u>\$ 2,070</u>
Capital surplus:			
Balance at the beginning of the period.....	¥ 164,154	¥ 113,055	\$ 1,341
Net change in sale (purchase) of subsidiary shares to (from) non-controlling interests.....	(3,322)	(301)	(27)
Balance at the end of the period.....	<u>¥ 160,832</u>	<u>¥ 112,754</u>	<u>\$ 1,314</u>
Retained earnings:			
Balance at the beginning of the period.....	¥ 1,587,318	¥ 1,364,295	\$ 12,963
Net profit attributable to ITOCHU.....	121,459	80,836	992
Transfer from other components of equity.....	3,094	143	25
Cash dividends.....	(36,379)	(39,543)	(297)
Balance at the end of the period.....	<u>¥ 1,675,492</u>	<u>¥ 1,405,731</u>	<u>\$ 13,683</u>
Other components of equity:			
Balance at the beginning of the period.....	¥ 532,424	¥ 367,329	\$ 4,348
Other comprehensive income attributable to ITOCHU.....	23,883	(4,171)	195
Transfer to retained earnings.....	(3,094)	(143)	(25)
Net change in sale (purchase) of subsidiary shares to (from) non-controlling interests.....	7	5	0
Balance at the end of the period.....	<u>¥ 553,220</u>	<u>¥ 363,020</u>	<u>\$ 4,518</u>
Treasury stock:			
Balance at the beginning of the period.....	¥ (104,142)	¥ (2,800)	\$ (851)
Net change in treasury stock.....	(10)	(3)	(0)
Balance at the end of the period.....	<u>¥ (104,152)</u>	<u>¥ (2,803)</u>	<u>\$ (851)</u>
Total shareholders' equity.....	<u>¥ 2,538,840</u>	<u>¥ 2,080,943</u>	<u>\$ 20,734</u>
Non-controlling interests:			
Balance at the beginning of the period.....	¥ 315,049	¥ 353,471	\$ 2,573
Net profit attributable to non-controlling interests.....	5,784	2,448	47
Other comprehensive income attributable to non-controlling interests.....	(9,329)	(105)	(76)
Cash dividends to non-controlling interests.....	(4,554)	(4,025)	(37)
Net change in sale (purchase) of subsidiary shares to (from) non-controlling interests.....	(5,496)	5,812	(45)
Balance at the end of the period.....	<u>¥ 301,454</u>	<u>¥ 357,601</u>	<u>\$ 2,462</u>
Total equity.....	<u>¥ 2,840,294</u>	<u>¥ 2,438,544</u>	<u>\$ 23,196</u>

(4) Consolidated Statement of Cash Flows [Condensed]

-Unaudited-

ITOCHU Corporation and its Subsidiaries

For the three-month periods ended June 30, 2015 and 2014

	Millions of Yen		Millions of U.S. dollars
	<u>Apr.-Jun. 2015</u>	<u>Apr.-Jun. 2014</u>	<u>Apr.-Jun. 2015</u>
Cash flows from operating activities:			
Net profit	¥ 127,243	¥ 83,284	\$ 1,039
Adjustments to reconcile net profit to net cash provided by operating activities			
Depreciation and amortization	30,807	25,916	252
Provision for doubtful accounts	1,562	454	13
Gains on investments.....	(32,996)	(11,681)	(269)
Losses (Gains) on property, plant, equipment and intangible assets...	613	(2,483)	5
Financial income	(4,095)	(2,550)	(33)
Equity in earnings of associates and joint ventures	(37,759)	(33,514)	(308)
Income tax expense	(3,236)	23,636	(26)
Changes in assets and liabilities, other-net	5,245	4,384	42
Proceeds from interest.....	3,140	2,778	25
Proceeds from dividends.....	27,301	27,932	223
Payments for interest.....	(6,278)	(6,378)	(52)
Payments for income taxes.....	(40,537)	(46,988)	(331)
Net cash provided by operating activities	<u>71,010</u>	<u>64,790</u>	<u>580</u>
Cash flows from investing activities:			
Net payments for purchase of investments accounted for by the equity method	(4,893)	(2,416)	(40)
Net proceeds from sale (payments for purchase) of other investments	87,780	(2,910)	717
Net (origination) collections of loans receivable	(480,292)	7,596	(3,922)
Net payments for purchase of property, plant, equipment and intangible assets	(16,668)	(21,117)	(136)
Net decrease (increase) in time deposits	3,961	(1,232)	32
Net cash used in investing activities	<u>(410,112)</u>	<u>(20,079)</u>	<u>(3,349)</u>
Cash flows from financing activities:			
Net proceeds from (repayments of) debentures and loans payable	272,763	(39,101)	2,228
Cash dividends	(36,379)	(39,543)	(297)
Other	(10,121)	(5,751)	(84)
Net cash provided by (used in) financing activities	<u>226,263</u>	<u>(84,395)</u>	<u>1,847</u>
Net decrease in cash and cash equivalents	(112,839)	(39,684)	(922)
Cash and cash equivalents at the beginning of the period	700,292	653,739	5,719
Effect of exchange rate changes on cash and cash equivalents	7,619	(2,595)	63
Cash and cash equivalents at the end of the period	¥ 595,072	¥ 611,460	\$ 4,860

(5) Operating Segment Information

ITOCHU Corporation and its Subsidiaries

For the three-month periods ended June 30, 2015 and 2014

Information concerning operations in different operating segments for the three-month periods ended June 30, 2015 and 2014 is as follows:

	For the three-month period ended June 30, 2015 (April 1, 2015 -June 30, 2015)							Millions of Yen
	Textile	Machinery	Metals & Minerals	Energy & Chemicals	Food	ICT, General Products & Realty	Others, Adjustments & Eliminations	Consolidated
Revenues:								
Revenues from external customers	¥ 130,372	¥ 97,364	¥ 48,400	¥ 399,843	¥ 270,227	¥ 293,072	¥ 19,805	¥ 1,259,083
Intersegment revenues.....	100	-	-	245	76	4,948	(5,369)	-
Total revenues.....	130,472	97,364	48,400	400,088	270,303	298,020	14,436	1,259,083
Gross trading profit	31,837	27,326	9,621	42,473	63,641	75,672	3,080	253,650
Trading income	3,955	6,251	4,969	7,940	12,419	12,330	(1,182)	46,682
Net profit attributable to ITOCHU.....	4,706	12,540	14,285	32,463	10,194	41,748	5,523	121,459
[Equity in earnings (losses) of associates and joint ventures].....	[2,188]	[5,697]	[13,631]	[(562)]	[2,174]	[14,539]	[92]	[37,759]
Total assets at June 30, 2015	556,231	1,070,636	1,266,219	1,363,076	1,818,096	1,549,147	1,336,876	8,960,281

	For the three-month period ended June 30, 2014 (April 1, 2014 -June 30, 2014)							Millions of Yen
	Textile	Machinery	Metals & Minerals	Energy & Chemicals	Food	ICT, General Products & Realty	Others, Adjustments & Eliminations	Consolidated
Revenues:								
Revenues from external customers	¥ 116,296	¥ 91,970	¥ 58,884	¥ 495,015	¥ 254,411	¥ 291,605	¥ 15,725	¥ 1,323,906
Intersegment revenues.....	-	601	-	239	62	5,594	(6,496)	-
Total revenues.....	116,296	92,571	58,884	495,254	254,473	297,199	9,229	1,323,906
Gross trading profit	28,040	28,497	17,768	40,452	58,449	68,868	3,792	245,866
Trading income	3,499	9,183	13,135	9,819	11,175	7,607	(1,145)	53,273
Net profit attributable to ITOCHU.....	5,005	12,836	18,476	7,740	14,982	20,004	1,793	80,836
[Equity in earnings (losses) of associates and joint ventures].....	[2,013]	[5,446]	[7,612]	[492]	[8,682]	[9,343]	[(74)]	[33,514]
Total assets at June 30, 2014	529,134	954,507	1,242,061	1,399,861	1,577,408	1,482,307	679,529	7,864,807
Total assets at March 31, 2015.....	555,842	1,083,637	1,261,754	1,329,507	1,772,166	1,622,347	935,448	8,560,701

	For the three-month period ended June 30, 2015 (April 1, 2015 -June 30, 2015)							Millions of U.S. dollars
	Textile	Machinery	Metals & Minerals	Energy & Chemicals	Food	ICT, General Products & Realty	Others, Adjustments & Eliminations	Consolidated
Revenues:								
Revenues from external customers	\$ 1,065	\$ 795	\$ 395	\$ 3,265	\$ 2,207	\$ 2,393	\$ 162	\$ 10,282
Intersegment revenues.....	1	-	-	2	1	40	(44)	-
Total revenues.....	1,066	795	395	3,267	2,208	2,433	118	10,282
Gross trading profit	260	223	78	347	520	618	25	2,071
Trading income	32	51	41	65	101	101	(10)	381
Net profit attributable to ITOCHU.....	39	102	117	265	83	341	45	992
[Equity in earnings (losses) of associates and joint ventures].....	[18]	[46]	[111]	[(5)]	[18]	[119]	[1]	[308]
Total assets at June 30, 2015	4,542	8,743	10,341	11,132	14,848	12,651	10,918	73,175

Note 1 : "Equity in earnings (losses) of associates and joint ventures" is included in Net profit attributable to ITOCHU.

Note 2 : "Trading income" = "Gross trading profit" + "Selling, general and administrative expenses" + "Provision for doubtful accounts"

(6) Assumption for Going Concern: None

(7) Information Concerning Dividend Payments

(Dividend payments in this quarter)

(Resolution)	Stock type	Total dividend amount	Dividend resource	Dividend per share	Record date	Effective date
General meeting of Shareholders on June 19, 2015	Common Stock	36,379 million yen	Retained earnings	23.00 yen	March 31, 2015	June 22, 2015

(8) Significant Changes in Shareholders' Equity: None

(9) Material Subsequent Events

As indicated in the announcement released on July 15, 2015, “Announcement of Amendment to date of Second Stage Acquisition (Issuance of preferred shares)”, Chia Tai Bright Investment Company Limited (CTB), in which the group of companies led by Charoen Pokphand Group (CP Group) and ITOCHU each invested 50%, acquired the preferred shares of CITIC Limited that are convertible into ordinary shares equivalent to approximately 13.4% of voting rights (approximately 3,328 million shares) for a total of approximately 45.9 billion HK dollars (share price of 13.8 HK dollars).

For the acquisition of CITIC Limited shares by CTB, ITOCHU and CP Group will invest and provide shareholder loans to CTB, in proportion to the investment percentage in CTB (50%:50%). On July 30, 2015, ITOCHU invested approximately 0.3 billion U.S. dollars and provided a shareholder loan to CTB for the entire acquisition cost including the temporary funding portion for CP Group, totaling approximately 5.3 billion U.S. dollars, procured by loans from financial institutions. The CP Group portion will be repaid by a shareholder loan amounting to 2.7 billion U.S. dollars, provided by the CP Group to CTB within 6 months following the completion of this share acquisition.

The preferred shares will be promptly converted to CITIC ordinary shares, subject to compliance with public float requirement of the Hong Kong Stock Exchange.

On April 28, 2015, this first quarter, ITOCHU provided a shareholder loan in the amount of approximately 4.0 billion U.S. dollars (a portion of the funds for the acquisition of approximately 2,490 million shares of CITIC Limited shares (10% of CITIC’s voting rights)), which included the temporary funding portion for CP Group. Regarding this shareholder loan, the funding portion for CP Group, approximately 2.0 billion U.S. dollars, were repaid to ITOCHU on July 22, 2015, as the CP Group provided a shareholder loan to CTB.