

Supplementary Information

Consolidated Financial Results for the First Quarter of the Fiscal Year 2018 ending March 31, 2018

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1. Consolidated Statement of Comprehensive Income [Condensed] (Supplementary Information)

	(Unit: billion yen)			Main reasons for changes / Major items:												
	Apr.-Jun.2017	Apr.-Jun.2016	Increase (Decrease)													
Revenues	1,218.8	1,106.6	112.1	Refer to page 5, "Operating Segment Information (Supplementary Information)"												
Gross trading profit	276.3	248.9	27.5	Existing subsidiaries: +31.5 (*) Increase due to acquisition of subsidiaries: +0.1 Decrease due to de-consolidation of subsidiaries: -2.4 Decrease due to foreign currency translation: -1.8 Refer to page 5, "Operating Segment Information (Supplementary Information)"												
Total of SG & A	(204.7)	(199.7)	(5.0)	Existing subsidiaries: -8.9 (*)												
Personnel expenses	(105.3)	(102.9)	(2.4)	Increase due to acquisition of subsidiaries: -0.3												
(Pension cost)	(4.0)	(3.7)	(0.4)	Decrease due to de-consolidation of subsidiaries: +2.5												
Other expenses	(99.4)	(96.8)	(2.6)	Decrease due to foreign currency translation: +1.7												
(Service charge, distribution costs)	(35.0)	(33.2)	(1.8)	(*) The figures of Existing subsidiaries include the effect of the conversion of Takiron into a consolidated subsidiary as a result of its merger with C. I. Kasei												
(Rent, depreciation and amortization)	(24.8)	(25.5)	0.8													
(Others)	(39.6)	(38.1)	(1.5)													
Provision for doubtful accounts	(0.5)	(0.7)	0.2													
Gains on investments	6.9	8.8	(1.9)	Decrease due to the absence of the gain on sales of a medical-device-related company in the same period of the previous fiscal year, despite the gain on sales of an asset-management-related company												
Gains (losses) on property, plant, equipment and intangible assets	0.5	(0.0)	0.5													
Other-net	4.7	(2.3)	7.0	Improvement due to the absence of the decline in foreign currency translation resulting from the appreciation of the yen in the same period of the previous fiscal year												
Net interest expenses	(0.5)	(0.1)	(0.4)	Deterioration due to the increased interest expenses by lengthening terms of certain borrowings												
Interest income	8.4	6.1	2.3	<table border="1"> <thead> <tr> <th></th> <th>Apr.-Jun.2017</th> <th>Apr.-Jun.2016</th> <th>Variance</th> </tr> </thead> <tbody> <tr> <td>JPY TIBOR 3M</td> <td>0.057%</td> <td>0.070%</td> <td>(0.013%)</td> </tr> <tr> <td>USD LIBOR 3M</td> <td>1.206%</td> <td>0.643%</td> <td>+0.563%</td> </tr> </tbody> </table>		Apr.-Jun.2017	Apr.-Jun.2016	Variance	JPY TIBOR 3M	0.057%	0.070%	(0.013%)	USD LIBOR 3M	1.206%	0.643%	+0.563%
	Apr.-Jun.2017	Apr.-Jun.2016	Variance													
JPY TIBOR 3M	0.057%	0.070%	(0.013%)													
USD LIBOR 3M	1.206%	0.643%	+0.563%													
Interest expense	(8.9)	(6.2)	(2.7)													
Dividends received	6.5	5.3	1.2	Increase in dividends from coal-related investments												
Equity in earnings of associates and joint ventures	47.7	37.1	10.6	Others, Adjustments & Eliminations +4.2 (13.0→17.1): Increase due to the higher equity in earnings of CITIC Limited and other factors Food +3.4 (3.1→6.5): Increase due to the merger of FamilyMart and UNY Holdings, and the stable performance in fresh-food-related companies												
Income tax expense	(22.9)	(21.4)	(1.6)	Increase due to higher profits, despite the decrease in tax expenses relating to pulp-related companies												

	(Unit: billion yen)			<u>Main reasons for changes / Major items:</u>		
	<u>Apr.-Jun.2017</u>	<u>Apr.-Jun.2016</u>	Increase (Decrease)			
Other comprehensive income, net of tax:						
Items that will not be reclassified to profit or loss						
FVTOCI financial assets	3.7	(10.1)	13.8	Improvement due to the rise in the stock prices of investments in this fiscal year, while the decline in the stock prices in the same period of the previous fiscal year		
Remeasurement of net defined pension liability	(0.2)	(0.3)	0.1			
Other comprehensive income in associates and joint ventures	3.9	(2.0)	5.9	Improvement due to the rise in the stock prices of investments held by associates and joint ventures in this fiscal year, while the decline in the stock prices in the same period of the previous fiscal year		
Items that will be reclassified to profit or loss						
Translation adjustments	3.9	(104.0)	107.9	Improvement due to the appreciation of the Euro and the Great Britain Pound, while the appreciation of the yen in the same period of the previous fiscal year		
Cash flow hedges	(1.0)	(0.0)	(1.0)			
Other comprehensive income in associates and joint ventures	(3.7)	(28.2)	24.4	Improvement of translation adjustments in associates and joint ventures		
[Average exchange rate]	[Yen/USD]			[Yen/AUD]		
	<u>Apr.-Jun.2017</u>	<u>Apr.-Jun.2016</u>	<u>Variance</u>	<u>Apr.-Jun.2017</u>	<u>Apr.-Jun.2016</u>	<u>Variance</u>
	111.46	110.38	+ 1.08	84.00	82.80	+ 1.20
	<u>Apr.-Jun.2016</u>	<u>Apr.-Jun.2015</u>	<u>Variance</u>	<u>Apr.-Jun.2016</u>	<u>Apr.-Jun.2015</u>	<u>Variance</u>
	110.38	120.21	(9.83)	82.80	93.69	(10.89)
[Closing exchange rate]	[Yen/USD]			[Yen/AUD]		
	<u>Jun.2017</u>	<u>Mar.2017</u>	<u>Variance</u>	<u>Jun.2017</u>	<u>Mar.2017</u>	<u>Variance</u>
	112.00	112.19	(0.19)	86.18	85.84	+ 0.34
	<u>Jun.2016</u>	<u>Mar.2016</u>	<u>Variance</u>	<u>Jun.2016</u>	<u>Mar.2016</u>	<u>Variance</u>
	102.91	112.68	(9.77)	76.74	86.25	(9.51)
[The Nikkei Stock Average (Yen)]	<u>Jun.2017</u>	<u>Mar.2017</u>	<u>Variance</u>			
	20,033	18,909	+ 1,124			

2. Consolidated Statement of Financial Position [Condensed] (Supplementary Information)

Assets	(Unit: billion yen)			Increase (Decrease)	Main reasons for changes:
	Jun. 2017	Mar. 2017			
Trade receivables	1,889.5	1,949.0	(59.5)	Decrease due to the collections of trade receivables in energy-related, domestic ICT-related, and mobile-phone-related companies, despite the increase due to seasonal factors in food-distribution-related companies and the conversion of Takiron into a consolidated subsidiary as a result of its merger with C. I. Kasei	
Inventories	799.2	775.4	23.8	Increase due to the conversion of Takiron into a consolidated subsidiary as a result of its merger with C. I. Kasei, and seasonal factors in food-distribution-related companies, despite the decrease in aircraft-related companies	
Advances to suppliers	177.8	161.9	15.9	Increase in chemical-related transactions and apartment/condominium-related companies	
Other current assets	116.3	97.2	19.0	Increase in domestic ICT-related companies	
Investments accounted for by the equity method	1,676.6	1,626.6	50.0	Increase due to the investments in IPP-related companies and the additional investment in FamilyMart UNY Holdings, despite the decrease resulting from the conversion of Takiron into a consolidated subsidiary as a result of its merger with C. I. Kasei	
Other investments	805.8	793.6	12.2	Increase due to the rise in the stock prices of investments	
Property, plant and equipment	697.7	680.4	17.3	Increase due to the conversion of Takiron into a consolidated subsidiary as a result of its merger with C. I. Kasei	
Total assets	8,197.2	8,122.0	75.2	Total assets increased by 0.9%, or 75.2 billion yen, compared with March 31, 2017 to 8,197.2 billion yen (73,190 million U.S. dollars), due to the conversion of Takiron into a consolidated subsidiary as a result of its merger with C. I. Kasei, the investments in IPP-related companies, and the additional investment in FamilyMart UNY Holdings, despite the collections of trade receivables in energy-related, domestic ICT-related, and mobile-phone-related companies.	

Liabilities	(Unit: billion yen)			Increase (Decrease)	Main reasons for changes:
	Jun. 2017	Mar. 2017			
Trade payables	1,532.8	1,588.8	(56.0)	Decrease in energy-related, mobile-phone-related, and domestic ICT-related companies, despite the increase due to seasonal factors in food-distribution-related companies and the conversion of Takiron into a consolidated subsidiary as a result of its merger with C. I. Kasei	
[Interest-bearing debt]					
Short-term debentures and borrowings	612.0	563.0	48.9		
Long-term debentures and borrowings	2,362.3	2,381.6	(19.3)		
Total interest-bearing debt	2,974.2	2,944.7	29.6	Interest-bearing debt increased by 1.0%, or 29.6 billion yen, compared with March 31, 2017 to 2,974.2 billion yen (26,556 million U.S. dollars), due to the increase in borrowings accompanying the additional investment in FamilyMart UNY Holdings and the investments in IPP-related companies, and the conversion of Takiron into a consolidated subsidiary as a result of its merger with C. I. Kasei.	
Cash and cash equivalents, Time deposits	605.4	614.0	(8.6)		
Net interest-bearing debt	2,368.8	2,330.7	38.2	Net interest-bearing debt (Interest-bearing debt after deducting Cash and cash equivalents and Time deposits) increased by 1.6%, or 38.2 billion yen, compared with March 31, 2017 to 2,368.8 billion yen (21,150 million U.S. dollars).	
Net debt-to-shareholders' equity ratio [times]	0.97	0.97	same level	NET DER (Net debt-to-shareholders' equity ratio) was at the same level compared with March 31, 2017, at 0.97 times.	

Equity	(Unit: billion yen)			Increase (Decrease)	Main reasons for changes:
	Jun. 2017	Mar. 2017			
Common stock	253.4	253.4	-		
Capital surplus	159.8	162.0	(2.3)		
Retained earnings	2,085.1	2,020.0	65.1	Net profit attributable to ITOCHU +108.2, Dividend payments -43.2	
Other components of equity	93.8	88.7	5.1		
Treasury stock	(150.2)	(122.3)	(27.8)	Acquisition of treasury stock	
Total shareholders' equity	2,442.0	2,401.9	40.1	Total shareholders' equity increased by 1.7%, or 40.1 billion yen, compared with March 31, 2017 to 2,442.0 billion yen (21,804 million U.S. dollars), due to Net profit attributable to ITOCHU during this fiscal year, despite dividend payments and acquisition of treasury stock.	
Ratio of shareholders' equity to total assets	29.8%	29.6%	Increased 0.2pt	Ratio of shareholders' equity to total assets increased by 0.2 points compared with March 31, 2017 to 29.8%.	
Non-controlling interests	292.6	260.9	31.7		
Total equity	2,734.6	2,662.8	71.8		

3. Consolidated Statement of Cash Flows [Condensed] (Supplementary Information)

Note :	Cash-inflow: " + "		Cash-outflow: " - "
Explanation for indication	"Decrease in assets" or "Increase in liabilities": Cash-inflow		"Increase in assets" or "Decrease in liabilities": Cash-outflow
(Unit: billion yen)			
<u>Cash flows from operating activities</u>	<u>Apr.-Jun. 2017</u>	<u>Apr.-Jun. 2016</u>	<u>Major items</u>
Net profit	113.9	75.8	
Non-cash items in net profit	(11.6) a	(3.4) b	(Depreciation and amortization) a: +26.0 Textile+1.2,Machinery+2.3,Metals & Minerals+5.0,Energy & Chemicals+6.9, Food+4.9,General Products & Realty+2.1,ICT & Financial Business+2.8, Others, Adjustments & Eliminations+0.8 b: +25.6 Textile+1.3,Machinery+2.8,Metals & Minerals+4.5,Energy & Chemicals+6.4, Food+4.7,General Products & Realty+2.3,ICT & Financial Business+2.7, Others, Adjustments & Eliminations+0.8
Changes in assets and liabilities, other-net	(12.5) a	(5.0) b	a: Trade receivables / payables +9.0, Inventories -10.5, Other -10.9 b: Trade receivables / payables +6.9, Inventories -15.2, Other +3.3
Net proceeds from (payments for) interest, dividends and income taxes	(12.3)	(10.5)	
[Net cash provided by (used in) operating activities]	77.5 a	56.9 b	(Dividends received from associates and joint ventures) a: +25.3 b: +20.1
(Unit: billion yen)			
<u>Cash flows from investing activities</u>	<u>Apr.-Jun. 2017</u>	<u>Apr.-Jun. 2016</u>	<u>Major items</u>
Net change in investments accounted for by the equity method	(43.9) a	(3.3) b	a: Investments in IPP-related companies -25.1 Additional investment in FamilyMart UNY Holdings -18.6 b: Additional investment in FamilyMart -14.5 Sale of a medical-device-related company +6.2
Net change in other investments	6.3 a	1.3	a: Increase in cash resulting from the conversion of Takiron into a consolidated subsidiary as a result of its merger with C. I. Kasei +16.0 Investments and collections in natural resource development-related companies -9.7
Net change in loans receivable	7.9 a	11.8 b	a: Origination -3.8, Collections +11.7 b: Origination -3.3, Collections +15.1
Net change in property, plant, equipment and intangible assets	(16.8) a	(17.3) b	a: Purchase by energy-related companies -4.8 Additional capital expenditures in natural resource development-related companies -2.1 Purchase by fresh-food-related companies -2.1 Purchase by domestic ICT-related companies -1.1 b: Purchase by domestic ICT-related companies -2.8 Additional capital expenditures in natural resource development-related companies -2.6 Purchase by energy-related companies -1.8
Net change in time deposits	2.0	(1.4)	
[Net cash provided by (used in) investing activities]	(44.4)	(8.9)	
(Unit: billion yen)			
<u>Cash flows from financing activities</u>	<u>Apr.-Jun. 2017</u>	<u>Apr.-Jun. 2016</u>	<u>Major items</u>
Net change in debentures and loans payable	24.9	22.9	
Cash dividends	(43.2)	(39.5)	
Net change in treasury stock	(27.9)	0.0	
Other	(5.5) a	(5.5) b	a: Cash dividends to non-controlling interests -5.4 Equity transactions with non-controlling interests -0.1 b: Cash dividends to non-controlling interests -4.9 Equity transactions with non-controlling interests -0.6
[Net cash provided by (used in) financing activities]	(51.7)	(22.2)	

4. Operating Segment Information (Supplementary Information)

Revenues from external customers

(Unit: billion yen)	Apr.-Jun. 2017	Apr.-Jun. 2016	Increase (Decrease)	Main reasons for changes
Textile	117.5	119.8	(2.3)	Decrease due to the unfavorable sales in apparel-related companies
Machinery	100.1	91.2	8.9	Increase due to the favorable performance in aircraft-related companies, despite the conversion of an industrial-machinery-related subsidiary to investments accounted for by the equity method in the previous fiscal year
Metals & Minerals	54.8	37.2	17.6	Increase due to the higher iron ore and coal prices, and the higher sales volume in iron ore-related business
Energy & Chemicals	370.7	316.1	54.6	Increase due to the conversion of Takiron into a consolidated subsidiary as a result of its merger with C. I. Kasei and the higher sales prices in energy-related companies
Food	287.4	262.0	25.4	Increase due to the higher transaction volume in food-distribution-related companies and the higher prices in fresh-food-related transactions
General Products & Realty	140.1	133.6	6.5	Increase due to the higher transaction volume in natural-rubber-related and domestic building-materials-related companies
ICT & Financial Business	144.4	140.6	3.8	Increase due to the higher transaction volume in domestic ICT-related companies
Others, Adjustments & Eliminations	3.8	6.3	(2.5)	
Consolidated	1,218.8	1,106.6	112.1	

Gross trading profit

(Unit: billion yen)	Apr.-Jun. 2017	Apr.-Jun. 2016	Increase (Decrease)	Main reasons for changes
Textile	30.0	31.0	(1.1)	Decrease due to the unfavorable sales in apparel-related companies
Machinery	25.0	25.5	(0.4)	Decrease due to the lower transaction volume in automobile-related transactions, and the conversion of an industrial-machinery-related subsidiary to investments accounted for by the equity method in the previous fiscal year, despite the favorable performance in aircraft-related and plant-related companies
Metals & Minerals	24.4	11.1	13.3	Increase due to the higher iron ore and coal prices, and the higher sales volume in iron ore-related business
Energy & Chemicals	51.6	38.2	13.4	Increase due to the conversion of Takiron into a consolidated subsidiary as a result of its merger with C. I. Kasei and the improvement in profitability in energy-related companies
Food	69.9	67.1	2.8	Increase due to the higher transaction volume in fresh-food-related companies and the higher prices in fresh-food-related transactions
General Products & Realty	36.6	37.2	(0.5)	Decrease due to the lower transaction volume in domestic real-estate-related transactions and the effect of the depreciation of the Great Britain Pound on European tire-related companies, despite the higher transaction volume in facility-materials-related companies in North America
ICT & Financial Business	37.4	35.5	1.9	Increase due to the higher transaction volume in domestic ICT-related companies and the favorable performance in CRO-business-related companies
Others, Adjustments & Eliminations	1.4	3.3	(2.0)	
Consolidated	276.3	248.9	27.5	

Trading income

(Unit: billion yen)	Apr.-Jun. 2017	Apr.-Jun. 2016	Increase (Decrease)	Main reasons for changes
Textile	4.0	4.4	(0.4)	Decrease due to the unfavorable sales in apparel-related companies, despite lower expenses
Machinery	6.2	6.1	0.1	Increase due to the favorable performance in aircraft-related and plant-related companies, despite the lower transaction volume in automobile-related transactions
Metals & Minerals	20.1	6.8	13.4	Increase due to the higher iron ore and coal prices, and the higher sales volume in iron ore-related business
Energy & Chemicals	12.8	4.5	8.3	Increase due to the conversion of Takiron into a consolidated subsidiary as a result of its merger with C. I. Kasei and the improvement in profitability in energy-related companies
Food	17.5	14.9	2.6	Increase due to the higher transaction volume and the lower expenses in fresh-food-related companies, and the higher prices in fresh-food-related transactions
General Products & Realty	8.9	8.4	0.5	Increase due to the stable performance in facility-materials-related and building-materials-related companies in North America, despite the lower transaction volume in domestic real-estate-related transactions
ICT & Financial Business	5.3	4.0	1.3	Increase due to the higher transaction volume in domestic ICT-related companies and the favorable performance in CRO-business-related companies
Others, Adjustments & Eliminations	(3.7)	(0.6)	(3.1)	
Consolidated	71.1	48.4	22.7	

Net profit attributable to ITOCHU

(Unit: billion yen)	Apr.-Jun. 2017	Apr.-Jun. 2016	Increase (Decrease)	Main reasons for changes
Textile	6.4	4.2	2.1	Increase due to lower expenses and extraordinary gains, despite the unfavorable sales in apparel-related companies
Machinery	12.3	16.5	(4.2)	Decrease due to the lower transaction volume in automobile-related transactions, and the absence of extraordinary gains in the same period of the previous fiscal year, despite the favorable performance in aircraft-related and plant-related companies
Metals & Minerals	21.1	8.4	12.7	Increase due to the higher iron ore and coal prices, the higher sales volume in iron ore-related business, and dividends from coal-related investments
Energy & Chemicals	8.7	4.5	4.1	Increase due to the improvement in profitability in energy-related companies, despite the absence of extraordinary gains in the same period of the previous fiscal year
Food	19.3	12.8	6.5	Increase due to the higher transaction volume and the lower expenses in fresh-food-related companies, the higher prices in fresh-food-related transactions, and the higher equity in earnings of associates and joint ventures accompanying the merger of FamilyMart and UNY Holdings
General Products & Realty	14.4	9.1	5.3	Increase due to the stable performance in facility-materials-related and building-materials-related companies in North America, and extraordinary gains relating to pulp-related and asset-management-related companies, despite the lower transaction volume in domestic real-estate-related transactions
ICT & Financial Business	11.1	8.4	2.6	Increase due to the higher transaction volume in domestic ICT-related companies, the higher equity in earnings of associates and joint ventures accompanying the recovery of foreign finance-related companies, and extraordinary gains
Others, Adjustments & Eliminations	15.0	9.1	5.9	Increase due to the higher equity in earnings of CITIC Limited
Consolidated	108.2	73.1	35.1	

Total assets

(Unit: billion yen)	Jun. 2017	Mar. 2017	Increase (Decrease)	Main reasons for changes
Textile	488.6	495.9	(7.3)	Decrease due to the collection of trade receivables accompanying seasonal factors
Machinery	1,002.0	989.7	12.4	Increase due to the investments in IPP-related companies, despite the decreased inventories in aircraft-related companies and the collection of trade receivables
Metals & Minerals	867.3	854.9	12.4	Increase mainly due to the higher revenues accompanying the higher prices in iron ore and coal-related business
Energy & Chemicals	1,169.0	1,169.5	(0.6)	Nearly at the same level due to the decreased trade receivables in energy-related companies, despite the increase resulting from the conversion of Takiron into a consolidated subsidiary as a result of its merger with C. I. Kasei
Food	1,841.6	1,773.2	68.5	Increase due to the increased trade receivables accompanying seasonal factors in food-distribution-related companies, and the additional investment in FamilyMart UNY Holdings
General Products & Realty	870.4	840.4	30.0	Increase mainly due to the appreciation of the Euro and the Great Britain Pound
ICT & Financial Business	679.8	718.6	(38.8)	Decrease due to the collections of trade receivables in domestic ICT-related and mobile-phone-related companies
Others, Adjustments & Eliminations	1,278.6	1,280.0	(1.4)	
Consolidated	8,197.2	8,122.0	75.2	

5. Performance of Group Companies attributable to ITOCHU (Supplementary Information)

Components of Consolidated Net profit attributable to ITOCHU

[For the three-month periods ended June 30, 2017 and 2016]

(Unit: billion yen)	2017 Apr.-Jun.	2016 Apr.-Jun.	Increase (Decrease)
Parent company	92.8	76.0	+ 16.8
Group companies excluding overseas trading subsidiaries	87.8	62.7	+ 25.1
Overseas trading subsidiaries	10.5	7.9	+ 2.6
Subtotal	191.0	146.5	+ 44.5
Consolidation adjustments	(82.8)	(73.4)	(9.4)
Net profit attributable to ITOCHU	108.2	73.1	+ 35.1

Number of Group Companies (*)

	June 30, 2017			March 31, 2017			Net			
	Domestic	Overseas	Total	Domestic	Overseas	Total	Increase	Decrease	Changes within Group	changes
Subsidiaries	78	129	207	79	128	207	+ 1	(2)	+ 1	- ± 0
Associates and joint ventures	45	54	99	47	54	101	± 0	(1)	(1)	- (2)
Total	123	183	306	126	182	308	+ 1	(3)		(2)

(*) Investment companies which are directly invested in by ITOCHU and its Overseas trading subsidiaries are included in the above-mentioned number of companies. Investment companies which are considered as part of the parent company are not included.

Number/Share of Group Companies Reporting Profits

		Apr. - Jun. 2017			Apr. - Jun. 2016			Increase (Decrease)		
		Profits	Losses	Total	Profits	Losses	Total	Profits	Losses	Total
Subsidiaries	Domestic	62	16	78	58	23	81	+ 4	(7)	(3)
	Overseas	102	27	129	111	20	131	(9)	+ 7	(2)
	Total	164	43	207	169	43	212	(5)	± 0	(5)
	Share (%)	79.2%	20.8%	100.0%	79.7%	20.3%	100.0%	(0.5%)	+ 0.5%	
Associates and joint ventures	Domestic	35	10	45	37	10	47	(2)	± 0	(2)
	Overseas	42	12	54	50	11	61	(8)	+ 1	(7)
	Total	77	22	99	87	21	108	(10)	+ 1	(9)
	Share (%)	77.8%	22.2%	100.0%	80.6%	19.4%	100.0%	(2.8%)	+ 2.8%	
Total	Domestic	97	26	123	95	33	128	+ 2	(7)	(5)
	Overseas	144	39	183	161	31	192	(17)	+ 8	(9)
	Total	241	65	306	256	64	320	(15)	+ 1	(14)
	Share (%)	78.8%	21.2%	100.0%	80.0%	20.0%	100.0%	(1.2%)	+ 1.2%	

Profits/Losses of Group Companies

(Unit: billion yen)

	Group company profits			Group company losses			Total		
	2017 Apr. - Jun.	2016 Apr. - Jun.	Increase (Decrease)	2017 Apr. - Jun.	2016 Apr. - Jun.	Increase (Decrease)	2017 Apr. - Jun.	2016 Apr. - Jun.	Increase (Decrease)
Group companies excluding overseas trading subsidiaries	91.9	70.4	+ 21.5	(4.1)	(7.7)	+ 3.6	87.8	62.7	+ 25.1
Overseas trading subsidiaries	10.5	7.9	+ 2.6	(0.0)	(0.0)	+ 0.0	10.5	7.9	+ 2.6
Total	102.4	78.3	+ 24.1	(4.2)	(7.7)	+ 3.6	98.2	70.5	+ 27.7

Major Group Companies (Net profit attributable to ITOCHU)

Unlisted companies

(Unit: billion yen)

	Name	Categories	Shares	Net profit attributable to ITOCHU (*1)	
				2017 Apr.-Jun.	2016 Apr.-Jun.
Textile	JOIX CORPORATION	Manufacture and retail of men's apparel and relevant products	100.0%	0.1	0.1
	SANKEI COMPANY LIMITED	Manufacture and sale of garment accessories	100.0%	0.5	0.5
	ITOCHU Textile Prominent (ASIA) Ltd. (*2) (Hong Kong, China)	Production control and wholesale of textile and apparel	100.0%	0.1	0.1
	ITOCHU TEXTILE (CHINA) CO., LTD. (*3) (China)	Production control and wholesale of textile materials, fabrics and apparel	100.0%	0.1	0.2
Machinery	JAPAN AEROSPACE CORPORATION	Import and sale of aircraft and related equipment	100.0%	0.0	0.1
	ITOCHU CONSTRUCTION MACHINERY CO., LTD.	Sale and rental of construction machinery	100.0%	0.0	0.0
	ITOCHU MACHINE-TECHNOS CORP.	Import/export and domestic sale of NC machine tools, industrial machinery and food machinery	100.0%	(0.1)	(0.1)
	Century Medical, Inc.	Import and wholesale of medical equipment and materials	100.0%	0.1	0.0
Metals & Minerals	ITOCHU Metals Corporation	Import/export and wholesale of non-ferrous/light metals and recycle business mainly in metal products	100.0%	0.4	0.3
	Brazil Japan Iron Ore Corporation	Investment in projects of iron ore in Brazil	75.7%	0.1	0.0
	ITOCHU Minerals & Energy of Australia Pty Ltd (*4) (Australia)	Investment and sales in projects of iron ore, coal, and bauxite mining and manufacture of alumina	100.0%	15.7	6.9
	ITOCHU Coal Americas Inc. (U.S.A.)	Holding of coal mine and transportation infrastructure interests	100.0%	0.7	(0.6)
	Marubeni-Itochu Steel Inc.	Import/export and wholesale of steel products	50.0%	2.4	2.1
Energy & Chemicals	ITOCHU CHEMICAL FRONTIER Corporation	Wholesale of fine chemicals and related raw materials	100.0%	0.8	0.7
	ITOCHU PLASTICS INC.	Wholesale of plastics and related products	100.0%	1.1	0.9
	ITOCHU Oil Exploration (Azerbaijan) Inc. (Cayman Islands)	Exploration and production of crude oil and gas	100.0%	(0.2)	(1.9)
	ITOCHU PETROLEUM CO., (SINGAPORE) PTE. LTD. (Singapore)	Trade of crude oil and petroleum products	100.0%	(0.2)	0.5
Food	NIPPON ACCESS, INC.	Wholesale and distribution of foods	93.8%	2.0	2.2
	Dole International Holdings, Inc.	Investment in Dole Asian fresh produce business and worldwide packaged foods business	100.0%	4.8	3.0
General Products & Realty	ITOCHU KENZAI CORPORATION	Wholesale of construction and housing materials	100.0%	0.6	0.5
	ITOCHU PULP & PAPER CORPORATION	Import/export and wholesale of paper, paperboards and various paper materials	100.0%	0.2	0.2
	ITOCHU PROPERTY DEVELOPMENT, LTD.	Development and sale of housing	99.8%	0.1	(0.3)
	ITOCHU LOGISTICS CORP.	Comprehensive logistics services	99.0%	0.7	0.8
	European Tyre Enterprise Limited (*5) (U.K.)	Management control of the European tyre business	100.0%	1.1	1.0
	ITOCHU FIBRE LIMITED (*5) (U.K.)	Distribution and trading of pulp, wood chip and paper materials and investment in METSA FIBRE OY	100.0%	1.7	1.0
ICT & Financial Business	ITOCHU Fuji Partners, Inc.	Debt / equity financing and management consulting	63.0%	0.4	0.6
Others	Orchid Alliance Holdings Limited (*6) (BR.Virgin Islands)	Investment and shareholder loan to a company investing in CITIC Limited	100.0%	17.0	12.6
Overseas trading subsidiaries	ITOCHU International Inc. (U.S.A.)	U.S. trading subsidiary	100.0%	4.1	2.6
	ITOCHU Europe PLC (*5) (U.K.)	Europe trading subsidiary	100.0%	1.2	0.9
	ITOCHU (CHINA) HOLDING CO., LTD. (*3) (China)	China trading subsidiary	100.0%	1.0	1.0
	ITOCHU Hong Kong Ltd. (*2) (Hong Kong, China)	Hong Kong trading subsidiary	100.0%	1.3	0.9
	ITOCHU Australia Ltd. (*4) (Australia)	Australia trading subsidiary	100.0%	0.7	0.4

(*1) Net profit attributable to ITOCHU is the figure after the IFRS adjustments, which may be different from the figures each company announces.

(*2) The figures of ITOCHU Hong Kong Ltd. include 29.0% of net profit from ITOCHU Textile Prominent (ASIA) Ltd..

(*3) The figures of ITOCHU (CHINA) HOLDING CO., LTD. include 40.0% of net profit from ITOCHU TEXTILE (CHINA) CO., LTD.

(*4) The figures of ITOCHU Australia Ltd. include 3.7% of net profit from ITOCHU Minerals & Energy of Australia Pty Ltd.

(*5) The figures of ITOCHU Europe PLC include 20.0% of net profit from European Tyre Enterprise Limited and 10.0% of net profit from ITOCHU FIBRE LIMITED.

(*6) The figures of Orchid Alliance Holdings Limited include related tax effects and other factors.

Listed companies

(Unit: billion yen)

Name	Categories	Shares	Net profit attributable to ITOCHU (*1)		Date of Announcement	
			2017 Apr.-Jun.	2016 Apr.-Jun.		
Machinery	JAMCO Corporation	Manufacture of aircraft interior and maintenance of aircraft	33.4%	(0.1)	(0.3)	8/4
	Tokyo Century Corporation	Lease, installment sale, business lease and other	25.2%	2.7	2.3	8/4
	SUNCALL CORPORATION	Manufacture and sale of optical communication devices, electronic devices and assembly	26.4%	0.1	0.0	8/4
Energy & Chemicals	ITOCHU ENEX CO., LTD.	Wholesale of petroleum products and LPG and electricity and supply business	54.0%	1.4	0.6	8/2
	C.I. TAKIRON Corporation (*2)	Manufacture, processing and sale of plastic products	51.2%	0.7	2.9	8/4
Food	ITOCHU-SHOKUHN Co., Ltd.	Wholesale and distribution of foods and liquor	52.2%	0.3	0.2	7/31
	JAPAN FOODS CO.,LTD.	Production on consignment and sale of soft drinks	36.5%	0.3	0.3	7/27
	FUJI OIL HOLDINGS INC. (*3)	Management of group strategy and business operations	26.9%	0.9	0.8	8/7
	FamilyMart UNY Holdings Co.,Ltd.	Holding company of GMS and CVS companies	37.3%	2.9	1.3	7/11
	Prima Meat Packers, Ltd.	Production and sale of meat, ham, sausage and processed foods	39.8%	1.1	0.7	8/2
General Products & Realty	DAIKEN CORPORATION	Manufacture and sale of building materials	26.5%	0.4	0.5	8/7
ICT & Financial Business	ITOCHU Techno-Solutions Corporation	Sales, maintenance and development of IT systems	58.2%	1.1	0.7	8/3
	CONEXIO Corporation	Sale of mobile phone units, mobile phones-related solution business	60.3%	0.6	0.5	7/28
	BELLSYSTEM24 Holdings, Inc.	Contact center operations	41.0%	0.2	0.9	7/12
	Orient Corporation	Consumer credit	16.5%	0.9	1.2	7/28
	POCKET CARD CO.,LTD.	Credit card business	27.0%	0.2	0.1	7/14
	eGuarantee, Inc.	B to B credit guarantee service	24.3%	0.1	0.1	7/28
Others	C.P. Pokphand Co. Ltd. (*4) (Bermuda)	Compound animal feed business, livestock and aquatic product related business, and manufacture and sale business of food products	23.8%	(0.1)	1.3	5/11

(*1) Net profit attributable to ITOCHU is the figure after the IFRS adjustments, which may be different from the figures each company announces.

(*2) Takiron Co., Ltd. and C. I. Kasei Company, Limited merged and formed C.I. TAKIRON Corporation on April 1, 2017.

Therefore, the figures of C.I. TAKIRON Corporation for the same period of the previous fiscal year presented above shows the aggregate amounts of both companies.

(*3) ITOCHU Corporation holds the shares of FUJI OIL HOLDINGS INC. through ITOCHU FOOD INVESTMENT, LLC, which is a subsidiary of ITOCHU Corporation.

(*4) C.P. Pokphand Co. Ltd. is listed on the Hong Kong Exchanges and Clearing.

Performance of Group Companies (Net profit attributable to ITOCHU)

For the three-month periods ended June 30, 2017 and 2016

Major Group Companies Reporting Profits

(Unit: billion yen)

Name	Segment (*1)	Shares	Net profit attributable to ITOCHU (*2)			Main reasons for changes
			2017 Apr.-Jun.	2016 Apr.-Jun.	Increase (Decrease)	
[Domestic subsidiaries]						
Dole International Holdings, Inc.	Fod	100.0%	4.8	3.0	1.8	Increase due to the higher production volume, the improvement in production costs, and the reduction of expenses in fresh-food business
NIPPON ACCESS, INC.	Fod	93.8%	2.0	2.2	(0.1)	Decrease due to higher logistics-related initial costs, despite higher revenues accompanying higher transaction volume
ITOCHU ENEX CO., LTD.	E&C	54.0%	1.4	0.6	0.8	Increase due to the absence of the expenses relating to the contraction/disposal of certain car-life stations in the same period of the previous fiscal year, and the higher revenues in electricity and utility business
ITOCHU PLASTICS INC.	E&C	100.0%	1.1	0.9	0.2	Increase due to the stable performance of industrial-material and electronics-material sales
ITOCHU Techno-Solutions Corporation	I&F	58.2%	1.1	0.7	0.4	Increase due to the favorable performance in distribution & enterprise and finance & social infrastructure segments
ITOCHU CHEMICAL FRONTIER Corporation	E&C	100.0%	0.8	0.7	0.1	Increase due to the stable performance in medical-related business and silicone (silicon resin) sales
ITOCHU Orico Insurance Services Co.,Ltd.	I&F	65.0%	0.8	0.1	0.7	Increase due to an extraordinary gain accompanying the business restructuring
EDWIN CO., LTD.	Tex	98.5%	0.7	0.7	(0.0)	Nearly at the same level
ITOCHU LOGISTICS CORP.	G&R	99.0%	0.7	0.8	(0.1)	Decrease due to the lower transaction volume in foreign subsidiaries
ITOCHU KENZAI CORPORATION	G&R	100.0%	0.6	0.5	0.1	Increase due to the favorable performance of housing-material sales
[Overseas subsidiaries]						
Orchid Alliance Holdings Limited	(BR. Virgin Islands) Oth	100.0%	17.0	12.6	4.4	Increase due to the higher equity in earnings of CITIC Limited
ITOCHU Minerals & Energy of Australia Pty Ltd	(Australia) M&M	100.0%	15.7	6.9	8.8	Increase due to the higher iron ore and coal prices, and the higher sales volume of iron ore
ITOCHU International Inc.	(U.S.A.) Ove	100.0%	4.1	2.6	1.5	Increase due to the stable performance in machinery-related and facility-materials-related companies, and improvement in tax expenses
ITOCHU FIBRE LIMITED	(*3) (U.K.) G&R	100.0%	1.7	1.0	0.7	Increase mainly due to the improvement in market conditions of pulp
ITOCHU Hong Kong Ltd.	(*4) (Hong Kong, China) Ove	100.0%	1.3	0.9	0.4	Increase due to the higher equity in earnings of finance-related companies, despite the lower transaction volume in forest products & general merchandise-related transactions
ITOCHU Europe PLC	(*3) (U.K.) Ove	100.0%	1.2	0.9	0.2	Increase due to the higher equity in earnings of water & environment-related and pulp-related companies
European Tyre Enterprise Limited	(*3) (U.K.) G&R	100.0%	1.1	1.0	0.2	Increase due to the stable performance in retail business in the U.K.
ITOCHU (Thailand) Ltd.	(Thailand) Ove	100.0%	1.1	0.9	0.2	Increase due to the stable performance in chemical-related transactions and the higher equity in earnings of finance-related companies
ITOCHU (CHINA) HOLDING CO., LTD.	(*5) (China) Ove	100.0%	1.0	1.0	(0.0)	Nearly at the same level

Major Group Companies Reporting Profits (continued)

(Unit: billion yen)

Name	Segment (*1)	Shares	Net profit attributable to ITOCHU (*2)			Main reasons for changes
			2017 Apr.-Jun.	2016 Apr.-Jun.	Increase (Decrease)	
[Domestic associates and joint ventures]						
FamilyMart UNY Holdings Co.,Ltd.	Fod	37.3%	2.9	1.3	1.5	Increase due to the higher operating revenues resulting from the merger with UNY Group Holdings Co.,Ltd
Marubeni-Itochu Steel Inc.	M&M	50.0%	2.4	2.1	0.3	Increase due to the recovery in steel market conditions
Prima Meat Packers, Ltd.	Fod	39.8%	1.1	0.7	0.4	Increase due to the stable sales of ham/sausage and other processed foods, and the favorable performance in domestic group companies
Orient Corporation	I&F	16.5%	0.9	1.2	(0.3)	Decrease due to the higher expenses relating to doubtful accounts, despite the favorable performance in bank loan guarantees business
[Overseas associates and joint ventures]						
HYLIFE GROUP HOLDINGS LTD.	(Canada) Fod	49.9%	0.9	0.7	0.2	Increase due to the stable performance in transactions to Japan, China, and other Asian countries

Major Group Companies Reporting Losses

(Unit: billion yen)

Name	Segment (*1)	Shares	Net profit attributable to ITOCHU (*2)			Main reasons for changes
			2017 Apr.-Jun.	2016 Apr.-Jun.	Increase (Decrease)	
[Overseas subsidiaries]						
IPC EUROPE LTD.	(U.K.) E&C	100.0%	(0.5)	0.3	(0.7)	Deterioration in equity in earnings of heavy oil trading companies

(*1) Tex : Textile, Mac : Machinery, M&M : Metals & Minerals, E&C : Energy & Chemicals, Fod : Food, G&R : General Products & Realty, I&F : ICT & Financial Business, Ove : Overseas trading subsidiaries, Oth : Others

(*2) Net profit attributable to ITOCHU is the figure after the IFRS adjustments, which may be different from the figures each company announces.

(*3) The figures of ITOCHU Europe PLC include 20.0% of net profit from European Tyre Enterprise Limited and 10.0% of net profit from ITOCHU FIBRE LIMITED.

(*4) The figures of ITOCHU Hong Kong Ltd. include 29.0% of net profit from ITOCHU Textile Prominent (ASIA) Ltd.

(*5) The figures of ITOCHU (CHINA) HOLDING CO., LTD. include 40.0% of net profit from ITOCHU TEXTILE (CHINA) CO., LTD.

6. Quarterly Information on Consolidated Operating Results

(Unit: billion yen)

	Fiscal Year 2017 ended March 31, 2017					Fiscal Year 2018 ending March 31, 2018				
	1Q	2Q	3Q	4Q	Yearly	1Q	2Q	3Q	4Q	Total
Revenues	1,106.6	1,139.8	1,224.6	1,367.4	4,838.5	1,218.8				1,218.8
Gross trading profit	248.9	265.3	278.2	301.1	1,093.5	276.3				276.3
Selling, general and administrative expenses	(199.7)	(195.9)	(195.0)	(211.3)	(801.8)	(204.7)				(204.7)
Provision for doubtful accounts	(0.7)	(1.0)	0.8	(2.3)	(3.2)	(0.5)				(0.5)
Gains (losses) on investments	8.8	30.1	(3.5)	(3.3)	32.1	6.9				6.9
Gains (losses) on property, plant, equipment and intangible assets	(0.0)	0.4	(0.5)	(16.6)	(16.7)	0.5				0.5
Other-net	(2.3)	2.9	7.1	(13.1)	(5.4)	4.7				4.7
Interest income	6.1	6.8	6.7	7.1	26.6	8.4				8.4
Dividends received	5.3	1.5	2.8	10.3	19.9	6.5				6.5
Interest expense	(6.2)	(7.2)	(8.4)	(8.4)	(30.3)	(8.9)				(8.9)
Equity in earnings of associates and joint ventures	37.1	58.9	46.5	42.7	185.2	47.7				47.7
Profit before tax	97.2	161.8	134.6	106.2	499.9	136.9				136.9
Income tax expense	(21.4)	(27.4)	(29.8)	(46.7)	(125.3)	(22.9)				(22.9)
Net Profit	75.8	134.4	104.8	59.5	374.6	113.9				113.9
Net profit attributable to ITOCHU	73.1	129.1	98.2	51.9	352.2	108.2				108.2
Net profit attributable to non-controlling interests	2.8	5.3	6.7	7.6	22.4	5.7				5.7

Operating Segment Information

(Unit: billion yen)

	Fiscal Year 2017 ended March 31, 2017					Fiscal Year 2018 ending March 31, 2018				
	1Q	2Q	3Q	4Q	Yearly	1Q	2Q	3Q	4Q	Total
Textile										
Gross trading profit	31.0	33.8	35.2	32.4	132.4	30.0				30.0
Trading income	4.4	6.6	8.3	5.8	25.1	4.0				4.0
Net profit attributable to ITOCHU	4.2	7.7	9.0	4.3	25.2	6.4				6.4
Machinery										
Gross trading profit	25.5	24.9	24.9	27.8	103.1	25.0				25.0
Trading income	6.1	5.3	6.9	6.5	24.8	6.2				6.2
Net profit attributable to ITOCHU	16.5	9.5	11.6	8.8	46.4	12.3				12.3
Metals & Minerals										
Gross trading profit	11.1	9.9	18.0	30.6	69.6	24.4				24.4
Trading income	6.8	4.9	14.6	26.0	52.2	20.1				20.1
Net profit attributable to ITOCHU	8.4	6.4	9.9	20.5	45.2	21.1				21.1
Energy & Chemicals										
Gross trading profit	38.2	46.6	49.4	48.9	183.1	51.6				51.6
Trading income	4.5	13.0	15.9	11.6	45.0	12.8				12.8
Net profit attributable to ITOCHU	4.5	8.9	3.7	1.8	18.9	8.7				8.7
Energy										
Gross trading profit	20.2	28.5	30.5	29.2	108.3	25.4				25.4
Trading income	(1.4)	7.1	9.1	5.2	20.0	4.3				4.3
Net profit attributable to ITOCHU	(2.9)	4.4	(1.9)	0.2	(0.3)	3.4				3.4
Chemicals										
Gross trading profit	18.1	18.0	18.9	19.8	74.8	26.2				26.2
Trading income	5.9	5.9	6.8	6.4	25.0	8.5				8.5
Net profit attributable to ITOCHU	7.5	4.5	5.5	1.6	19.2	5.3				5.3
Food										
Gross trading profit	67.1	70.5	71.1	63.5	272.2	69.9				69.9
Trading income	14.9	16.7	16.2	9.5	57.3	17.5				17.5
Net profit attributable to ITOCHU	12.8	36.6	13.7	7.5	70.5	19.3				19.3
General Products & Realty										
Gross trading profit	37.2	35.2	32.7	40.9	145.9	36.6				36.6
Trading income	8.4	8.7	7.0	13.6	37.8	8.9				8.9
Net profit attributable to ITOCHU	9.1	10.1	7.4	1.0	27.6	14.4				14.4
Forest Products & General Merchandise										
Gross trading profit	26.3	23.9	23.2	25.9	99.3	26.5				26.5
Trading income	5.7	5.6	5.3	7.8	24.4	6.9				6.9
Net profit attributable to ITOCHU	6.5	6.6	5.8	(4.6)	14.3	10.2				10.2
Construction, Realty & Logistics										
Gross trading profit	10.8	11.3	9.5	14.9	46.6	10.1				10.1
Trading income	2.7	3.1	1.7	5.9	13.4	2.0				2.0
Net profit attributable to ITOCHU	2.6	3.5	1.6	5.6	13.4	4.2				4.2
ICT & Financial Business										
Gross trading profit	35.5	40.3	40.4	55.5	171.6	37.4				37.4
Trading income	4.0	9.4	9.7	20.7	43.8	5.3				5.3
Net profit attributable to ITOCHU	8.4	9.2	9.4	13.1	40.1	11.1				11.1
ICT										
Gross trading profit	32.4	37.3	37.4	52.4	159.6	34.6				34.6
Trading income	3.6	9.1	9.3	20.1	42.0	5.1				5.1
Net profit attributable to ITOCHU	5.9	6.0	5.9	13.0	30.8	7.6				7.6
Financial & Insurance Business										
Gross trading profit	3.0	2.9	2.9	3.1	12.0	2.8				2.8
Trading income	0.4	0.4	0.4	0.6	1.8	0.2				0.2
Net profit attributable to ITOCHU	2.5	3.1	3.5	0.1	9.2	3.5				3.5
Others, Adjustments & Eliminations										
Gross trading profit	3.3	4.2	6.6	1.5	15.5	1.4				1.4
Trading income	(0.6)	3.9	5.3	(6.2)	2.3	(3.7)				(3.7)
Net profit attributable to ITOCHU	9.1	40.8	33.5	(5.1)	78.3	15.0				15.0
Consolidated										
Gross trading profit	248.9	265.3	278.2	301.1	1,093.5	276.3				276.3
Trading income	48.4	68.4	83.9	87.6	288.4	71.1				71.1
Net profit attributable to ITOCHU	73.1	129.1	98.2	51.9	352.2	108.2				108.2