

## **ANNUAL FINANCIAL STATEMENTS**

### **For years ended March 31, 2020 and 2019**

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**Consolidated Financial Results for the Fiscal Year 2020 (Year ended March 31, 2020)**

[Prepared in conformity with International Financial Reporting Standards]

Company name: ITOCHU Corporation

Stock exchange code: 8001

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

President and Chief Operating Officer: Yoshihisa Suzuki

General Manager, Investor Relations Department: Suguru Amano

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The date of Shareholders' meeting: June 19, 2020 (Planned) The date of payout of dividend: June 22, 2020 (Planned)

The date of issue of audited financial statements: June 19, 2020 (Planned)

**1. Consolidated operating results for the fiscal year 2020 (from April 1, 2019 to March 31, 2020)****(1) Consolidated operating results (Summary)**

(%: Changes from the previous fiscal year)

	Revenues		Trading income (*4)		Profit before tax		Net Profit		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	%	millions of yen	%
Fiscal Year 2020	10,982,968	(5.3)	399,438	10.5	701,430	0.9	559,209	2.5	501,322	0.2	279,832	(39.8)
Fiscal Year 2019	11,600,485	110.5	361,492	14.1	695,383	29.3	545,689	26.4	500,523	25.0	464,785	19.2

	Basic earnings per share attributable to ITOCHU		Diluted earnings per share attributable to ITOCHU		Ratio of net profit attributable to ITOCHU to shareholders' equity		Ratio of net profit attributable to ITOCHU to total assets	
	yen	%	yen	%	%	%	%	%
Fiscal Year 2020	335.58		-		17.0		4.5	
Fiscal Year 2019	324.07		-		17.9		5.3	

Equity in earnings of associates and joint ventures (millions of yen) FY 2020: 205,860 [ 109.9% ] FY 2019: 98,052 [ ( 54.7%) ]

Total comprehensive income (millions of yen) FY 2020: 337,944 [ ( 33.9%) ] FY 2019: 511,586 [ 23.1% ]

**(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	%	
March 31, 2020	10,919,598		3,840,609		2,995,951		27.4	2,010.33		
March 31, 2019	10,098,703		3,690,116		2,936,908		29.1	1,930.47		

**(3) Consolidated cash flows information**

	Operating activities		Investing activities		Financing activities		Cash and cash equivalents	
	millions of yen	%	millions of yen	%	millions of yen	%	millions of yen	%
Fiscal Year 2020	878,133		(248,766)		(575,482)		611,223	
Fiscal Year 2019	476,551		201,149		(538,318)		572,030	

**2. Dividend distribution**

	Dividend distribution per share					Total Dividend distribution (Annual)	Payout ratio (Consolidated)	Ratio of dividend distribution to ITOCHU shareholders' equity (Consolidated)
	End of first quarter	End of second quarter	End of third quarter	Year-end	Annual			
Fiscal Year 2019	-	37.00	-	46.00	83.00	127,541	25.6	4.5
Fiscal Year 2020	-	42.50	-	42.50	85.00	126,875	25.3	4.3
Fiscal Year 2021 (Planned)	-	44.00	-	44.00	88.00		32.8	

**3. Outlook of consolidated operating results for the fiscal year 2021 (from April 1, 2020 to March 31, 2021)**

(%: Changes from the previous fiscal year)

	Net profit attributable to ITOCHU		Basic earnings per share attributable to ITOCHU	
	millions of yen	%	yen	%
Fiscal Year 2021	400,000	(20.2)	268.41	

(Note) Outlook of consolidated operating results for the first half of fiscal year 2021 is not prepared.

(Note) Among the repurchase of own shares which was decided at the meeting of the Board of Directors held on June 12, 2019, the effect of the repurchase after April 1, 2020 is not included in the calculation of "Basic earnings per share attributable to ITOCHU".

#### 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 : Yes
- (b) Other changes : None
- (c) Changes in accounting estimates : None

Note: For more details, please refer to page 8, "2. (2) Changes in accounting policies and accounting estimates".

(3) Number of common shares issued

(a) Number of common shares outstanding: (including the number of treasury stock)	End of Fiscal Year 2020	1,584,889,504	Fiscal Year 2019	1,584,889,504
(b) Number of treasury stock:	End of Fiscal Year 2020	94,612,062	Fiscal Year 2019	63,547,182
(c) Average number of common shares outstanding:	For Fiscal Year 2020	1,493,881,221	Fiscal Year 2019	1,544,498,372

Note: Based on the decision at the meeting of the Board of Directors,  
ITOCHU repurchased 31,231,900 own shares during the Fiscal Year 2020.

[Note]

- \*1. This document is an English translation of a statement initially written in Japanese. The original Japanese document should be considered as the primary version.
- \*2. This document is unaudited by certificated public accountants or audit firms.
- \*3. Data and projections contained in these materials are based on the information available at the time of publication, and various factors 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 practice undue reliance on forward-looking statements, and further, that ITOCHU Corporation has no obligation to update any forward-looking statements as a result of new information, future events or other developments.
- \*4. "Trading income" is presented in accordance with Japanese accounting practices.  
-"Trading income" = "Gross trading profit" + "Selling, general and administrative expenses" + "Provision for doubtful accounts"
- \*5. 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 108.83 yen = 1 U.S. dollar, the exchange rate prevailing on March 31, 2020. 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.
- \*6. "ITOCHU" referred to in the consolidated financial statements represents ITOCHU Corporation.

## 1. Qualitative Information

### (1) Qualitative Information of the Consolidated Operating Results

#### (a) General Economic Situation

In the fiscal year 2020, there were mounting expectations that the global economy would recover from its slowdown, which was primarily caused by increased trade friction, in light of the U.S. and China reaching a phase one trade agreement in December 2019. However, this was only temporary as the global outbreak of new coronavirus disease (COVID-19) triggered restrictions on movement of people and corporate activity, suppressing economic activity and sending the global economy into a tailspin toward the end of March 2020. Amid these developments, the WTI crude oil price temporarily increased from the US\$60-65 per barrel range at the beginning of April 2019 due to tensions in the Middle East. Then, after trending downward in the midst of uncertainty surrounding the global economy, the price recovered to the US\$60s level at one point toward the end of 2019 owing to the U.S.-China agreement, accelerated production cuts by major oil-producing countries, and other factors. However, at the end of March 2020, a failed agreement on production cuts and concerns over deterioration in the global economy had pushed the price down to close to US\$20.

The Japanese economy stagnated initially due to a delayed recovery in exports and other factors, despite improved personal consumption in connection, partly, with a demand spike ahead of the consumption tax hike in October 2019. It further deteriorated after the tax increase due in part to damage sustained in major typhoons, and then slumped still further as the effects of the new coronavirus became a factor after the start of 2020. With regard to the U.S. dollar-yen exchange rate, the yen initially appreciated against the dollar, from ¥111 at the beginning of April 2019 to near ¥105 in August 2019 primarily due to concerns over U.S.-China trade friction, and then depreciated to close to ¥112 in February 2020 on the back of the U.S.-China agreement. Thereafter, the effects of the new coronavirus induced violent fluctuations, and the rate ended the fiscal year in the ¥108 level. The Nikkei Stock Average began the fiscal year at ¥21,500, dipped temporarily to around ¥20,000 level against a backdrop of yen appreciation and falling U.S. stock prices, and then recovered in January 2020 to the ¥24,000 level. Subsequently, however, the average fluctuated sharply, dropping as low as the ¥16,500 level at one point, but it ended the fiscal year at close to ¥19,000. The yield on 10-year Japanese government bonds declined from negative 0.07% at the beginning of April 2019 to near negative 0.3% at the end of August 2019 in anticipation of the European Central Bank and the U.S. Federal Reserve cutting interest rates. It then temporarily rose to positive territory on the U.S.-China agreement before trending around the zero percent line toward the end of March 2020.

#### (b) Consolidated Operating Results

	Billions of Yen				Millions of U.S. Dollars
	2020	2019	Increase (Decrease)	%	2020
Revenues .....	10,983.0	11,600.5	(617.5)	(5.3%)	100,919
Gross trading profit .....	1,797.8	1,563.8	234.0	15.0%	16,519
Selling, general and administrative expenses .....	(1,380.9)	(1,193.3)	(187.6)	15.7%	(12,689)
Gains on investments.....	57.8	203.0	(145.2)	(71.5%)	531
Equity in earnings of associates and joint ventures .....	205.9	98.1	107.8	109.9%	1,891
Income tax expense.....	(142.2)	(149.7)	7.5	(5.0%)	(1,307)
Net profit.....	559.2	545.7	13.5	2.5%	5,138
Net profit attributable to ITOCHU.....	501.3	500.5	0.8	0.2%	4,606
(Reference) Trading income.....	399.4	361.5	37.9	10.5%	3,670

(i) Revenues (from external customers)

Decreased by 5.3%, or 617.5 billion yen, compared with the previous fiscal year to 10,983.0 billion yen (100,919 million U.S. dollars).

- Energy & Chemicals Company:  
Decreased by 521.2 billion yen compared with the previous fiscal year to 2,603.2 billion yen (23,920 million U.S. dollars), due to the lower sales prices and transaction volume in energy-related companies and chemical-related transactions.
- General Products & Realty Company:  
Decreased by 82.0 billion yen compared with the previous fiscal year to 808.1 billion yen (7,425 million U.S. dollars), due to the lower transaction volume in domestic logistics-facility-development-projects and the conversion of foreign subsidiaries into investments accounted for by the equity method.
- Textile Company:  
Decreased by 56.1 billion yen compared with the previous fiscal year to 537.4 billion yen (4,938 million U.S. dollars), due to the unfavorable sales in apparel-related companies resulting from the effects of warm winter and the new coronavirus and the stagnation in overall transactions including textile materials.
- Food Company:  
Increased by 58.1 billion yen compared with the previous fiscal year to 3,828.3 billion yen (35,177 million U.S. dollars), due to the conversion of Prima Meat Packers into a consolidated subsidiary, despite the decrease in provisions-related transactions.

(ii) Gross trading profit

Increased by 15.0%, or 234.0 billion yen, compared with the previous fiscal year to 1,797.8 billion yen (16,519 million U.S. dollars).

- The 8th Company:  
Increased by 154.8 billion yen compared with the previous fiscal year to 459.9 billion yen (4,226 million U.S. dollars), due to the conversion of FamilyMart(\*) into a consolidated subsidiary in the second quarter of the previous fiscal year.
- ICT & Financial Business Company:  
Increased by 41.9 billion yen compared with the previous fiscal year to 249.7 billion yen (2,294 million U.S. dollars), due to the stable performance in ITOCHU Techno-Solutions and the conversion of POCKET CARD into a consolidated subsidiary in the second quarter of the previous fiscal year.
- Food Company:  
Increased by 25.4 billion yen compared with the previous fiscal year to 304.0 billion yen (2,793 million U.S. dollars), due to the stable performance in NIPPON ACCESS and the conversion of Prima Meat Packers into a consolidated subsidiary, despite the lower sales prices in fresh products in Dole.
- Metals & Minerals Company:  
Increased by 22.4 billion yen compared with the previous fiscal year to 105.2 billion yen (967 million U.S. dollars), due to the higher iron ore prices, despite the lower coal prices.

(\*) FamilyMart Co., Ltd. changed its corporate name from FamilyMart UNY Holdings Co., Ltd. on September 1, 2019. In this document, descriptions related to the previous fiscal year are also referred to as “FamilyMart”, which is the current corporate name.

(iii) Selling, general and administrative expenses

Increased by 15.7%, or 187.6 billion yen, compared with the previous fiscal year to 1,380.9 billion yen (12,689 million U.S. dollars), due to the effects of the conversion of FamilyMart and POCKET CARD into consolidated subsidiaries in the second quarter of the previous fiscal year and the effects of the conversion of Prima Meat Packers into a consolidated subsidiary.

(iv) Gains on investments

Decreased by 71.5%, or 145.2 billion yen, compared with the previous fiscal year to 57.8 billion yen (531 million U.S. dollars), due to the absence of the revaluation gain accompanying the conversion of FamilyMart into a consolidated subsidiary and the gain on sales of a North Sea oil fields development company in the previous fiscal year, despite the gains accompanying partial sales of foreign companies in General Products & Realty Company and the revaluation gain accompanying the conversion of Prima Meat Packers into a consolidated subsidiary.

(v) Equity in earnings of associates and joint ventures

Increased by 109.9%, or 107.8 billion yen, compared with the previous fiscal year to 205.9 billion yen (1,891 million U.S. dollars).

- Others, Adjustments & Eliminations: (\*)

Increased by 153.0 billion yen compared with the previous fiscal year to 75.2 billion yen (691 million U.S. dollars), due to the absence of the impairment loss on investment in CITIC Limited in the previous fiscal year.

- General Products & Realty Company:

Decreased by 25.8 billion yen compared with the previous fiscal year to 5.1 billion yen (47 million U.S. dollars), due to the lower equity in earnings in IFL (European pulp-related company) resulting from the lower pulp prices and the impairment loss in Japan Brazil Paper & Pulp Resources Development.

- The 8th Company:

Decreased by 11.9 billion yen compared with the previous fiscal year to 1.5 billion yen (13 million U.S. dollars), due to the conversion of FamilyMart into a consolidated subsidiary in the second quarter of the previous fiscal year.

(\*) "Others, Adjustments & Eliminations" includes gains and losses which do not belong to any operating segment and internal eliminations between operating segments. For more details, please refer to page 17, " 6. (6) Operating Segment Information".

(vi) Income tax expense

Decreased by 5.0%, or 7.5 billion yen, compared with the previous fiscal year to 142.2 billion yen (1,307 million U.S. dollars), due to lower tax expenses in natural-resource-projects and the absence of the increase resulting from the revaluation gain accompanying the conversion of FamilyMart into a consolidated subsidiary in the previous fiscal year, despite the stable growth in profits and the absence of the decrease in finance-related companies in the previous fiscal year.

(vii) Net profit attributable to ITOCHU

Consequently, Net profit attributable to ITOCHU increased by 0.2%, or 0.8 billion yen, compared with the previous fiscal year to 501.3 billion yen (4,606 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”) increased by 10.5%, or 37.9 billion yen, compared with the previous fiscal year to 399.4 billion yen (3,670 million U.S. dollars).

- The 8th Company:  
Increased by 22.7 billion yen compared with the previous fiscal year to 50.4 billion yen (463 million U.S. dollars), due to the conversion of FamilyMart into a consolidated subsidiary in the second quarter of the previous fiscal year.
- Metals & Minerals Company:  
Increased by 21.7 billion yen compared with the previous fiscal year to 85.3 billion yen (784 million U.S. dollars), due to the higher iron ore prices, despite the lower coal prices.
- Textile Company:  
Decreased by 12.5 billion yen compared with the previous fiscal year to 12.5 billion yen (115 million U.S. dollars), due to the unfavorable sales resulting from the effects of warm winter and the new coronavirus in apparel-related companies, the stagnation in overall transactions including textile materials, and the provision for foreign receivables.

## (2) Qualitative Information of the Consolidated Financial Position

### (a) Consolidated Financial Position

	Billions of Yen				Millions of U.S. Dollars
	Mar. 2020	Mar. 2019	Increase (Decrease)	%	Mar. 2020
Total assets .....	10,919.6	10,098.7	820.9	8.1%	100,336
Interest-bearing debt .....	2,877.0	2,983.8	(106.9)	(3.6%)	26,436
Net interest-bearing debt .....	2,256.9	2,406.8	(149.9)	(6.2%)	20,739
Total shareholders' equity .....	2,996.0	2,936.9	59.0	2.0%	27,529
Ratio of shareholders' equity to total assets .....	27.4%	29.1%	Decreased 1.6pt		
NET DER (times) .....	0.75	0.82	Improved 0.07pt		

#### (i) Total assets

Increased by 8.1%, or 820.9 billion yen, compared with March 31, 2019 to 10,919.6 billion yen (100,336 million U.S. dollars), due to the effects of the application of new accounting standards (IFRS 16 “Leases”) and the conversion of Prima Meat Packers into a consolidated subsidiary, despite the effect accompanying the appreciation of the yen and the decreased trade receivables accompanying the absence of the effect of the last day of the previous fiscal year falling on a weekend.

#### (ii) Net interest-bearing debt (Interest-bearing debt after deducting Cash and cash equivalents and Time deposits)

Decreased by 6.2%, or 149.9 billion yen, compared with March 31, 2019 to 2,256.9 billion yen (20,739 million U.S. dollars), due to the repayment of borrowings accompanying stable performance in operating revenues and steady collections, despite dividend payments and the repurchase of own shares.

Interest-bearing debt decreased by 3.6%, or 106.9 billion yen, compared with March 31, 2019 to 2,877.0 billion yen (26,436 million U.S. dollars).

(iii) Total shareholders' equity

Increased by 2.0%, or 59.0 billion yen, compared with March 31, 2019 to 2,996.0 billion yen (27,529 million U.S. dollars), due to Net profit attributable to ITOCHU during this fiscal year, despite the decrease resulting from dividend payments, the repurchase of own shares, the effect accompanying the appreciation of the yen, and the decline in the fair value of stocks.

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

Ratio of shareholders' equity to total assets decreased by 1.6 points compared with March 31, 2019 to 27.4%. NET DER (Net debt-to-shareholders' equity ratio) improved compared with March 31, 2019 to 0.75 times.

(b) Consolidated Cash Flows

	Billions of Yen		Millions of U.S. Dollars
	2020	2019	2020
Cash flows from operating activities .....	878.1	476.6	8,069
Cash flows from investing activities .....	(248.8)	201.1	(2,286)
<i>Free cash flows</i> .....	<i>629.4</i>	<i>677.7</i>	<i>5,783</i>
Cash flows from financing activities .....	(575.5)	(538.3)	(5,288)

(i) Cash flows from operating activities

Recorded a net cash-inflow of 878.1 billion yen (8,069 million U.S. dollars), resulting from the stable performance in operating revenues in The 8th, Metals & Minerals, Energy & Chemicals, and Food Companies.

(ii) Cash flows from investing activities

Recorded a net cash-outflow of 248.8 billion yen (2,286 million U.S. dollars), due to the investments in The 8th Company, the underwriting of the third party allocation of new shares implemented by Tokyo Century in Machinery Company, the investment in a North American facility-materials-related company in General Products & Realty Company, and the investment in a software-related company in ICT & Financial Business Company.

(iii) Cash flows from financing activities

Recorded a net cash-outflow of 575.5 billion yen (5,288 million U.S. dollars), due to the repayment of borrowings and lease liabilities, dividend payments, and the repurchase of own shares.

“Cash and cash equivalents” as of March 31, 2020 increased by 39.2 billion yen compared with March 31, 2019 to 611.2 billion yen (5,616 million U.S. dollars).



## **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

### IFRS 16 “Leases”

ITOCHU Group has applied IFRS 16 “Leases”, from the year ended March 31, 2020 and recognized the cumulative effects of initially applying the standard as an adjustment to the opening balance of Retained earnings of the year ended March 31, 2020 in accordance with the transitional method provided by the standard.

The standard introduces a single lessee accounting model and in principal requires that right-of-use assets representing the right to use an underlying asset and lease liabilities representing the obligation to make lease payments are recognized in the Consolidated Statement of Financial Position for all leases and that depreciation of the right-of-use assets and interests on the lease liabilities are recognized in the Consolidated Statement of Comprehensive Income. In the Consolidated Statement of Cash Flows, lease payments for the principal portion of lease liabilities are considered cash-outflows from financing activities.

As a result of applying the standard, at the beginning of the year ended March 31, 2020, the opening balance of Assets increased by 1,027.7 billion yen, Liabilities increased by 1,059.5 billion yen and Retained earnings decreased by 26.5 billion yen.

(b) Other changes None

(c) Changes in accounting estimates None

### **3. Management Policy**

#### **FY2021 Management Plan**

ITOCHU Group, in the Medium-Term Management plan "Brand-new Deal 2020", has promoted various measures on both quantitative and qualitative targets such as "Entrenched consolidated net profit at the ¥500.0 billion level", "Progressive dividend policy", and "Actively promoted share buybacks" in quantitative targets and "Reinvention of Business" in qualitative targets.

By a continuous proactive approach, we achieved all quantitative targets in the two years up to the fiscal year 2020 and have also progressed steadily in various qualitative targets. As a result, we accomplished and completed "Brand-new Deal 2020" one year ahead of schedule.

Meanwhile, regarding the business outlook for the fiscal year 2021, the new coronavirus has become a global pandemic and there are currently no effective treatment methods or other concrete prospects for an exit from this previously unknown virus. In China, while infections have been contained and business conditions are expected to gradually recover, there is still the risk of renewed spread. In Europe and the U.S., as strict restrictions on economic activity are being maintained to control infections, further major deterioration in economic conditions appears unavoidable. The Japanese economy will be impacted by further constraints on economic activities, and on personal consumption in particular, prompted by the government's state of emergency declaration. A severe slump is therefore expected to continue at least until the spread of new coronavirus infection can be contained. At present, it is difficult to predict the timing of a turnaround. The global economy is likely to go through a severe recession for the foreseeable future, and it will continue to be difficult to predict when it will bottom out. Amid such conditions, with regard to the U.S. dollar-yen exchange rate, the yen is expected to slightly continue appreciation against the U.S. dollar due to the impact of the low interest rate policy in the U.S. attributed to powerful monetary easing. Crude oil prices are expected to remain at low levels as demand declines significantly in connection with worsening economic conditions.

As the business environment is undergoing tumultuous change, and with the recognition that we are poised to move into a new management phase, we have positioned the fiscal year 2021, which can be said as the beginning of the "global recession", as a year for consolidating our foothold. Therefore we formulated a management plan for the single fiscal year 2021, which does not belong to the Medium-Term Management plan.

#### **Basic Policy**

Based on the rapid changes in the business environment, in the management plan for the fiscal year ending March 31, 2021, ITOCHU will thoroughly instill the "earn, cut, prevent" principles as the core of our business. Based on the fact that we are in an economic downturn phase, we will prevent unexpected loss by thoroughly implementing "prevent". In "cut", we will continue to make efforts not only to reduce costs but also to think more effectively about how to use funds. Through thoroughly instilling "earn, cut, prevent" principles anew, we will further promote highly efficient management.

And, we maintain "Medium- to Long-Term Shareholder Returns Policy" and will strive to continuously improve corporate value from a medium- to long-term perspective.

#### **Shareholder Returns Policy**

ITOCHU maintains Medium- to Long-Term Shareholder Returns Policy. For the fiscal year ending March 31, 2021, ITOCHU plans to pay full-year dividend of ¥88 per share, which is the record high in ITOCHU and continues progressive dividend and targets further increase in dividend amount and dividend payout ratio. While being conscious of cash flow, ITOCHU actively and continuously executes share buybacks.

## Outlook for the Fiscal Year 2021

Although it is extremely difficult to forecast the effects of the new coronavirus disease outbreak and the time of its convergence, ITOCHU expects consolidated Net profit attributable to ITOCHU of 400.0 billion yen for the fiscal year ending March 31, 2021, which includes in maximum risks that can be scrutinized.

If the business environment is changed significantly such as the spread of the new coronavirus disease and a major change is expected in the consolidated Net profit attributable to ITOCHU, we will announce the impact promptly once we calculate it reasonably.

(Unit: Billion yen)	
FY2021 Plan	
Net profit attributable to ITOCHU	400.0



<i>Major Indicators (Apr-Mar)</i>	<i>Precondition FY2021</i>
Foreign exchange rate (Yen/US\$)	105
Interest (US\$ 3M LIBOR) (%)	1.00
Crude oil (Brent) (US\$/BBL)	30
Iron ore (CFR China) (US\$/ton)	N.A. (Note)
Hard coking coal (FOB Australia) (US\$/ton)	N.A. (Note)
Thermal coal (FOB Australia) (US\$/ton)	N.A. (Note)

(Note) The prices for iron ore, hard coking coal and thermal coal used in the FY2021 Plan are assumed in consideration for general transaction prices based on the market. The figures are not presented since the actual sales prices are decided based on negotiations with each customer, ore type and coal type.

These plans are forward-looking statements that are based on management's assumptions and beliefs based on information currently available and involve risks and uncertainties. Thus, the actual results could be substantially different from the above statements due to such factors including, but not limited to, global economic and market conditions, and currency exchange rate fluctuations.

## 4. Distribution of Profit

ITOCHU plans to pay dividend of ¥85 per share for the fiscal year ended March 31, 2020.  
(an interim dividend of ¥42.5 per share was already paid)

## 5. Basic Concept on the Selection of Accounting Standards

ITOCHU Group (ITOCHU and its subsidiaries) deals with a wide variety of business with diverse range of industries through its global network. Anticipating further global expansion in the future and in order to improve the practicability and international comparability of the company's financial information, we have prepared our consolidated financial statements in conformity with International Financial Reporting Standards (IFRS) from the annual report for the year ended March 31, 2014.

**6. Consolidated Financial Statements****(1) Consolidated Statement of Comprehensive Income**

ITOCHU Corporation and its Subsidiaries

Years ended March 31, 2020 and 2019

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
<b>Revenues:</b>			
Revenues from sale of goods.....	¥ 9,738,983	¥ 10,570,925	\$ 89,488
Revenues from rendering of services and royalties.....	1,243,985	1,029,560	11,431
Total revenues.....	10,982,968	11,600,485	100,919
<b>Cost:</b>			
Cost of sale of goods.....	(8,575,102)	(9,427,881)	(78,794)
Cost of rendering of services and royalties.....	(610,078)	(608,832)	(5,606)
Total cost.....	(9,185,180)	(10,036,713)	(84,400)
<b>Gross trading profit .....</b>	<b>1,797,788</b>	<b>1,563,772</b>	<b>16,519</b>
<b>Other gains (losses):</b>			
Selling, general and administrative expenses.....	(1,380,944)	(1,193,301)	(12,689)
Provision for doubtful accounts.....	(17,406)	(8,979)	(160)
Gains on investments.....	57,801	203,034	531
Losses on property, plant, equipment and intangible assets.....	(4,396)	(12,041)	(40)
Other-net.....	(1,414)	10,734	(13)
Total other-losses.....	(1,346,359)	(1,000,553)	(12,371)
<b>Financial income (loss):</b>			
Interest income.....	35,267	40,128	324
Dividends received.....	66,474	48,372	611
Interest expense.....	(57,600)	(54,388)	(529)
Total financial income.....	44,141	34,112	406
Equity in earnings of associates and joint ventures.....	205,860	98,052	1,891
<b>Profit before tax.....</b>	<b>701,430</b>	<b>695,383</b>	<b>6,445</b>
Income tax expense.....	(142,221)	(149,694)	(1,307)
<b>Net Profit.....</b>	<b>559,209</b>	<b>545,689</b>	<b>5,138</b>
Net profit attributable to ITOCHU.....	501,322	500,523	4,606
Net profit attributable to non-controlling interests.....	57,887	45,166	532

	Millions of Yen		Millions of
	2020	2019	U.S. Dollars
<b>Other comprehensive income, net of tax:</b>			
<b>Items that will not be reclassified to profit or loss</b>			
FVTOCI financial assets.....	¥ (67,643)	¥ 20,040	\$ (622)
Remeasurement of net defined pension liability.....	(3,835)	(3,174)	(35)
Other comprehensive income in associates and joint ventures.....	(7,761)	9,143	(71)
<b>Items that will be reclassified to profit or loss</b>			
Translation adjustments.....	(92,645)	(8,803)	(851)
Cash flow hedges.....	(6,074)	(3,641)	(56)
Other comprehensive income in associates and joint ventures.....	(43,307)	(47,668)	(398)
<b>Total other comprehensive income, net of tax.....</b>	<b>(221,265)</b>	<b>(34,103)</b>	<b>(2,033)</b>
<b>Total comprehensive income .....</b>	<b>337,944</b>	<b>511,586</b>	<b>3,105</b>
Total comprehensive income attributable to ITOCHU .....	279,832	464,785	2,571
Total comprehensive income attributable to non-controlling interests .....	58,112	46,801	534

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 years ended March 31, 2020 and 2019 were 399,438 million yen  
(3,670 million U.S. dollars) and 361,492 million yen, respectively.

**(2) Consolidated Statement of Financial Position**

ITOCHU Corporation and its Subsidiaries

As of March 31, 2020 and 2019

Assets	Millions of Yen		Millions of U.S. Dollars
	Mar. 2020	Mar. 2019	Mar. 2020
<b>Current assets:</b>			
Cash and cash equivalents.....	¥ 611,223	¥ 572,030	\$ 5,616
Time deposits.....	8,858	5,051	81
Trade receivables.....	2,113,746	2,397,608	19,422
Other current receivables.....	176,691	168,968	1,624
Other current financial assets.....	45,315	43,132	416
Inventories.....	952,029	937,183	8,748
Advances to suppliers.....	89,425	98,081	822
Other current assets.....	135,774	185,767	1,248
Total current assets.....	<u>4,133,061</u>	<u>4,407,820</u>	<u>37,977</u>
<b>Non-current assets:</b>			
Investments accounted for by the equity method.....	1,640,286	1,559,280	15,072
Other investments.....	816,518	857,261	7,503
Non-current receivables.....	660,578	618,762	6,070
Non-current financial assets other than investments and receivables.....	172,417	270,116	1,584
Property, plant and equipment.....	2,137,474	1,077,874	19,641
Investment property.....	58,595	32,524	538
Goodwill and intangible assets.....	1,163,107	1,127,760	10,687
Deferred tax assets.....	61,051	65,609	561
Other non-current assets.....	76,511	81,697	703
Total non-current assets.....	<u>6,786,537</u>	<u>5,690,883</u>	<u>62,359</u>
<b>Total assets.....</b>	<u><u>¥10,919,598</u></u>	<u><u>¥10,098,703</u></u>	<u><u>\$100,336</u></u>

Liabilities and Equity	Millions of Yen		Millions of U.S. Dollars
	Mar. 2020	Mar. 2019	Mar. 2020
<b>Current liabilities:</b>			
Short-term debentures and borrowings.....	¥ 684,406	¥ 650,909	\$ 6,289
Lease liabilities (short-term).....	242,076	-	2,224
Trade payables.....	1,707,472	1,942,037	15,689
Other current payables.....	215,175	234,518	1,977
Other current financial liabilities.....	35,699	27,073	328
Current tax liabilities.....	67,074	48,014	616
Advances from customers.....	81,799	88,480	752
Other current liabilities.....	368,163	350,343	3,383
Total current liabilities .....	<b>3,401,864</b>	<b>3,341,374</b>	<b>31,258</b>
<b>Non-current liabilities:</b>			
Long-term debentures and borrowings.....	2,192,557	2,332,928	20,147
Lease liabilities (long-term).....	937,345	-	8,613
Other non-current financial liabilities.....	68,900	215,609	633
Non-current liabilities for employee benefits.....	133,138	124,418	1,223
Deferred tax liabilities.....	200,912	251,489	1,846
Other non-current liabilities.....	144,273	142,769	1,326
Total non-current liabilities .....	<b>3,677,125</b>	<b>3,067,213</b>	<b>33,788</b>
Total liabilities .....	<b>7,078,989</b>	<b>6,408,587</b>	<b>65,046</b>
<b>Equity:</b>			
Common stock:			
Authorized: 3,000,000,000 shares;			
issued: 1,584,889,504 shares.....	253,448	253,448	2,329
Capital surplus.....	50,677	49,584	466
Retained earnings.....	2,948,135	2,608,243	27,089
Other components of equity:			
Translation adjustments.....	(37,836)	81,037	(347)
FVTOCI financial assets.....	(31,972)	49,764	(294)
Cash flow hedges.....	(19,163)	433	(176)
Total other components of equity.....	<b>(88,971)</b>	<b>131,234</b>	<b>(817)</b>
Treasury stock.....	<b>(167,338)</b>	<b>(105,601)</b>	<b>(1,538)</b>
Total shareholders' equity.....	<b>2,995,951</b>	<b>2,936,908</b>	<b>27,529</b>
Non-controlling interests.....	844,658	753,208	7,761
Total equity.....	<b>3,840,609</b>	<b>3,690,116</b>	<b>35,290</b>
<b>Total liabilities and equity.....</b>	<b>¥10,919,598</b>	<b>¥10,098,703</b>	<b>\$100,336</b>

Note : "Lease liabilities" are presented independently due to the application of new accounting standards (IFRS 16 "Leases") and the amounts of "Lease liabilities" as of March 31, 2019 are not reclassified.

**(3) Consolidated Statement of Changes in Equity**

ITOCCHU Corporation and its Subsidiaries

Years ended March 31, 2020 and 2019

(Unit: Millions of Yen)

	Shareholders' equity						Non-controlling interests	Total equity
	Common stock	Capital surplus	Retained earnings	Other components of equity	Treasury stock	Total shareholders' equity		
Balance on April 1, 2019	¥ 253,448	¥ 49,584	¥ 2,608,243	¥ 131,234	¥ (105,601)	¥ 2,936,908	¥ 753,208	¥ 3,690,116
Cumulative effects of the application of new accounting standards			(26,501)			(26,501)	(5,295)	(31,796)
Net Profit			501,322			501,322	57,887	559,209
Other comprehensive income				(221,490)		(221,490)	225	(221,265)
Total comprehensive income			501,322	(221,490)		279,832	58,112	337,944
Cash dividends to shareholders			(133,537)			(133,537)		(133,537)
Cash dividends to non-controlling interests							(27,295)	(27,295)
Net change in acquisition (disposition) of treasury stock					(61,737)	(61,737)		(61,737)
Net change in sale (purchase) of subsidiary shares to (from) non-controlling interests		1,093		(107)		986	65,928	66,914
Transfer to Retained earnings			(1,392)	1,392		-		-
Balance on March 31, 2020	253,448	50,677	2,948,135	(88,971)	(167,338)	2,995,951	844,658	3,840,609

(Unit: Millions of Yen)

	Shareholders' equity						Non-controlling interests	Total equity
	Common stock	Capital surplus	Retained earnings	Other components of equity	Treasury stock	Total shareholders' equity		
Balance on April 1, 2018	¥ 253,448	¥ 160,271	¥ 2,324,766	¥ 81,206	¥ (150,208)	¥ 2,669,483	¥ 314,868	¥ 2,984,351
Cumulative effects of the application of new accounting standards			(14,097)			(14,097)	5	(14,092)
Net Profit			500,523			500,523	45,166	545,689
Other comprehensive income				(35,738)		(35,738)	1,635	(34,103)
Total comprehensive income			500,523	(35,738)		464,785	46,801	511,586
Cash dividends to shareholders			(116,437)			(116,437)		(116,437)
Cash dividends to non-controlling interests							(20,829)	(20,829)
Net change in acquisition (disposition) of treasury stock					(59,456)	(59,456)		(59,456)
Cancellation of treasury stock		(104,063)			104,063	-		-
Net change in sale (purchase) of subsidiary shares to (from) non-controlling interests		(6,624)		(746)		(7,370)	412,363	404,993
Transfer to Retained earnings			(86,512)	86,512		-		-
Balance on March 31, 2019	253,448	49,584	2,608,243	131,234	(105,601)	2,936,908	753,208	3,690,116

(Unit: Millions of U.S. Dollars)

	Shareholders' equity						Non-controlling interests	Total equity
	Common stock	Capital surplus	Retained earnings	Other components of equity	Treasury stock	Total shareholders' equity		
Balance on April 1, 2019	\$ 2,329	\$ 456	\$ 23,966	\$ 1,206	\$ (971)	\$ 26,986	\$ 6,921	\$ 33,907
Cumulative effects of the application of new accounting standards			(243)			(243)	(49)	(292)
Net Profit			4,606			4,606	532	5,138
Other comprehensive income				(2,035)		(2,035)	2	(2,033)
Total comprehensive income			4,606	(2,035)		2,571	534	3,105
Cash dividends to shareholders			(1,227)			(1,227)		(1,227)
Cash dividends to non-controlling interests							(251)	(251)
Net change in acquisition (disposition) of treasury stock					(567)	(567)		(567)
Net change in sale (purchase) of subsidiary shares to (from) non-controlling interests		10		(1)		9	606	615
Transfer to Retained earnings			(13)	13		-		-
Balance on March 31, 2020	2,329	466	27,089	(817)	(1,538)	27,529	7,761	35,290



**(4) Consolidated Statement of Cash Flows**

ITOCHU Corporation and its Subsidiaries

Years ended March 31, 2020 and 2019

	Millions of Yen		Millions of U.S. Dollars
	2020	2019	2020
<b>Cash flows from operating activities:</b>			
Net profit .....	¥ 559,209	¥ 545,689	\$ 5,138
Adjustments to reconcile net profit to net cash provided by operating activities			
Depreciation and amortization .....	422,624	154,944	3,883
(Gains) losses on investments.....	(57,801)	(203,034)	(531)
(Gains) losses on property, plant, equipment and intangible assets.....	4,396	12,041	40
Financial (income) loss.....	(44,141)	(34,112)	(406)
Equity in earnings of associates and joint ventures .....	(205,860)	(98,052)	(1,891)
Income tax expense .....	142,221	149,694	1,307
Provision for doubtful accounts and other provisions .....	22,154	1,394	203
Changes in assets and liabilities, other-net .....	23,574	(37,738)	217
Proceeds from interest.....	34,460	37,525	317
Proceeds from dividends.....	152,862	140,146	1,405
Payments for interest.....	(62,775)	(56,365)	(577)
Payments for income taxes.....	(112,790)	(135,581)	(1,036)
Net cash provided by (used in) operating activities .....	<u>878,133</u>	<u>476,551</u>	<u>8,069</u>
<b>Cash flows from investing activities:</b>			
Net change in investments accounted for by the equity method .....	(50,915)	(106,112)	(468)
Net change in other investments .....	(69,382)	353,023	(638)
Net change in loans receivable .....	21,411	27,723	197
Net change in property, plant, equipment and intangible assets .....	(147,688)	(95,672)	(1,357)
Net change in time deposits .....	(2,192)	22,187	(20)
Net cash provided by (used in) investing activities .....	<u>(248,766)</u>	<u>201,149</u>	<u>(2,286)</u>
<b>Cash flows from financing activities:</b>			
Net change in debentures and loans payable .....	(79,726)	(345,047)	(733)
Repayments of lease liabilities .....	(267,193)	-	(2,455)
Cash dividends .....	(133,537)	(116,437)	(1,227)
Net change in treasury stock .....	(62,016)	(68,700)	(570)
Other .....	(33,010)	(8,134)	(303)
Net cash provided by (used in) financing activities .....	<u>(575,482)</u>	<u>(538,318)</u>	<u>(5,288)</u>
<b>Net change in cash and cash equivalents .....</b>	<u>53,885</u>	<u>139,382</u>	<u>495</u>
Cash and cash equivalents at the beginning of the year .....	572,030	432,140	5,256
Effect of exchange rate changes on cash and cash equivalents .....	(14,692)	508	(135)
<b>Cash and cash equivalents at the end of the year .....</b>	<u>¥ 611,223</u>	<u>¥ 572,030</u>	<u>\$ 5,616</u>

Note : "Repayments of lease liabilities" in Cash flows from financing activities is presented independently due to the application of new accounting standards (IFRS 16 "Leases") and the amount of "Repayments of lease liabilities" for Years ended March 31, 2019 is not reclassified.

(5) Assumption for Going Concern: None

(6) Notes to Consolidated Financial Statements

(Operating Segment Information)

ITOCHU Corporation and its Subsidiaries  
Years ended March 31, 2020 and 2019

Information concerning operations in different operating segments for the years ended March 31, 2020 and 2019 is as follows:

	For the year ended March 31, 2020 (April 1, 2019 -March 31, 2020)									Millions of Yen
	Textile	Machinery	Metals & Minerals	Energy & Chemicals	Food	General Products & Realty	ICT & Financial Business	The 8th	Others, Adjustments & Eliminations	
Revenues:										
Revenues from external customers .....	¥ 537,445	¥ 1,212,478	¥ 643,912	¥ 2,603,205	¥ 3,828,309	¥ 808,103	¥ 751,084	¥ 516,893	¥ 81,539	¥ 10,982,968
Intersegment revenues.....	68	20	-	36,774	5,127	23,134	13,360	195	(78,678)	-
Total revenues.....	<u>537,513</u>	<u>1,212,498</u>	<u>643,912</u>	<u>2,639,979</u>	<u>3,833,436</u>	<u>831,237</u>	<u>764,444</u>	<u>517,088</u>	<u>2,861</u>	<u>10,982,968</u>
Gross trading profit .....	<u>107,462</u>	<u>194,905</u>	<u>105,204</u>	<u>217,859</u>	<u>303,999</u>	<u>157,023</u>	<u>249,715</u>	<u>459,899</u>	<u>1,722</u>	<u>1,797,788</u>
Trading income .....	<u>12,483</u>	<u>35,827</u>	<u>85,313</u>	<u>61,743</u>	<u>61,186</u>	<u>42,974</u>	<u>60,706</u>	<u>50,356</u>	<u>(11,150)</u>	<u>399,438</u>
Net profit attributable to ITOCHU.....	<u>9,082</u>	<u>56,717</u>	<u>111,357</u>	<u>61,745</u>	<u>49,882</u>	<u>55,032</u>	<u>62,470</u>	<u>26,056</u>	<u>68,981</u>	<u>501,322</u>
[Equity in earnings of associates and joint ventures].....	<u>[3,675]</u>	<u>[30,709]</u>	<u>[22,275]</u>	<u>[11,071]</u>	<u>[15,636]</u>	<u>[5,114]</u>	<u>[40,686]</u>	<u>[1,463]</u>	<u>[75,231]</u>	<u>[205,860]</u>
Total assets on March 31, 2020 .....	<u>451,137</u>	<u>1,207,681</u>	<u>800,022</u>	<u>1,237,169</u>	<u>1,765,292</u>	<u>1,007,467</u>	<u>1,208,310</u>	<u>2,293,647</u>	<u>948,873</u>	<u>10,919,598</u>

	For the year ended March 31, 2019 (April 1, 2018 -March 31, 2019)									Millions of Yen
	Textile	Machinery	Metals & Minerals	Energy & Chemicals	Food	General Products & Realty	ICT & Financial Business	The 8th	Others, Adjustments & Eliminations	
Revenues:										
Revenues from external customers .....	¥ 593,553	¥ 1,222,821	¥ 666,109	¥ 3,124,420	¥ 3,770,252	¥ 890,057	¥ 728,043	¥ 496,536	¥ 108,694	¥ 11,600,485
Intersegment revenues.....	73	9,479	-	33,740	11,782	24,089	10,070	24,007	(113,240)	-
Total revenues.....	<u>593,626</u>	<u>1,232,300</u>	<u>666,109</u>	<u>3,158,160</u>	<u>3,782,034</u>	<u>914,146</u>	<u>738,113</u>	<u>520,543</u>	<u>(4,546)</u>	<u>11,600,485</u>
Gross trading profit .....	<u>118,905</u>	<u>193,830</u>	<u>82,845</u>	<u>216,554</u>	<u>278,639</u>	<u>164,079</u>	<u>207,824</u>	<u>305,097</u>	<u>(4,001)</u>	<u>1,563,772</u>
Trading income .....	<u>24,991</u>	<u>33,021</u>	<u>63,604</u>	<u>60,409</u>	<u>58,525</u>	<u>44,823</u>	<u>53,811</u>	<u>27,686</u>	<u>(5,378)</u>	<u>361,492</u>
Net profit attributable to ITOCHU.....	<u>29,764</u>	<u>47,080</u>	<u>78,744</u>	<u>78,381</u>	<u>46,285</u>	<u>62,679</u>	<u>66,767</u>	<u>166,827</u>	<u>(76,004)</u>	<u>500,523</u>
[Equity in earnings of associates and joint ventures].....	<u>[8,404]</u>	<u>[30,051]</u>	<u>[20,114]</u>	<u>[13,401]</u>	<u>[17,476]</u>	<u>[30,904]</u>	<u>[42,147]</u>	<u>[13,365]</u>	<u>[(77,810)]</u>	<u>[98,052]</u>
Total assets on March 31, 2019 .....	<u>527,204</u>	<u>1,180,268</u>	<u>844,399</u>	<u>1,288,711</u>	<u>1,640,440</u>	<u>980,618</u>	<u>1,093,255</u>	<u>1,691,617</u>	<u>852,191</u>	<u>10,098,703</u>

	For the year ended March 31, 2020 (April 1, 2019 -March 31, 2020)									Millions of U.S. Dollars
	Textile	Machinery	Metals & Minerals	Energy & Chemicals	Food	General Products & Realty	ICT & Financial Business	The 8th	Others, Adjustments & Eliminations	
Revenues:										
Revenues from external customers .....	\$ 4,938	\$ 11,141	\$ 5,917	\$ 23,920	\$ 35,177	\$ 7,425	\$ 6,902	\$ 4,750	\$ 749	\$ 100,919
Intersegment revenues.....	1	0	-	338	47	213	123	1	(723)	-
Total revenues.....	<u>4,939</u>	<u>11,141</u>	<u>5,917</u>	<u>24,258</u>	<u>35,224</u>	<u>7,638</u>	<u>7,025</u>	<u>4,751</u>	<u>26</u>	<u>100,919</u>
Gross trading profit .....	<u>987</u>	<u>1,791</u>	<u>967</u>	<u>2,002</u>	<u>2,793</u>	<u>1,443</u>	<u>2,294</u>	<u>4,226</u>	<u>16</u>	<u>16,519</u>
Trading income .....	<u>115</u>	<u>329</u>	<u>784</u>	<u>567</u>	<u>562</u>	<u>395</u>	<u>558</u>	<u>463</u>	<u>(103)</u>	<u>3,670</u>
Net profit attributable to ITOCHU.....	<u>84</u>	<u>521</u>	<u>1,023</u>	<u>567</u>	<u>458</u>	<u>506</u>	<u>574</u>	<u>239</u>	<u>634</u>	<u>4,606</u>
[Equity in earnings of associates and joint ventures].....	<u>[34]</u>	<u>[282]</u>	<u>[205]</u>	<u>[102]</u>	<u>[143]</u>	<u>[47]</u>	<u>[374]</u>	<u>[13]</u>	<u>[691]</u>	<u>[1,891]</u>
Total assets on March 31, 2020 .....	<u>4,145</u>	<u>11,097</u>	<u>7,351</u>	<u>11,368</u>	<u>16,220</u>	<u>9,257</u>	<u>11,103</u>	<u>21,076</u>	<u>8,719</u>	<u>100,336</u>

Note 1 : "Equity in earnings 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"

Note 3 : "Others, Adjustments & Eliminations" includes gains and losses which do not belong to any operating segment and internal eliminations between operating segments. The investments in CITIC Limited and C.P. Pokphand Co. Ltd. and the profits and losses from them are included in this segment.

Note 4 : On July 1, 2019, ITOCHU established The 8th Company and changed its organizational structure from seven Division Companies to eight Division Companies. The amounts under "For the year ended March 31, 2019" and "Total assets on March 31, 2019" are presented post reclassification.

**(Per Share Information)**

The following is the information on ITOCHU shareholders' equity per share and earnings per share attributable to ITOCHU for the years ended March 31, 2020 and 2019.

	(Unit: Yen)	
	2020	2019
ITOCHU shareholders' equity per share	2,010.33	1,930.47
Earnings per share attributable to ITOCHU (basic)	335.58	324.07
Earnings per share attributable to ITOCHU (diluted)	-	-

The base data to calculate the basic and diluted earnings per share attributable to ITOCHU for March 31, 2020 and 2019 are as follows:

	(Unit: Millions of Yen)	
(Numerator)	2020	2019
Net profit attributable to ITOCHU	501,322	500,523
Effect of dilutive securities	-	-
Net profit attributable to ITOCHU (diluted)	501,322	500,523

	(Unit: Share)	
(Denominator)	2020	2019
Average number of common shares outstanding	1,493,881,221	1,544,498,372

**(Material Subsequent Events)**

None