

FYE 2024 1st Half Business Results Summary

ITOCHU Corporation
November 6, 2023



I am One with Infinite Missions

Forward-Looking Statements

Data and projections contained in these materials are based on the information available at the time of publication, and various factors may cause the 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 has no obligation to update any forward-looking statements as a result of new information, future events or other developments.

Summary of Financial Results for FYE 2024 1st Half



(Unit : billion yen)

■ “Net profit attributable to ITOCHU” was ¥412.9 bil.

There were no significant extraordinary gains in the Q2 and “Core profit” was approximately ¥383.5 bil. Even with the impact of lower market prices and higher interest rates, in Non-Resource sector, The 8th, Machinery, Food, and ICT & Financial Business Companies exceeded the profit in the same period of the previous fiscal year, and ITOCHU accumulated profit steadily.

■ In accordance with the steady Q1-2 Results, annual forecast for FYE 2024, the final year of Brand-new Deal 2023 was **revised upward to ¥800.0 bil.** to show certain establishment of “¥800.0 bil. Profit Stage”.

■ “Core operating cash flows” was ¥375.0 bil., due to payments of interest expenses by higher interest rates and taxes, even with the stable performance in operating revenues in The 8th, Food, and General Products & Realty Companies.

	FYE 2023 Q1-2 Results	FYE 2024 Q1-2 Results	Increase/ Decrease	FYE 2024 Forecast Initial Forecast Revised Forecast Progress (Disclosed on May 9)		
Net profit attributable to ITOCHU	483.0	412.9	(70.1)	780.0	800.0	52%
Extraordinary gains and losses	53.0	29.5	(23.5)	(20.0) ^(*1)	— ^(*2)	
Core profit ^(*)	430.0	383.5	(46.5)	* 800.0	* 800.0	48%

(*) Core profit is shown in round figures.

(*1) Including a loss buffer : (50.0) (*2) Including a loss buffer : (30.0)

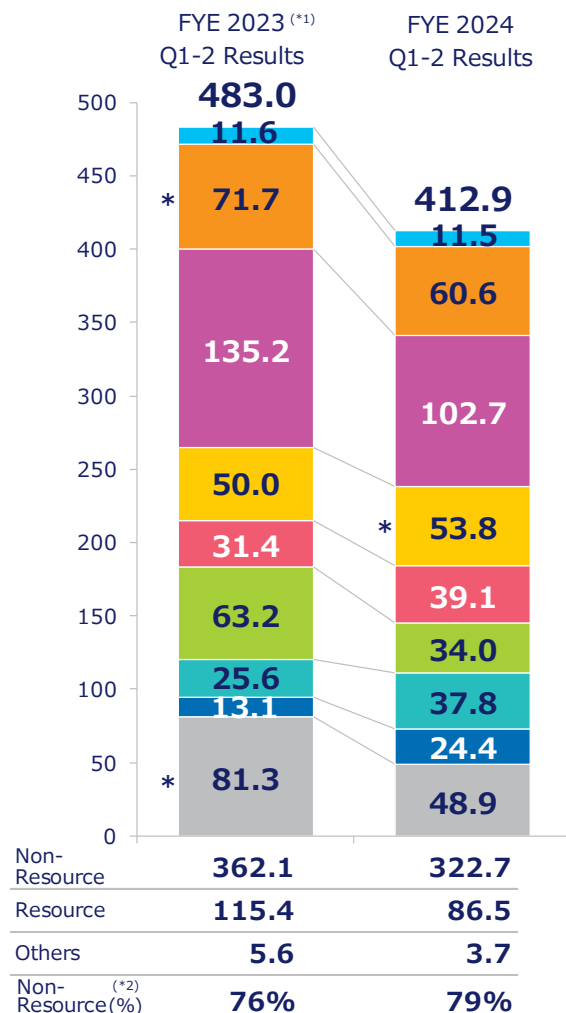
Ratio (%) of group companies reporting profits	84.4%	84.1%	Decreased 0.3pt	Dividend Information (per share)	
				Annual (Planned)	* 160 yen
Core operating cash flows	467.0	375.0	(92.0)	Interim	* 80 yen

* : Record High

Net profit attributable to ITOCHU by Segment/1st Half Results



(Unit : billion yen)



(*)1 As of October 1, 2022, ITOCHU dissolved the mutual-holdings for certain group companies held by The 8th Company as minority and the other Division Company as majority, and shares of such group companies are only held by the other Division Company. Accordingly, FYE 2023 Q1-2 Results are reclassified in the same manner.

(*)2 % composition is calculated using the total of Non-Resource and Resource sectors as 100%.

(*)3 Extra. G&L. means "Extraordinary Gains and Losses".

Summary of Changes from the Same Period of the Previous Fiscal Year

Textile [Inc/(Dec) : ¥(0.1) bil.(incl. Extra. G&L. ^{(*)3} : -)]

Remained consistent due to the stable performance in apparel-related companies resulting from the recovery of retail market because of the alleviation of the impact of COVID-19, offset by the lower earnings resulting from the withdrawal of overseas company.

Machinery [Inc/(Dec) : ¥(11.1) bil.(incl. Extra. G&L. : (19.0))]

Decreased due to the absence of extraordinary gains and losses in the same period of the previous fiscal year, partially offset by the favorable sales in automobile-related transactions/companies and the start of equity pick-up of Hitachi Construction Machinery from the 3rd quarter of the previous fiscal year.

Metals & Minerals [Inc/(Dec) : ¥(32.5) bil.(incl. Extra. G&L. : 0.5)]

Decreased due to lower coal and iron ore prices, etc.

Energy & Chemicals [Inc/(Dec) : ¥3.8 bil.(incl. Extra. G&L. : 19.0)]

Increased due to the revaluation gain on a lithium-ion batteries company, partially offset by the absence of favorable performance in energy trading transactions and chemical-related transactions in the same period of the previous fiscal year.

Food [Inc/(Dec) : ¥7.7 bil.(incl. Extra. G&L.(0.5))]

Increased due to the expansion of transactions resulting from the recovery of consumer activity and higher sales prices in food-distribution-related companies, higher transaction volume in provisions-related transactions, and the stable performance in a North American grain-related company, partially offset by the loss from the withdrawal of a North American meat-products-related company.

General Products & Realty [Inc/(Dec) : ¥(29.2) bil.(incl. Extra. G&L. : (7.0))]

Decreased due to the absence of favorable performance in construction-materials-related business and overseas real estate business in the same period of the previous fiscal year, lower earnings in IFL (European pulp-related company) resulting from lower pulp prices and lower sales volume, in addition to the absence of extraordinary gain in the same period of the previous fiscal year, partially offset by the stable performance in domestic real estate transactions.

ICT & Financial Business [Inc/(Dec) : ¥12.3 bil.(incl. Extra. G&L. : 4.5)]

Increased due to the stable transactions in ITOCHU Techno-Solutions, higher agency commissions in HOKEN NO MADOGUCHI GROUP, the improvement of remeasurement gains(losses) for fund held investments, and the extraordinary gains on the sale of overseas companies.

The 8th [Inc/(Dec) : ¥11.3 bil.(incl. Extra. G&L. : -)]

Increased due to the increase in daily sales along with higher number of customers and spend per customer resulting from enhancement of product appeal and sales promotion, and the improvement in performance of group companies and impairment losses on stores, partially offset by the increase in various costs caused by changes in external environment and execution of digital measures to strengthen business foundations in FamilyMart.

Others, Adjustments & Eliminations [Inc/(Dec) : ¥(32.3) bil.(incl. Extra. G&L. : (21.0))]

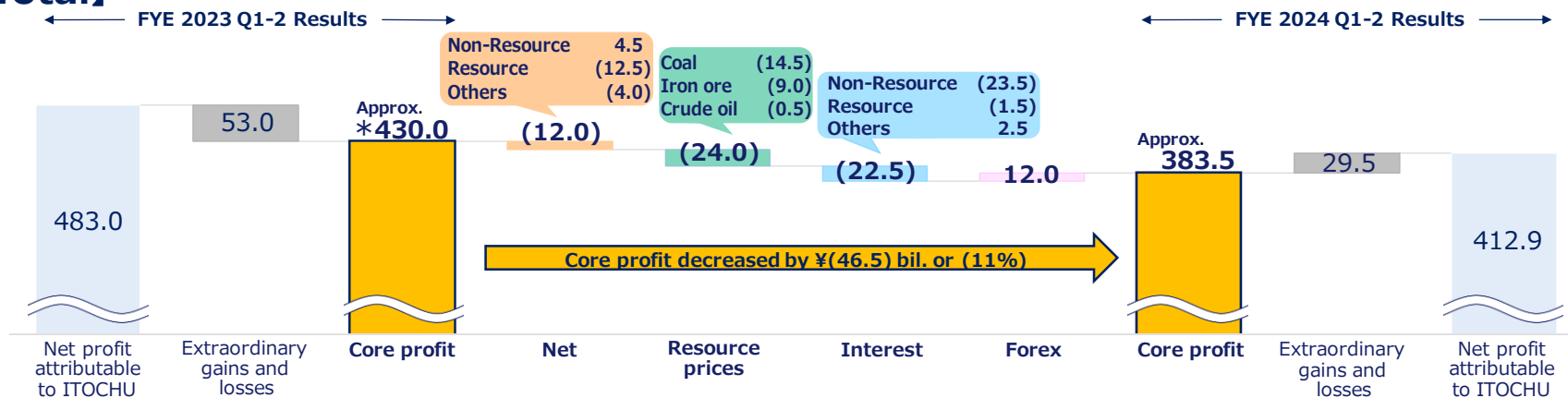
Decreased due to lower earnings in CITIC Limited resulting from the absence of revaluation gain on securities business in the same period of the previous fiscal year, partially offset by the stable performance in comprehensive financial services segment, the increase in interest expense with higher U.S. dollar interest rates, and lower earnings in C.P. Pokphand resulting from lower pork prices.

Core Profit for 1st Half Results (YoY Factor Comparison)

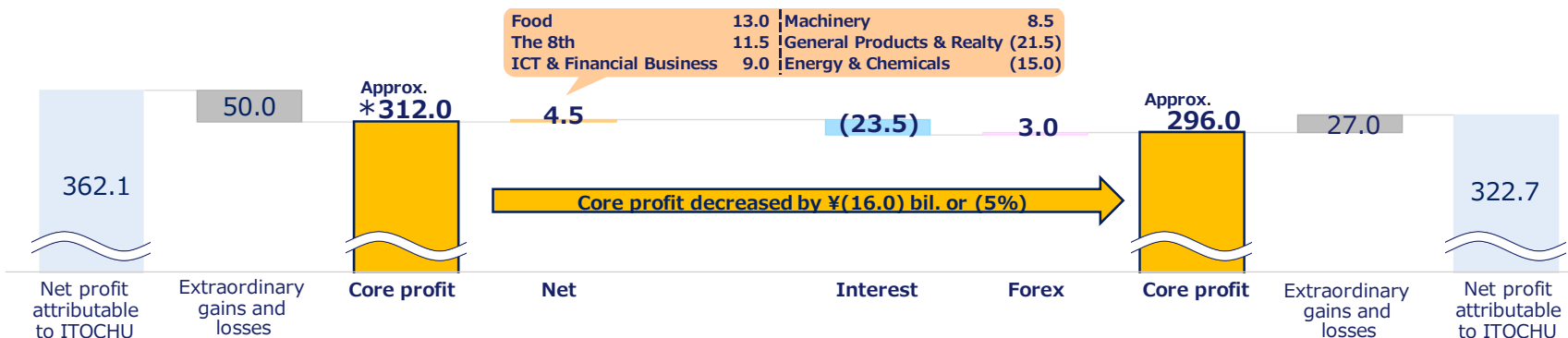


[Total]

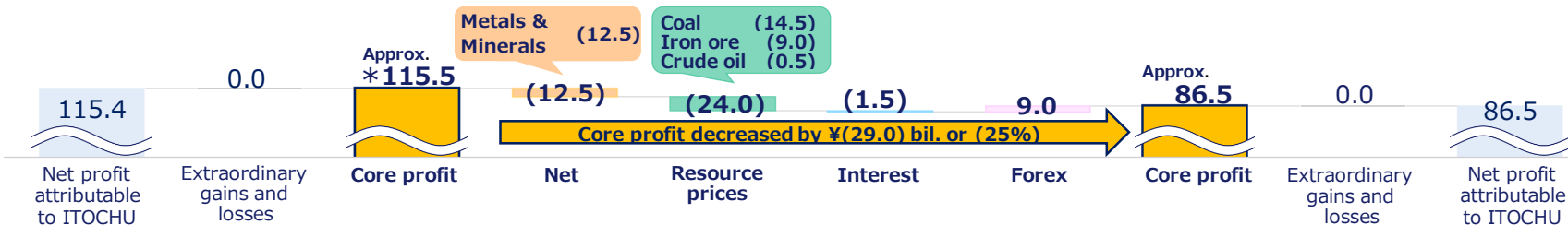
(Unit : billion yen)



[Non-Resource (73% →77%^(*))]



[Resource (27% →23%^(*))]



(*) Non-Resource/Resource ratio of core profit

* : Record High

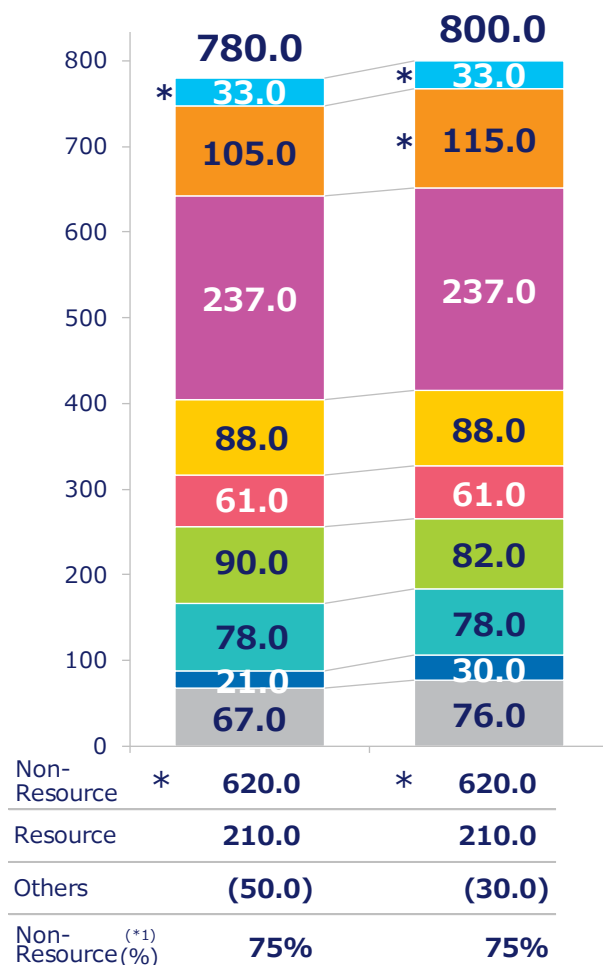
Net profit attributable to ITOCHU by Segment/Annual Forecast



(Unit : billion yen)

FYE 2024
Initial Forecast

FYE 2024
Revised Forecast



* : Record High

(*1) % composition is calculated using the total of Non-Resource and Resource sectors as 100%.

Summary of Changes from the Initial Forecast

Textile [Inc/(Dec) : -]

In line with the initial forecast due to the stable performance in apparel-related companies.

Machinery [Inc/(Dec) : ¥10.0 bil.]

Increased due to the favorable performance in automobile-related transactions/companies and construction-machinery-related business, and the depreciation of the yen.

Metals & Minerals [Inc/(Dec) : -]

In line with the initial forecast due to lower coal prices, offset by the depreciation of the yen.

Energy & Chemicals [Inc/(Dec) : -]

In line with the initial forecast due to the revaluation gain on a lithium-ion batteries company, offset by lower earnings in overseas chemical-related companies.

Food [Inc/(Dec) : -]

In line with the initial forecast due to the stable performance in provisions-related transactions and food-distribution-related companies, offset by higher U.S. dollar interest rates and lower pork prices.

General Products & Realty [Inc/(Dec) : ¥(8.0) bil.]

Decreased due to lower earnings in IFL resulting from lower pulp prices and lower sales volume, partially offset by the stable performance in domestic real estate transactions and North American construction-materials-related business.

ICT & Financial Business [Inc/(Dec) : -]

In line with the initial forecast due to the stable performance and the increased ownership percentage resulting from the additional investment in ITOCHU Techno-Solutions, offset by the partial postponement of new investments.

The 8th [Inc/(Dec) : ¥9.0 bil.]

Increased due to the increase in daily sales/margin rate resulting from enhancement of product appeal and sales promotion, and the improvement of impairment losses on stores, partially offset by various costs such as SG&A expected to continue increasing in FamilyMart.

Others, Adjustments & Eliminations [Inc/(Dec) : ¥9.0 bil.]

Increased due to the stable performance in CITIC Limited and the decrease in the loss buffer, partially offset by lower earnings in C.P. Pokphand resulting from lower pork prices.

Net profit attributable to ITOCHU/Annual Forecast

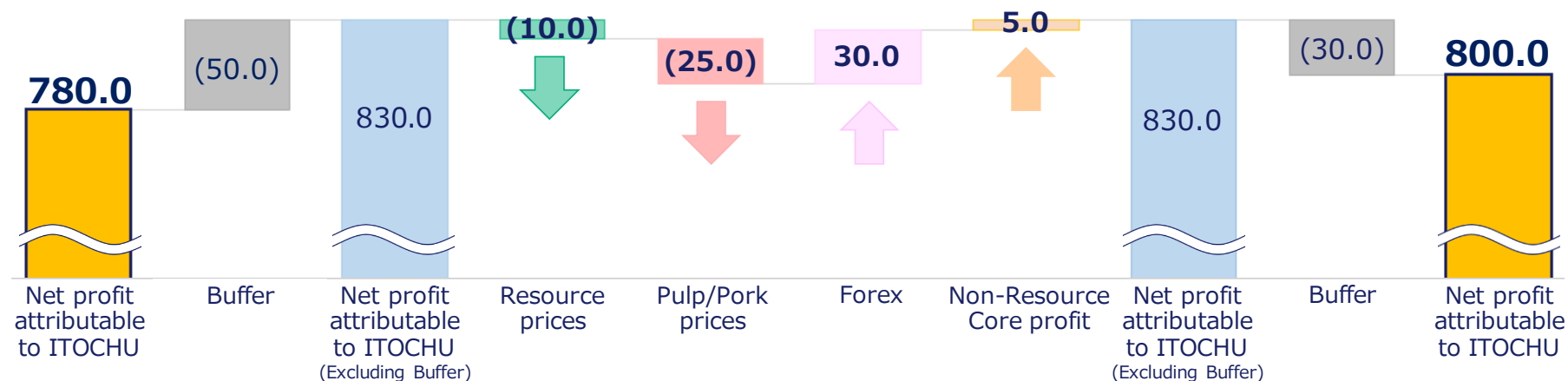


【Total】

(Unit : billion yen)

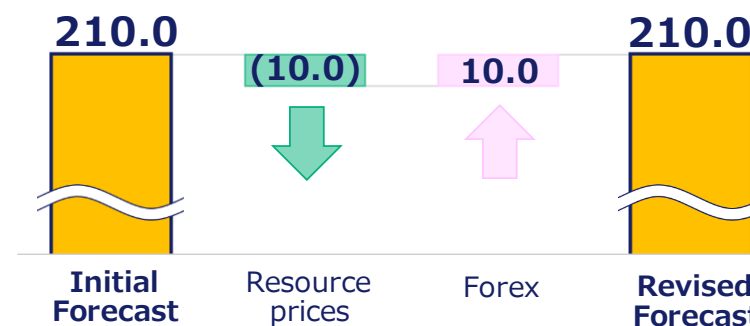
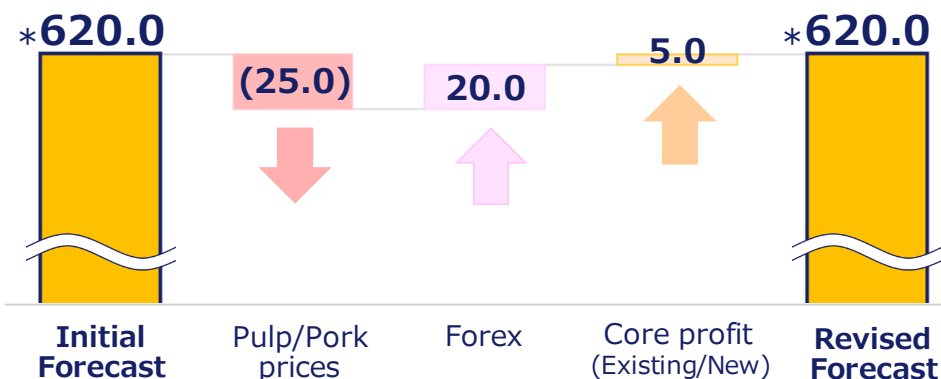
← FYE 2024 Initial Forecast →

← FYE 2024 Revised Forecast →



【Non-Resource (75% →75%^(*))】

【Resource (25% →25%^(*))】



(*) Non-Resource/Resource Ratio

* : Record High

Extraordinary Gains and Losses



(Unit : billion yen)

Segments	FYE 2023 Q1-2 Results		Major items	FYE 2024 Q1-2 Results		Major items
		[Q2]			[Q2]	
Textile	—	—		—	—	
Machinery	19.0	25.0	[Q1]Impairment losses on aircraft leased to Russian airlines in a leasing-related company:(8.5) [Q1]Gains on a specific overseas project and business:2.5 [Q2]Gain on the sale of a North American beverage-equipment-maintenance company:22.0 [Q2]Gain on the sale of a vehicle-related company:3.0	—	—	
Metals & Minerals	—	—		0.5	0.5	[Q2]Gain on the sale of fixed assets in Marubeni-Itochu Steel:0.5
Energy & Chemicals	—	—		19.0	0.5	[Q1]Revaluation gain on a lithium-ion batteries company:16.5 [Q1-2]Gain on the sale of fixed assets in ITOCHU ENEX:2.5[Q1:2.0, Q2:0.5]
Food	3.5	—	[Q1]Gain on the group reorganization in North American oils and fats companies:3.5	3.0	(1.5)	[Q1]Gain on the sale of fixed assets in a North American oils and fats company:4.5 [Q2]Loss from the withdrawal of a North American meat-products-related company:(1.5)
General Products & Realty	7.0	8.5	[Q1]Impairment loss on sawn timber business in IFL:(1.5) [Q2]Revaluation gain resulting from to the conversion of a North American engineered wood products company into a consolidated subsidiary:8.5	—	—	
ICT & Financial Business	—	—		4.5	4.5	[Q2]Gain on the sale of an overseas retail-finance-related company:2.5 [Q2]Revaluation gain on a medical-related company:2.0
The 8th	—	—		—	—	
Others, Adjustments & Eliminations	23.5	—	[Q1]Revaluation gain on securities business in CITIC Limited:20.5 [Q1]Reversal of allowance for risk assets:3.0	2.5	2.5	[Q2]Reversal of allowance for risk assets:2.5
Total	53.0	33.5	[Q1-2] Non-Resource:50.0, Resource: — , Others:3.0	29.5	6.5	[Q1-2] Non-Resource:27.0, Resource: — , Others:2.5

(*) Major items are shown in round figures.

Cash Flows



(Unit : billion yen)

■ Operating Cash Flows and Free Cash Flows:

“Cash flows from operating activities” was a **net cash-inflow of ¥469.2 bil.**, due to the stable performance in operating revenues in The 8th, General Products & Realty, and Food Companies and dividends received from equity method investments in Metals & Minerals Company.

“Cash flows from investing activities” was a net cash-outflow of ¥90.7 bil., due to the acquisition of equity method investments in Metals & Minerals Company and the purchase of fixed assets in The 8th, Food, and Energy & Chemicals Companies.

As a result, “Free cash flows” was a **net cash-inflow of ¥378.5 bil.**

■ Core Free Cash Flows:

“Core operating cash flows” after deducting changes in working capital, etc. from Cash flows from operating activities was a **net cash-inflow of ¥375.0 bil.** “Net investment cash flows” was a net cash-outflow of ¥341.0 bil., due to the additional investment in shares in ITOCHU Techno-Solutions.

As a result, “Core free cash flows” was a **net cash-inflow of ¥34.0 bil.**

Cash Flows

	FYE 2023 Q1-2 Results	FYE 2024 Q1-2 Results
Cash flows from operating activities	469.1	469.2
Cash flows from investing activities	(306.8)	(90.7)
Free cash flows	162.3	378.5
Cash flows from financing activities	(176.0)	(398.0)

Core Free Cash Flows

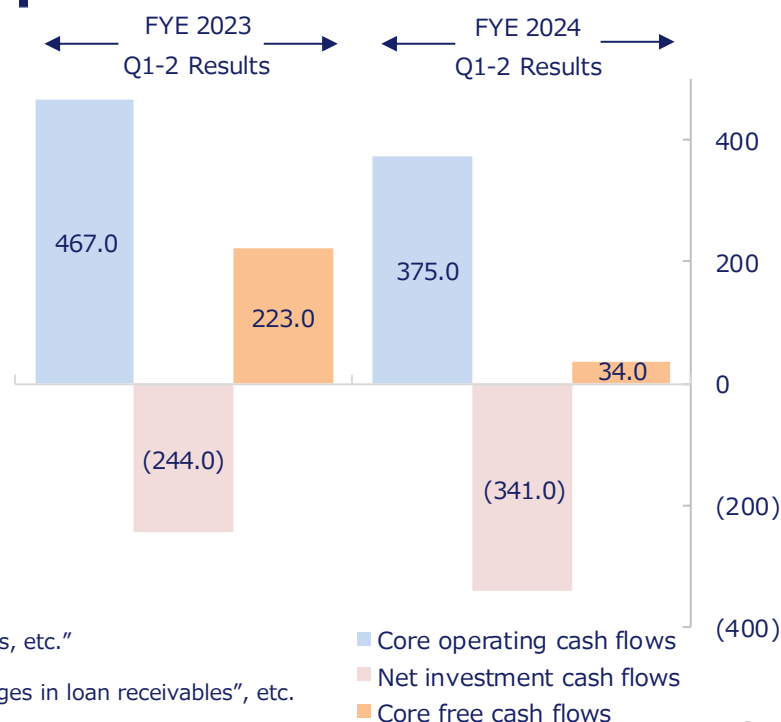
	FYE 2023 Q1-2 Results	FYE 2024 Q1-2 Results
Core operating cash flows ^(*1)	467.0	375.0
Net investment cash flows ^(*2)	(244.0)	(341.0)
Core free cash flows	223.0	34.0

(*1) “Operating cash flows” minus “Changes in working capital” plus “Repayments of lease liabilities, etc.”

(*2) Payments and collections for substantive investment and capital expenditure.

“Investment cash flows” plus “Equity transactions with non-controlling interests” minus “Changes in loan receivables”, etc.

Core Free Cash Flows



Financial Position



(Unit : billion yen)

■ Total Assets:

Increased by ¥1,054.3 bil., compared to March 31, 2023 to **¥14,169.7 bil.**, due to the increase in trade receivables resulting from the increase of trading transactions, the increase in investments accounted for by the equity method, and the depreciation of the yen.

■ Net Interest-bearing Debt:

Increased by ¥238.8 bil., compared to March 31, 2023 to **¥2,629.9 bil.**, due to the additional investment in shares in ITOCHU Techno-Solutions, dividend payments and share buybacks, and the depreciation of the yen, partially offset by the stable performance in operating revenues.

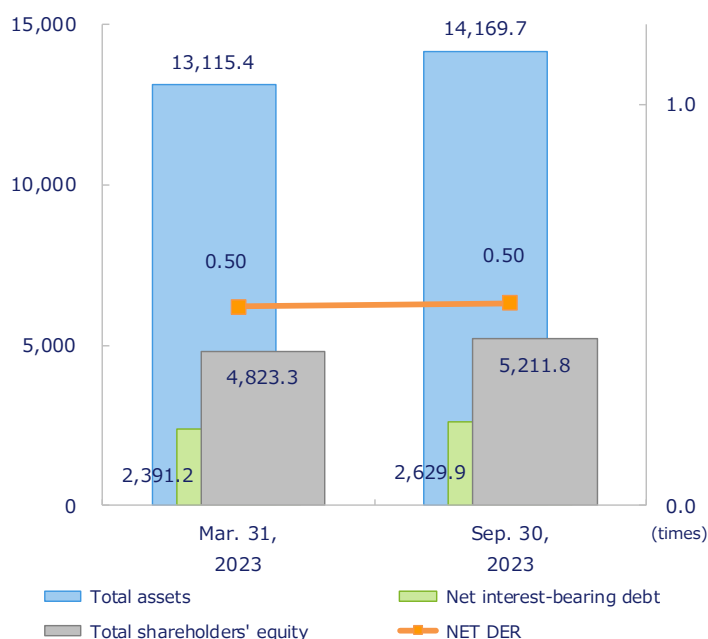
■ Total Shareholders' Equity:

Increased by ¥388.6 bil., compared to March 31, 2023 to **¥5,211.8 bil.**, due to net profit attributable to ITOCHU during this fiscal year and the depreciation of the yen, partially offset by the decrease of capital surplus resulting from the additional investment in shares in ITOCHU Techno-Solutions and dividend payments and share buybacks.

■ Ratio of Shareholders' Equity to Total Assets and NET DER:

Ratio of shareholders' equity to total assets was **36.8%** and **NET DER** was **0.50 times**.

Both were at the same level compared to March 31, 2023.



	Mar. 31, 2023	Sep. 30, 2023	Increase/ Decrease	Brand-new Deal 2023
Total assets	13,115.4	* 14,169.7	+ 1,054.3	B/S control appropriate for A ratings
Net interest-bearing debt	2,391.2	2,629.9	+ 238.8	
Total shareholders' equity	4,823.3	* 5,211.8	+ 388.6	
Ratio of shareholders' equity to total assets	36.8%	36.8%	same level	
NET DER (times)	0.50	0.50	same level	
ROE	17.7%	—	—	about 0.7-0.8 times
* : Record High				Maintain high efficiency about 13-16%

(*) Due to the adoption of IFRS 17, the results for March 31, 2023 are presented post retroactive adjustment.

Assumptions



		FYE 2023	FYE 2024	FYE 2024 Forecast		(Reference)	
		Q1-2 Results	Q1-2 Results	Initial Forecast	Revised Forecast	Sensitivities on net profit attributable to ITOCHU for FYE 2024 Q3-4	
				(Disclosed on May 9)			
Exchange rate (Yen/US\$)	Average	130.45	138.51	130	140	1 Yen fluctuation against US\$	Approx. ±¥1.5 bil. (*1)
	Closing	Mar. 2023 133.53	Sep. 2023 149.58	125	140		—
Interest rate (%)	TIBOR 3M (¥)	0.07%	0.07%	0.1%	0.1%	0.1% fluctuation of interest rate	Approx. ±¥0.2 bil. (*3)
	LIBOR 3M (US\$) (*2)	2.29%	—	—	—		—
	SOFR 3M (US\$) (*2)	—	5.25%	5.0%	5.5%		Approx. ±¥0.2 bil. (*3)
Crude oil (Brent) (US\$/BBL)		104.63	81.86	75	84	±¥0.06 bil. (*6)	
Iron ore (CFR China) (US\$/ton)		123 (*4)	112 (*4)	N.A. (*5)	N.A. (*5)	±¥0.74 bil. (*6)	

(*1) The impact in case the average exchange rate during FYE 2024 Q3-4 depreciated(increase)/appreciated(decrease) is shown.

(*2) Due to the cessation of LIBOR publication in June 2023, the US\$ benchmark interest rate has been changed to Term SOFR.

(*3) In addition to changes in interest income/expense, the impact of interest rate fluctuation on the transaction prices are included.

(*4) FYE 2023 Q1-2 and FYE 2024 Q1-2 prices for iron ore are prices that ITOCHU regards as general transaction prices based on the market.

(*5) The prices of iron ore used in the FYE 2024 Forecast are assumptions made in consideration of general transaction prices based on the market.

The actual prices are not presented, as they are subject to negotiation with individual customers and vary by ore type.

(*6) The above sensitivities vary according to changes in sales volume, foreign exchange rates, production cost, etc.

FYE 2024 Shareholder Returns Policy



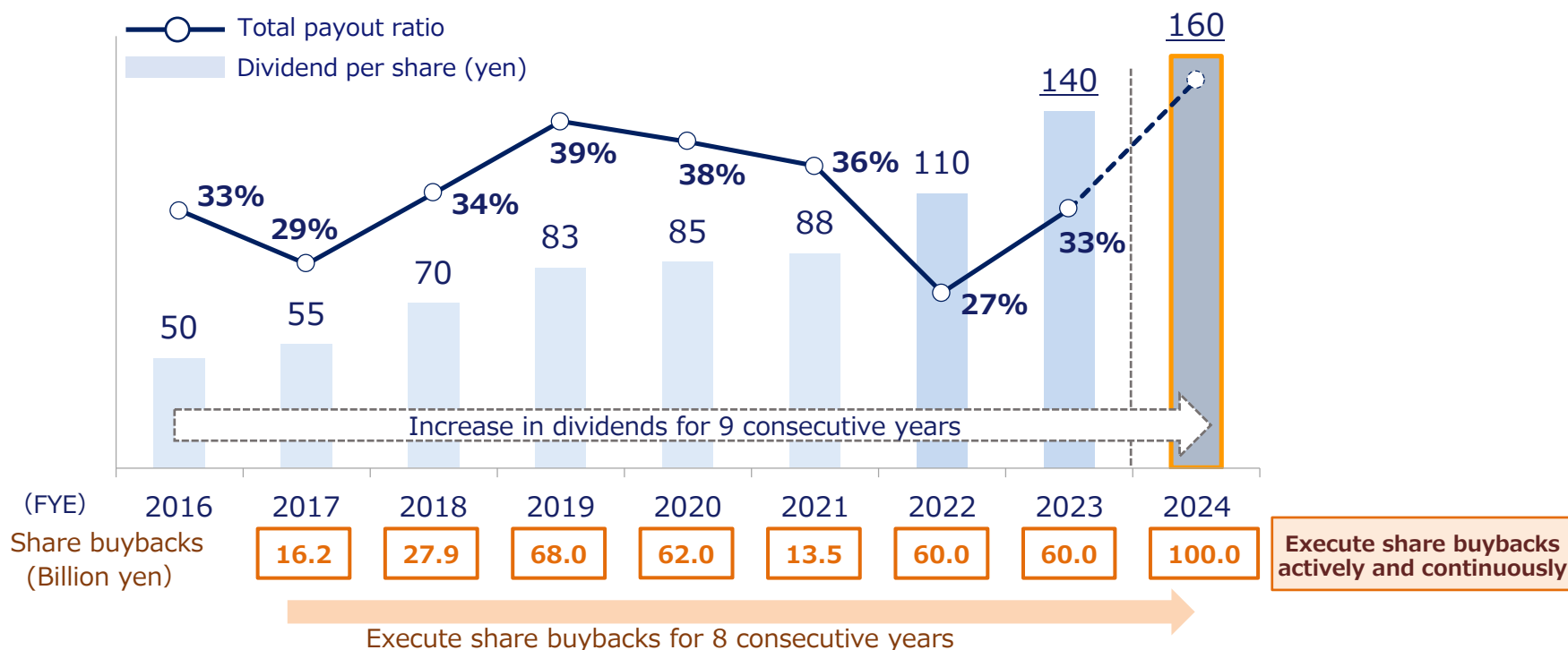
Dividends

- ✓ Dividend per share is **¥160 per share**, an increase of ¥20 from the previous fiscal year.

Share buybacks

- ✓ **Decided to execute additional ¥75.0 billion of share buybacks (Annual Total : ¥100.0 bil.*)** .
in consideration of the market conditions and situation of cash allocation.

* Executed ¥25.0 bil. of share buybacks by September 22, 2023.
Decided to execute additional ¥75.0 bil. of share buybacks on November 6, 2023.
(Period : From November 7, 2023 to February 29, 2024)



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Appendix

Supplementary Information on FYE 2024 1st Half Business Results Summary

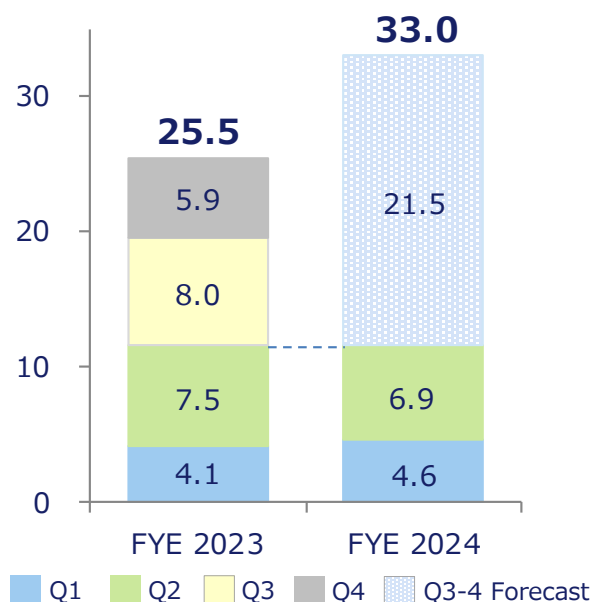
(*) As of October 1, 2022, ITOCHU dissolved the mutual-holdings for certain group companies held by The 8th Company as minority and the other Division Company as majority, and shares of such group companies are only held by the other Division Company. Accordingly, all quarterly results for FYE 2023 are reclassified in the same manner.

Textile



	FYE 2023 Q1-2 Results	FYE 2024 Q1-2 Results	Increase/ Decrease	Summary of changes (Net profit attributable to ITOCHU)	(Unit : billion yen) FYE 2024 Forecast	Progress
Gross trading profit	53.4	61.1	+ 7.7	Remained consistent due to the stable performance in apparel-related companies resulting from the recovery of retail market because of the alleviation of the impact of COVID-19, offset by the lower earnings resulting from the withdrawal of overseas company.	141.0	43%
Equity in earnings of associates and joint ventures	2.8	2.9	+ 0.0			
Net profit attributable to ITOCHU	11.6	11.5	(0.1)		33.0	35%
Core profit	11.6	11.5	(0.1)			
	Mar. 2023 Results	Sep. 2023 Results	Increase/ Decrease			
Total assets	457.7	496.0	+ 38.4			

Net profit attributable to ITOCHU



Profits/Losses from Major Group Companies

	Owner -ship	FYE 2023 Q1-2 Results	FYE 2024 Q1-2 Results	FYE 2023 Results	FYE 2024 Forecast
JOI'X CORPORATION	100.0%	(0.1)	0.0	1.1	1.4
LEILIAN CO., LTD.	100.0%	0.0	0.1	0.7	1.0
DESCENTE LTD.	43.8%	2.0	2.4	4.1	4.8 ^(*)
DOME CORPORATION	69.7%	0.4	0.4	0.5	0.8
EDWIN CO., LTD.	100.0%	0.3	0.2	0.6	0.7
Sankei Co., Ltd.	100.0%	0.6	0.9	1.1	1.2
ITOCHU Textile Prominent (ASIA) Ltd. [IPA]	(Hong Kong) 100.0%	1.4	0.5	2.2	2.0
ITOCHU TEXTILE (CHINA) CO., LTD. [ITS]	(China) 100.0%	1.1	1.3	2.1	2.0

(*)1 The figures are the company's forecast announced, excluding IFRS adjustment, multiplied by ITOCHU's ownership percentage.

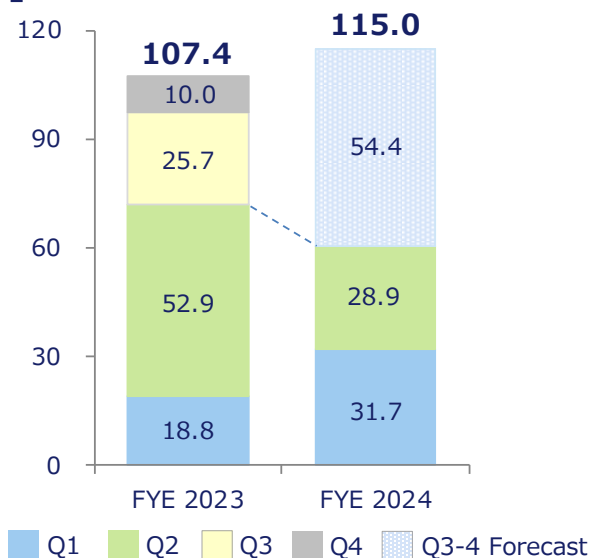
Machinery



	FYE 2023 Q1-2 Results	FYE 2024 Q1-2 Results	Increase/ Decrease	Summary of changes (Net profit attributable to ITOCHU)	(Unit : billion yen)
Gross trading profit	109.7	114.3	+ 4.7	Decreased due to the absence of extraordinary gains and losses in the same period of the previous fiscal year, partially offset by the favorable sales in automobile-related transactions/companies and the start of equity pick-up of Hitachi Construction Machinery from the 3 rd quarter of the previous fiscal year.	FYE 2024 Forecast
Plant Project, Marine & Aerospace	26.2	24.7	(1.5)		Progress
Automobile, Construction Machinery & Industrial Machinery	83.5	89.7	+ 6.2		234.0
Equity in earnings of associates and joint ventures	19.8	42.8	+ 23.0		58.0
Net profit attributable to ITOCHU	71.7	60.6	(11.1)		176.0
Plant Project, Marine & Aerospace	43.7	20.1	(23.6)		
Automobile, Construction Machinery & Industrial Machinery	28.0	40.5	+ 12.5		
Core profit	52.7	60.6	+ 7.9		
					115.0
					53%

	Mar. 2023 Results	Sep. 2023 Results	Increase/ Decrease
Total assets	1,664.6	1,793.0	+ 128.4
Plant Project, Marine & Aerospace	690.6	752.3	+ 61.7
Automobile, Construction Machinery & Industrial Machinery	974.1	1,040.7	+ 66.7

Net profit attributable to ITOCHU



Profits/Losses from Major Group Companies

	Owner -ship	FYE 2023 Q1-2 Results	FYE 2024 Q1-2 Results	FYE 2023 Results	FYE 2024 Forecast
Tokyo Century Corporation	30.0%	2.4	11.8	4.1	21.0 ^(*)
North American electric-power-related business (I-Power Investment Inc. etc.) ^{(*)2}	—	3.9	4.4	6.7	14.1
I-ENVIRONMENT INVESTMENTS LIMITED [IEI] (U.K.)	100.0%	2.3	1.4	3.6	3.7
ITOCHU Plantech Inc.	100.0%	0.7	0.7	1.9	1.4
IMECS Co., Ltd.	100.0%	1.8	3.9	3.3	4.2
JAMCO Corporation	33.4%	0.2	0.3	0.7	0.8 ^(*)
JAPAN AEROSPACE CORPORATION	100.0%	0.5	0.9	1.7	2.0
YANASE & CO., LTD.	82.8%	5.8	5.8	12.7	11.8
Auto Investment Inc. [AII] (U.S.A.)	100.0%	1.6	1.4	3.0	2.5
Citrus Investment LLC ^{(*)3}	100.0%	—	5.8	3.6	10.0
ITOCHU MACHINE-TECHNOS CORPORATION	100.0%	0.1	0.2	1.4	1.5
North American construction-machinery-related business (MULTIQUIP INC. etc.) ^{(*)4}	—	2.8	3.7	6.4	5.9

(*)1 The figures are the company's forecast announced, excluding IFRS adjustment, multiplied by ITOCHU's ownership percentage.

(*)2 The figures are the sum of results/forecasts of the group companies engaged in the North American electric power business and related service business.

(*)3 From FYE 2023 Q3, the figures include net profit from Hitachi Construction Machinery, which is the affiliate of the company. The figures do not include the interest income, etc. resulting from ITOCHU's loan to the partner.

(*)4 The figures are the sum of results/forecasts of the group companies engaged in the North American construction-machinery-related business.

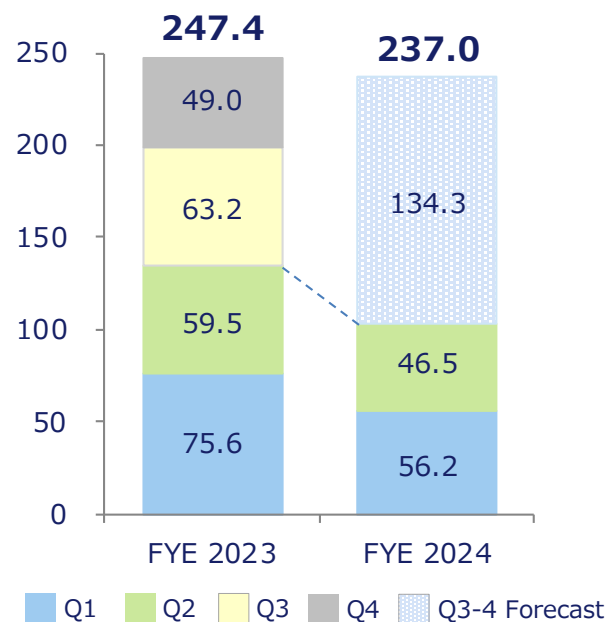
Metals & Minerals



(Unit : billion yen)

	FYE 2023 Q1-2 Results	FYE 2024 Q1-2 Results	Increase/ Decrease	Summary of changes (Net profit attributable to ITOCHU)	FYE 2024 Forecast	Progress
Gross trading profit	127.4	92.1	(35.3)	Decreased due to lower coal and iron ore prices, etc.	185.0	50%
Equity in earnings of associates and joint ventures	31.7	28.8	(2.9)			
Net profit attributable to ITOCHU	135.2	102.7	(32.5)		237.0	43%
Core profit	135.2	102.2	(33.0)			
	Mar. 2023 Results	Sep. 2023 Results	Increase/ Decrease			
Total assets	1,274.8	1,391.8	+ 117.0			

Net profit attributable to ITOCHU



Profits/Losses from Major Group Companies

	Owner -ship	FYE 2023 Q1-2 Results	FYE 2024 Q1-2 Results	FYE 2023 Results	FYE 2024 Forecast
ITOCHU Minerals & Energy of Australia Pty Ltd [IMEA] (Australia)	100.0%	98.4	69.5	176.3	167.1
Iron ore	N.A.	73.7	64.9	136.3	— (*1)
Coal	N.A.	24.7	4.6	40.0	— (*1)
JAPÃO BRASIL MINÉRIO DE FERRO PARTICIPAÇÕES LTDA. [JBMF] (Brazil)	77.3%	4.7	4.8	8.9	— (*1)
Marubeni-Itochu Steel Inc.	50.0%	25.1	22.4	47.8	— (*1)
ITOCHU Metals Corporation	100.0%	1.7	1.3	3.0	3.0

(*1) Due to the relationships with investees and partners, "FYE 2024 Forecast" is not presented.

ITOCHU's Ownership (Sales Results)

	FYE 2023 Q1-2 Results	FYE 2024 Q1-2 Results	FYE 2023 Results	FYE 2024 Forecast
Iron ore (million tons)	11.7	13.0	23.7	25.9
IMEA	10.7	11.5*	21.5*	23.5*
JBMF(CSN Mineração S.A.)	1.0	1.5	2.2	2.4

(*) incl. iron ore business in Canada

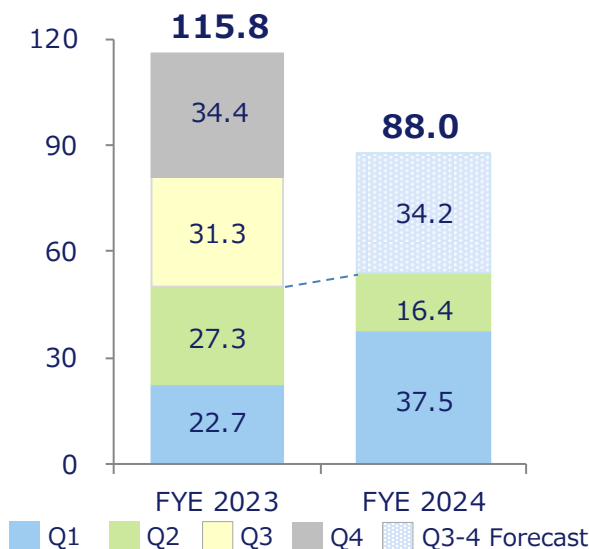
Energy & Chemicals



	FYE 2023 Q1-2 Results	FYE 2024 Q1-2 Results	Increase/ Decrease	Summary of changes (Net profit attributable to ITOCHU)	(Unit : billion yen) FYE 2024 Forecast	Progress
Gross trading profit	152.8	133.2	(19.6)	Increased due to the revaluation gain on a lithium-ion batteries company, partially offset by the absence of favorable performance in energy trading transactions and chemical-related transactions in the same period of the previous fiscal year.	280.0	48%
Energy	79.9	58.6	(21.3)		121.0	48%
Chemicals	65.0	65.6	+ 0.6		140.0	47%
Power & Environmental Solution	7.9	9.0	+ 1.1		19.0	47%
Equity in earnings of associates and joint ventures	5.6	2.6	(2.9)			
Net profit attributable to ITOCHU	50.0	53.8	+ 3.8		88.0	61%
Energy	25.3	12.7	(12.5)		28.0	45%
Chemicals	19.6	16.1	(3.5)		35.0	46%
Power & Environmental Solution	5.1	25.0	+ 19.8		25.0	100%
Core profit	50.0	34.8	(15.2)			

	Mar. 2023 Results	Sep. 2023 Results	Increase/ Decrease
Total assets	1,552.6	1,768.9	+ 216.3
Energy	816.7	955.6	+ 138.9
Chemicals	628.7	667.7	+ 39.0
Power & Environmental Solution	107.2	145.6	+ 38.4

Net profit attributable to ITOCHU



Profits/Losses from Major Group Companies

	Owner -ship	FYE 2023 Q1-2 Results	FYE 2024 Q1-2 Results	FYE 2023 Results	FYE 2024 Forecast
ITOCHU Oil Exploration (Azerbaijan) Inc. [CIECO Azer] (Cayman Islands)	100.0%	5.4	5.5	7.1	6.4
ITOCHU PETROLEUM CO., (SINGAPORE) PTE. LTD. [IPC SPR] (Singapore)	100.0%	1.6	0.3	1.7	1.6
ITOCHU ENEX CO., LTD.	54.0%	3.8	4.8	7.5	7.3 ^(*)
Japan South Sakha Oil Co., Ltd.	25.0%	1.5	1.9	2.7	— ^(*)
Dividends from LNG Projects	N.A.	0.7	0.6	10.2	8.0
ITOCHU CHEMICAL FRONTIER Corporation	100.0%	3.8	4.1	7.6	7.4
ITOCHU PLASTICS INC.	100.0%	2.9	2.8	5.3	5.4
C.I. TAKIRON Corporation	55.7%	0.9	0.7	1.4	2.8 ^(*)

(*) The figures are the company's forecast announced, excluding IFRS adjustment, multiplied by ITOCHU's ownership percentage.

(*) Due to the relationships with investees and partners, "FYE 2024 Forecast" is not presented.

ITOCHU's Ownership (Sales Results)

	FYE 2023 Results	FYE 2024 Forecast
Oil & Gas (1,000BBL/day*)	26	23

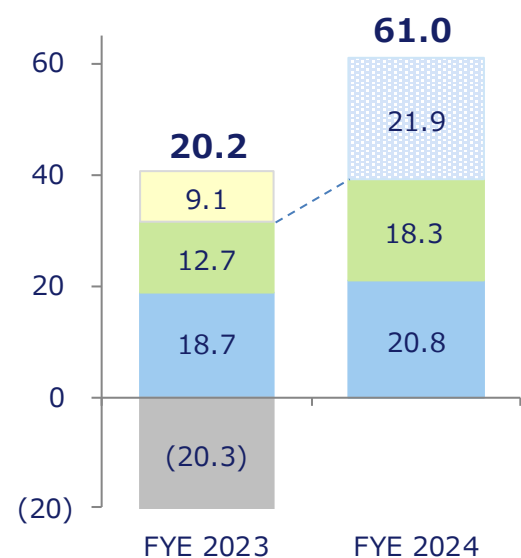
(*) Natural Gas converted to crude oil is equivalent to 6,000cf = 1BBL

Food



	FYE 2023 Q1-2 Results	FYE 2024 Q1-2 Results	Increase/ Decrease	Summary of changes (Net profit attributable to ITOCHU)	(Unit : billion yen)
Gross trading profit	170.5	186.8	+ 16.2	Increased due to the expansion of transactions resulting from the recovery of consumer activity and higher sales prices in food-distribution-related companies, higher transaction volume in provisions-related transactions, and the stable performance in a North American grain-related company, partially offset by the loss from the withdrawal of a North American meat-products-related company.	FYE 2024 Forecast
Equity in earnings of associates and joint ventures	3.1	11.6	+ 8.5		Progress
Net profit attributable to ITOCHU	31.4	39.1	+ 7.7		367.0 51%
Core profit	27.9	36.1	+ 8.2		61.0 64%
	Mar. 2023 Results	Sep. 2023 Results	Increase/ Decrease		
Total assets	2,146.8	2,425.0	+ 278.2		

Net profit attributable to ITOCHU



Profits/Losses from Major Group Companies

	Owner -ship	FYE 2023 Q1-2 Results	FYE 2024 Q1-2 Results	FYE 2023 Results	FYE 2024 Forecast
Dole International Holdings, Inc.	100.0%	0.7	1.1	(36.4)	2.5
NIPPON ACCESS, INC.	100.0%	9.6	13.0	17.5	18.0
FUJI OIL HOLDINGS INC.	43.9%	1.7	5.5	3.1	7.0 ^(*)
WELLNEO SUGAR Co., Ltd.	37.8%	—	1.2	0.0	1.9 ^(*)
ITOCHU FEED MILLS CO., LTD.	100.0%	0.6	1.0	0.9	1.5
Prima Meat Packers, Ltd.	47.9%	1.5	1.6	1.4	3.6 ^(*)
ITOCHU-SHOKUHIN Co., Ltd.	52.2%	1.4	1.8	3.3	2.9 ^(*)
HYLIFE GROUP HOLDINGS LTD. (Canada)	49.9%	(4.1)	(5.0)	(13.1)	— ^(*)

(*) The figures are the company's forecast announced, excluding IFRS adjustment, multiplied by ITOCHU's ownership percentage.

(*) Due to the relationships with investees and partners, "FYE 2024 Forecast" is not presented.

■ Q1 ■ Q2 ■ Q3 ■ Q4 ■ Q3-4 Forecast

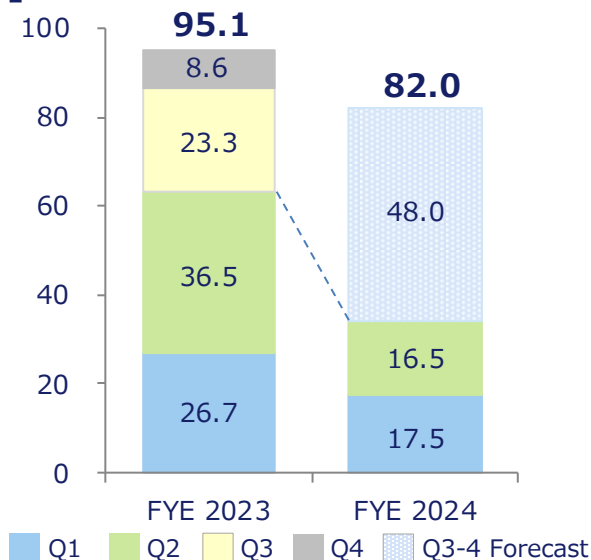
General Products & Realty



	FYE 2023 Q1-2 Results	FYE 2024 Q1-2 Results	Increase/ Decrease	Summary of changes (Net profit attributable to ITOCHU)	(Unit : billion yen) FYE 2024 Forecast	Progress
Gross trading profit	115.4	126.9	+ 11.5	Decreased due to the absence of favorable performance in construction-materials-related business and overseas real estate business in the same period of the previous fiscal year, lower earnings in IFL (European pulp-related company) resulting from lower pulp prices and lower sales volume, in addition to the absence of extraordinary gain in the same period of the previous fiscal year, partially offset by the stable performance in domestic real estate transactions.	270.0	47%
Forest Products, General Merchandise & Logistics	86.8	95.7	+ 8.9		184.0	52%
Construction & Real Estate	28.6	31.2	+ 2.7		86.0	36%
Equity in earnings of associates and joint ventures	24.4	3.2	(21.2)			
Net profit attributable to ITOCHU	63.2	34.0	(29.2)		82.0	41%
Forest Products, General Merchandise & Logistics	45.9	21.2	(24.7)		60.0	35%
Construction & Real Estate	17.3	12.8	(4.5)		22.0	58%
Core profit	56.2	34.0	(22.2)			

	Mar. 2023 Results	Sep. 2023 Results	Increase/ Decrease
Total assets	1,223.3	1,281.9	+ 58.6
Forest Products, General Merchandise & Logistics	752.3	804.5	+ 52.2
Construction & Real Estate	471.0	477.4	+ 6.4

Net profit attributable to ITOCHU



Profits/Losses from Major Group Companies

	Owner -ship	FYE 2023 Q1-2 Results	FYE 2024 Q1-2 Results	FYE 2023 Results	FYE 2024 Forecast
European Tyre Enterprise Limited [ETEL] (U.K.)	100.0%	3.2	2.5	4.4	7.2
ITOCHU FIBRE LIMITED [IFL] (U.K.)	100.0%	12.2	(0.7)	21.7	— ^(*)
ITOCHU PULP & PAPER CORPORATION	100.0%	0.9	1.2	2.1	2.0
ITOCHU CERATECH CORPORATION	100.0%	0.5	0.4	0.9	0.8
ITOCHU LOGISTICS CORP.	100.0%	3.6	3.0	6.3	6.0
North American construction-materials-related business ^(*)	—	15.7	12.9	21.7	22.5
ITOCHU KENZAI CORPORATION	100.0%	3.2	2.2	5.3	4.0
DAIKEN CORPORATION ^(*)	36.3%	3.5	0.6	4.3	—
ITOCHU Property Development, Ltd.	100.0%	3.0	3.0	3.8	4.6
ITOCHU Urban Community Ltd.	100.0%	0.8	0.7	1.5	1.6

(*) Due to the relationships with investees and partners, "FYE 2024 Forecast" is not presented.

(*) The figures are the sum of results/forecasts of the group companies engaged in the North American construction-materials-related business.

(*) Tender offer for the company's shares was completed, therefore ITOCHU's ownership percentage was 87.4% as of Oct. 10, 2023.

"FYE 2024 Forecast" is not disclosed as ITOCHU's share may rise further during FYE 2024 and the company withdrew its forecast on Oct. 17.

ICT & Financial Business



	FYE 2023 Q1-2 Results	FYE 2024 Q1-2 Results	Increase/ Decrease
Gross trading profit	138.9	131.9	(7.0)
ICT	91.6	81.6	(10.0)
Financial & Insurance Business	47.3	50.3	+ 3.0
Equity in earnings of associates and joint ventures	21.7	21.2	(0.5)
Net profit attributable to ITOCHU	25.6	37.8	+ 12.3
ICT	17.1	24.8	+ 7.7
Financial & Insurance Business	8.5	13.1	+ 4.6
Core profit	25.6	33.3	+ 7.8

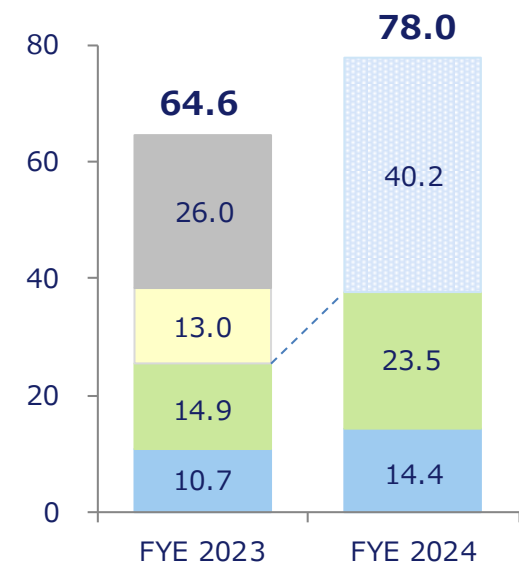
	Mar. 2023 Results	Sep. 2023 Results	Increase/ Decrease
Total assets	1,308.1	1,369.0	+ 60.9
ICT	749.3	795.6	+ 46.3
Financial & Insurance Business	558.8	573.4	+ 14.5

(Unit : billion yen)	
Summary of changes (Net profit attributable to ITOCHU)	
Increased due to the stable transactions in ITOCHU Techno-Solutions, higher agency commissions in HOKEN NO MADOGUCHI GROUP, the improvement of remeasurement gains(losses) for fund held investments, and the extraordinary gains on the sale of overseas companies.	

FYE 2024	Progress
Forecast	
294.0	45%
186.0	44%
108.0	47%

78.0	49%
55.0	45%
23.0	57%

Net profit attributable to ITOCHU



Q1 Q2 Q3 Q4 Q3-4 Forecast

Profits/Losses from Major Group Companies

	Owner -ship	FYE 2023 Q1-2 Results	FYE 2024 Q1-2 Results	FYE 2023 Results	FYE 2024 Forecast
ITOCHU Techno-Solutions Corporation	85.9%	7.3	11.1	20.9	— ^{(*)1}
BELLSYSTEM24 Holdings, Inc.	40.7%	1.6	1.3	2.8	3.6 ^{(*)2}
Mobile-phone-related business ^{(*)3}	—	8.1	7.2	14.8	12.0
ITOCHU Fuji Partners, Inc.	63.0%	1.1	1.3	2.2	2.5 ^{(*)4}
A2 Healthcare Corporation	100.0%	0.8	0.8	2.0	2.0
HOKEN NO MADOGUCHI GROUP INC.	92.0%	0.9	2.2	2.8	— ^{(*)5}
POCKET CARD CO., LTD. ^{(*)6}	78.2%	2.2	3.2	4.2	4.5
Orient Corporation	16.5%	2.0	1.7	3.0	— ^{(*)7}
Gaitame.Com Co.,Ltd.	40.2%	—	0.8	0.5	— ^{(*)5}
First Response Finance Ltd. [FRF] (U.K.)	100.0%	1.5	1.2	3.1	2.5
ITOCHU FINANCE (ASIA) LTD. [IFA] (Hong Kong)	100.0%	2.0	1.6	3.8	2.8
GCT MANAGEMENT (THAILAND) LTD. (Thai)	100.0%	2.0	2.7	4.1	— ^{(*)5}

(*)1 "FYE 2024 Forecast" is not disclosed as there may be material difference between the company's announced forecast multiplied by ITOCHU's ownership percentage as of Sep. 30 and ITOCHU's forecast because ITOCHU's share may rise further during FYE 2024.

(*)2 The figures are the company's forecast announced, excluding IFRS adjustment, multiplied by ITOCHU's ownership percentage.

(*)3 The figures are the sum of results/forecasts of the group companies engaged in the mobile-phone-related business.

(*)4 The figures are the forecast announced by SKY Perfect JSAT Holdings Inc., which is the affiliate of the company, excluding IFRS adjustment, multiplied by ITOCHU's ownership percentage.

(*)5 Due to the relationships with investees and partners, "FYE 2024 Forecast" is not presented.

(*)6 The figures include net profit through FamilyMart.

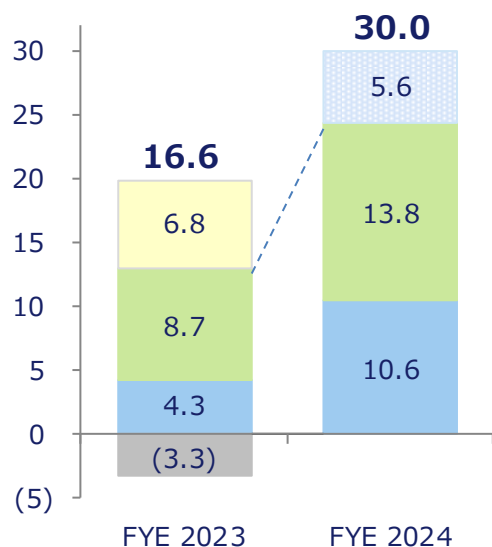
(*)7 "FYE 2024 Forecast" is not disclosed as there may be a material difference between the company's forecast multiplied by ITOCHU's ownership percentage and ITOCHU's forecast after IFRS adjustment, due to differences in accounting principles.

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	FYE 2023 Q1-2 Results	FYE 2024 Q1-2 Results	Increase/ Decrease	Summary of changes (Net profit attributable to ITOCHU)	(Unit : billion yen) FYE 2024 Forecast	Progress
Gross trading profit	194.7	216.1	+ 21.4	Increased due to the increase in daily sales along with higher number of customers and spend per customer resulting from enhancement of product appeal and sales promotion, and the improvement in performance of group companies and impairment losses on stores, partially offset by the increase in various costs caused by changes in external environment and execution of digital measures to strengthen business foundations in FamilyMart.	420.0	51%
Equity in earnings of associates and joint ventures	0.1	1.1	+ 1.0			
Net profit attributable to ITOCHU	13.1	24.4	+ 11.3		30.0	81%
Core profit	13.1	24.4	+ 11.3			
	Mar. 2023 Results	Sep. 2023 Results	Increase/ Decrease			
Total assets	1,906.7	1,944.9	+ 38.2			

Net profit attributable to ITOCHU



■ Q1 ■ Q2 ■ Q3 ■ Q4 ■ Q3-4 Forecast

Profits/Losses from Major Group Companies

	Owner -ship	FYE 2023 Q1-2 Results	FYE 2024 Q1-2 Results	FYE 2023 Results	FYE 2024 Forecast
FamilyMart Co., Ltd. ^(*)	94.7%	16.8	27.3	23.7	36.0

(*) The figures include net profit from POCKET CARD.

Major Indicators of FamilyMart Co., Ltd.

	FYE 2023 Q1-2 Results	FYE 2024 Q1-2 Results	FYE 2023 Results	FYE 2024 Forecast
Daily sales of all stores (Unit : thousand yen)	526	554	534	— ^(*)
Growth rate of daily sales at existing stores ^(*)	104.1%	106.0%	104.3%	103.1%
Growth rate of number of customers	102.7%	103.3%	102.7%	— ^(*)
Growth rate of spend per customer	101.3%	102.7%	101.5%	— ^(*)
Daily sales of new stores (Unit : thousand yen)	470	552	494	— ^(*)

(*) The growth rate of daily sales at existing stores excludes the impact of services (pre-paid cards and tickets).

"FYE 2024 Forecast" is the figure disclosed by the company on Apr. 12, 2023.

(*) "FYE 2024 Forecast" is not presented as the company does not disclose its forecast.

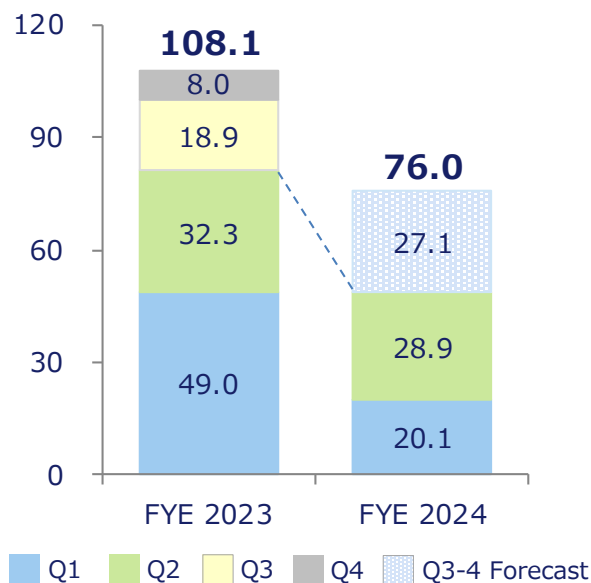
Others, Adjustments & Eliminations



(Unit : billion yen)

	FYE 2023 Q1-2 Results	FYE 2024 Q1-2 Results	Increase/ Decrease	Summary of changes (Net profit attributable to ITOCHU)	(Unit FYE 2024 Forecast
Gross trading profit	21.7	5.2	(16.4)	Decreased due to lower earnings in CITIC Limited resulting from the absence of revaluation gain on securities business in the same period of the previous fiscal year, partially offset by the stable performance in comprehensive financial services segment, the increase in interest expense with higher U.S. dollar interest rates, and lower earnings in C.P. Pokphand resulting from lower pork prices.	9.0
Equity in earnings of associates and joint ventures	76.5	48.0	(28.5)		
Net profit attributable to ITOCHU	81.3	48.9	(32.3)		76.0
Core profit	57.8	46.4	(11.3)		
	Mar. 2023 Results	Sep. 2023 Results	Increase/ Decrease		
Total assets	1,580.8	1,699.2	+ 118.4		

Net profit attributable to ITOCHU



Profits/Losses from Major Group Companies

	Owner -ship	FYE 2023 Q1-2 Results	FYE 2024 Q1-2 Results	FYE 2023 Results	FYE 2024 Forecast
Orchid Alliance Holdings Limited ^(*) (Virgin Islands)	100.0%	79.6	52.0	117.2	105.6
C.P. Pokphand Co. Ltd. (Bermuda)	23.8%	(4.2)	(7.0)	(4.3) ^(*)	— ^(*)
Chia Tai Enterprises International Limited [CTEI] (Bermuda)	23.8%	(0.1)	0.1	(2.4) ^(*)	— ^(*)

(*) The figures include related tax effects, etc.

(*) The figures include the impairment loss on the investment accounted for by the equity method.

(*) Due to the relationships with investees and partners, "FYE 2024 Forecast" is not presented.

(*) "FYE 2024 Forecast" is not presented as the company does not disclose its forecast.

(Reference) Overseas Trading Subsidiaries^(*)

	Owner -ship	FYE 2023 Q1-2 Results	FYE 2024 Q1-2 Results
ITOCHU International Inc. (U.S.A.)	100.0%	43.1	17.7
ITOCHU Europe PLC (U.K.)	100.0%	7.1	1.7
ITOCHU (CHINA) HOLDING CO., LTD. (China)	100.0%	3.2	3.3
ITOCHU Hong Kong Ltd. (Hong Kong)	100.0%	3.9	2.9
ITOCHU Singapore Pte Ltd (Singapore)	100.0%	4.9	2.8

(*) Net profits of each overseas trading subsidiary included in each segment are presented.

Investments



(Unit : billion yen)

FYE 2023 Results

Major New Investments [Quarter Mainly Invested In]		[Q1-2]
Consumer-related sector	<ul style="list-style-type: none"> ◆ Acquisition of a North American engineered wood products business [Q2] ◆ Capital strategy of HOKEN NO MADOGUCHI GROUP [Q4] ◆ Additional investment in ITOCHU Techno-Solutions [Q1] ◆ Investment in Gaitame.Com [Q2] ◆ Additional investment in FUJI OIL HOLDINGS [Q1-3] ◆ Fixed asset purchase by FamilyMart / Prima Meat Packers / Dole [Q1-4] 	etc.
	235.0	[139.0]
Basic industry-related sector	<ul style="list-style-type: none"> ◆ Investment in Hitachi Construction Machinery [Q2] ◆ Purchase of aircraft and ships [Q1-4] ◆ Investments in next-generation energy-related companies [Q2-4] ◆ Acquisition of a North American synthetic resin-related company [Q3] ◆ Fixed asset purchase by ITOCHU ENEX [Q1-4] 	etc.
	243.0	[186.0]
Non-Resource	478.0	[325.0]
Resource-related sector	<ul style="list-style-type: none"> ◆ Investment in iron ore business in Canada [Q3] ◆ Investment in iron ore interest and capital expenditure by IMEA [Q1-4] ◆ Capital expenditure by CIECO Azer [Q1-4] 	etc.
Resource	126.0	[32.0]
Total of Major New Investments	604.0	[357.0]
EXIT	(211.0)	[(113.0)]
Net Investment Amount ^{(*)2}	393.0	[244.0]

FYE 2024 Q1-2 Results

Major New Investments [Quarter Mainly Invested In]		[Q2]
Consumer-related sector	<ul style="list-style-type: none"> ◆ Additional investment in ITOCHU Techno-Solutions [Q2] ◆ Additional investment in DESCENTE [Q1-2] ◆ Investment in Oriental Shiraishi [Q1-2] ◆ Fixed asset purchase by FamilyMart / Prima Meat Packers / Dole [Q1-2] 	etc.
	351.0	[298.0]
Basic industry-related sector	<ul style="list-style-type: none"> ◆ Fixed asset purchase by ITOCHU ENEX [Q1-2] ◆ Purchase of ships [Q1] 	etc.
	43.0	[13.0]
Non-Resource	394.0	[311.0]
Resource-related sector	<ul style="list-style-type: none"> ◆ Investments in coking-coal-related companies [Q1-2] ◆ Capital expenditure by IMEA [Q1-2] ◆ Capital expenditure by CIECO Azer [Q1-2] 	etc.
Resource	41.0	[10.0]
Total of Major New Investments	435.0	[321.0]
EXIT	(94.0)	[(31.0)]
Net Investment Amount ^{(*)2}	341.0	[290.0]

(*)1 The above figures are approximate values.

(*)2 Payments and collections for substantive investment and capital expenditure.

"Investment cash flows" plus "Equity transactions with non-controlling interests" minus "Changes in loan receivables", etc.

Core Free Cash Flows and EPS



(Unit : billion yen)

		FYE 2022 Results	FYE 2023 Results	FYE 2024 Q1-2 Results	FYE 2024 Plan
	Core operating cash flows ^(*1)	790.0	871.0	375.0	Actively promote strategic investments in a timely manner and accelerate asset replacement through business transformation
	Net investment cash flows ^(*2)	47.0	(393.0)	(341.0)	
a	Core free cash flows	Approx. 837.0	Approx. 478.0	Approx. 34.0	
b	Shareholder returns				
	Dividend ^(*3)	Annual ¥110/share (162.6)	Annual ¥140/share (204.9)	Interim ¥80/share (116.2)	•Annual ¥160/share dividend •Execute share buybacks maximum ¥25.0 billion (Disclosed on Aug. 4, Executed by Sep. 22) •Additionally execute share buybacks maximum ¥75.0 billion (Disclosed on Nov. 6)
	Share buybacks	(60.0)	(60.0)	(25.0)	
a+b	Core free cash flows after deducting shareholder returns	Approx. 614.0	Approx. 213.0	Approx. (107.0)	Cash allocation based on the consistent maintenance of positive core free cash flows after deducting shareholder returns

(*1) "Operating cash flows" minus "Changes in working capital" plus "Repayments of lease liabilities, etc."

(*2) Payments and collections for substantive investment and capital expenditure.

"Investment cash flows" plus "Equity transactions with non-controlling interests" minus "Changes in loan receivables", etc.

(*3) The sum of the interim dividend and the year-end dividend each year regarding FYE 2022 and FYE 2023.

EPS	553 yen	546 yen	284 yen
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Consolidated Statement of Comprehensive Income



(Unit : billion yen)

	FYE 2023 Q1-2 Results	FYE 2024 Q1-2 Results	Increase/ Decrease	Summary of changes
Revenues	6,992.2	6,774.1	(218.1)	
Gross trading profit	1,084.4	1,067.6	(16.8)	
Selling, general and administrative expenses	(691.9)	(715.0)	(23.0)	Personnel expenses (5.0)[(304.3)→(309.3)], Service charge, Distribution costs (8.0)[(112.5)→(120.5)], Rent, Depreciation and Amortization (0.1)[(162.9)→(163.0)], Others (9.9)[(112.2)→(122.1)]
Provision for doubtful accounts	(4.0)	(1.8)	+ 2.2	Decreased in provision for doubtful accounts in general receivables.
Trading income	388.5	350.9	(37.6)	Refer to "Operating Segment Information (Trading income/Total assets)".
Gains (losses) on investments	50.3	35.4	(14.9)	Decreased due to the absence of the gain on the sale of a North American beverage-equipment-maintenance company in the same period of the previous fiscal year, partially offset by the revaluation gain on a lithium-ion batteries company.
Gains (losses) on property, plant, equipment and intangible assets	(7.2)	6.3	+ 13.5	Improved due to the gain on the sale of fixed assets in ITOCHU ENEX and the improvement of impairment losses on stores in FamilyMart.
Other-net	0.0	9.3	+ 9.3	Improved in foreign exchange gains and losses.
Net interest expenses	(9.8)	(23.2)	(13.5)	Increased in interest expense due to higher U.S. dollar interest rates.
Dividends received	34.1	31.0	(3.0)	
Equity in earnings of associates and joint ventures	185.6	162.1	(23.5)	<p>Others (28.5) [76.5→ 48.0] Lower earnings in CITIC Limited resulting from the increase in interest expense with higher U.S. dollar interest rates and the absence of revaluation gain on securities business in the same period of the previous fiscal year, partially offset by the stable performance in comprehensive financial services segment, and lower earnings in C.P. Pokphand resulting from lower pork prices.</p> <p>General Products & Realty (21.2) [24.4→ 3.2] Lower earnings in IFL resulting from lower pulp prices and lower sales volume, and the absence of favorable performance in overseas real estate business in the same period of the previous fiscal year.</p> <p>Machinery +23.0 [19.8→ 42.8] Higher earnings in North American electric-power-related business, the start of equity pick-up of Hitachi Construction Machinery from the 3rd quarter of the previous fiscal year, and the absence of the losses on aircraft leased to Russian airlines in a leasing-related company in the same period of the previous fiscal year.</p> <p>Food + 8.5 [3.1→ 11.6] The stable performance in a North American grain-related company and the gain on the sale of fixed assets in a North American oils and fats company, partially offset by the loss from the withdrawal of a North American meat-products-related company.</p>
Profit before tax	641.6	571.8	(69.8)	
Income tax expense	(136.9)	(129.2)	+ 7.8	Decreased due to lower profit before tax.
Net Profit	504.6	442.7	(62.0)	
Net profit attributable to ITOCHU	483.0	412.9	(70.1)	
Total comprehensive income attributable to ITOCHU	769.3	696.3	(73.0)	

Consolidated Statement of Cash Flows (Major items)



(Unit : billion yen)

FYE 2023 Q1-2 Results		Reference information	FYE 2024 Q1-2 Results		Reference information
Net profit	504.6		442.7		
Non-cash items in net profit	84.0	Depreciation and amortization +201.0 Textile +3.3, Machinery +12.1, Metals & Minerals +10.4, Energy & Chemicals +22.1, Food +26.0, General Products & Realty +14.8, ICT & Financial Business +14.2, The 8th +93.2, Others, Adjustments & Eliminations +4.9	122.5		Depreciation and amortization +205.8 Textile +4.4, Machinery +12.1, Metals & Minerals +10.0, Energy & Chemicals +22.7, Food +27.0, General Products & Realty +18.4, ICT & Financial Business +11.6, The 8th +95.2, Others, Adjustments & Eliminations +4.3
Changes in assets and liabilities, other-net	(122.9)	Trade receivables / payables +99.3, Inventories (242.0), Others +19.8	(26.0)		Trade receivables / payables +25.6, Inventories (5.8), Others (45.8)
Others	3.3		(70.0)		
Cash flows from operating activities	469.1	(Reference) Dividends received from associates and joint ventures +89.4	469.2		(Reference) Dividends received from associates and joint ventures +83.9
Net change in investments accounted for by the equity method	(214.3)	Investment in Hitachi Construction Machinery (182.8) ^(*) Investment in Gaitame.Com (12.9) Additional investment in FUJI OIL HOLDINGS (7.4) etc.	(36.7)		Investments in coking-coal-related companies (23.0) Additional investment in DESCENTE (11.1) Sale of an overseas retail-finance-related company +6.4 etc.
Net change in other investments	17.7	Sale of a North American beverage-equipment-maintenance company +36.5 Return of investment in a Chinese apparel-related company +24.0 Acquisition of a North American engineered wood products business (24.7) Investments in iron ore and coal business and others (11.2) Capital expenditure by CIECO Azer (3.7) etc.	(8.8)		Investment in Oriental Shiraishi (6.0) Capital expenditure by CIECO Azer (4.2) etc.
Net change in property, plant, equipment and intangible assets	(87.9)	Purchase by FamilyMart (20.5) Purchase by Prima Meat Packers (10.8) Capital expenditures by IMEA (10.3) Purchase of aircraft and ships (8.9) Purchase by ITOCHU ENEX (7.3) Purchase by Dole (4.4) etc.	(56.4)		Purchase by FamilyMart (24.9) Purchase by Prima Meat Packers (11.4) Capital expenditure by IMEA (11.0) Purchase / Sale by ITOCHU ENEX (8.1) / +27.2 Purchase by Dole (5.6) Purchase of ships (3.5) etc.
Others	(22.2)	Loan to the partner for the investment in Hitachi Construction Machinery (41.1) ^(*) Collection of loan to holding company of CITIC Limited and others +20.2 etc.	11.2		Collection of loan to holding company of CITIC Limited and others +12.0 etc.
Cash flows from investing activities	(306.8)		(90.7)		
Cash flows from financing activities	(176.0)	Cash dividends (92.7) Repayments of lease liabilities (131.1) Cash in from the partner for the investment in Hitachi Construction Machinery +91.4 ^(*)	(398.0)		Cash dividends (109.3) Share buybacks (Shareholder Returns) (25.0) Repayments of lease liabilities (125.1) Additional investment in ITOCHU Techno-Solutions (247.0)

(*) The net cash-outflow for the investment in Hitachi Construction Machinery was ¥132.5 bil.

Performance of Group Companies attributable to ITOCHU



(Unit : billion yen)

Components of Consolidated Net profit attributable to ITOCHU

	FYE 2023 Q1-2 Results	FYE 2024 Q1-2 Results	Increase/ Decrease
Parent company	343.1	295.1	(47.9)
Group companies including overseas trading subsidiaries	440.8	367.2	(73.7)
Consolidation adjustments	(300.9)	(249.4)	+ 51.5
Net profit attributable to ITOCHU	483.0	412.9	(70.1)

Profits/Losses of Group Companies

	FYE 2023 Q1-2 Results	FYE 2024 Q1-2 Results	Increase/ Decrease
Profits of Group companies	454.6	384.2	(70.4)
Losses of Group companies	(13.8)	(17.0)	(3.2)
Total	440.8	367.2	(73.7)

Number/Ratio of Group Companies Reporting Profits

		FYE 2023 Q1-2 Results			FYE 2024 Q1-2 Results			Increase/Decrease		
		Profits	Losses	Total	Profits	Losses	Total	Profits	Losses	Total
Subsidiaries	Number	169	20	189	165	26	191	(4)	+ 6	+ 2
	Ratio	89.4%	10.6%	100.0%	86.4%	13.6%	100.0%	(3.0%)	+ 3.0%	
Associates and joint ventures	Number	64	23	87	62	17	79	(2)	(6)	(8)
	Ratio	73.6%	26.4%	100.0%	78.5%	21.5%	100.0%	+ 4.9%	(4.9%)	
Total	Number	233	43	276	227	43	270	(6)	± 0	(6)
	Ratio	84.4%	15.6%	100.0%	84.1%	15.9%	100.0%	(0.3%)	+ 0.3%	

(*) The number of companies above includes investment companies directly invested by ITOCHU and its overseas trading subsidiaries.

Investment companies that are considered as part of the parent company are not included.

Operating Segment Information (Trading income/Total assets)



(Unit : billion yen)

Trading income	FYE 2023 Q1-2 Results	FYE 2024 Q1-2 Results	Increase/ Decrease	Summary of changes
Textile	8.7	11.6	+ 2.9	Increased due to the stable performance in apparel-related companies resulting from the recovery of retail market because of the alleviation of the impact of COVID-19.
Machinery	33.7	36.4	+ 2.8	Increased due to the favorable sales in automobile-related transactions/companies, partially offset by the decrease in charter income resulting from the decline in shipping market.
Metals & Minerals	117.8	82.0	(35.8)	Decreased due to lower coal and iron ore prices.
Energy & Chemicals	74.1	52.7	(21.4)	Decreased due to the absence of favorable performance in energy trading transactions and chemical-related transactions in the same period of the previous fiscal year.
Food	40.8	53.5	+ 12.6	Increased due to expansion of transactions resulting from the recovery of consumer activity and higher sales prices in food-distribution-related companies, and higher transaction volume in provisions-related transactions.
General Products & Realty	46.7	47.5	+ 0.7	Increased due to the stable performance in domestic real estate transactions and ETEL (European tire-related company), partially offset by the absence of favorable performance in construction-materials-related business in the same period of the previous fiscal year.
ICT & Financial Business	25.5	29.3	+ 3.8	Increased due to the stable transactions in ITOCHU Techno-Solutions, the improvement in retail-finance-related companies, and higher agency commissions in HOKEN NO MADOGUCHI GROUP, partially offset by the de-consolidation of CONEXIO in the 4 th quarter of the previous fiscal year.
The 8th	29.8	43.3	+ 13.5	Increased due to the increase in daily sales along with higher number of customers and spend per customer resulting from enhancement of product appeal and sales promotion, partially offset by the increase in various costs caused by changes in external environment and execution of digital measures to strengthen business foundations in FamilyMart.
Others, Adjustments & Eliminations	11.4	(5.3)	(16.7)	
Consolidated total	388.5	350.9	(37.6)	

Total assets	Mar. 2023 Results	Sep. 2023 Results	Increase/ Decrease	Summary of changes
Textile	457.7	496.0	+ 38.4	The increase in trade receivables and inventories due to higher transaction volume resulting from the recovery of retail market because of the alleviation of the impact of COVID-19, equity method investments due to the accumulation of earnings and additional investments, and the depreciation of the yen.
Machinery	1,664.6	1,793.0	+ 128.4	The increase in inventories in automobile-related companies and aircraft-related companies, equity method investments due to the accumulation of earnings, and the depreciation of the yen.
Metals & Minerals	1,274.8	1,391.8	+ 117.0	The increase in equity method investments due to the investment in coking-coal-related companies and the accumulation of earnings, and the depreciation of the yen.
Energy & Chemicals	1,552.6	1,768.9	+ 216.3	The increase in trade receivables in energy-related transactions, the rise in the fair value due to the revaluation of a lithium-ion batteries company, and the depreciation of the yen.
Food	2,146.8	2,425.0	+ 278.2	The increase in trade receivables in food-distribution-related companies and the depreciation of the yen.
General Products & Realty	1,223.3	1,281.9	+ 58.6	The increase due to new investments and the depreciation of the yen, partially offset by the decrease due to the delivery of real properties for sale.
ICT & Financial Business	1,308.1	1,369.0	+ 60.9	The increase in inventories in ITOCHU Techno-Solutions and the depreciation of the yen.
The 8th	1,906.7	1,944.9	+ 38.2	The increase in trade receivables due to the increase in daily sales, the purchase of fixed assets, and the rise in the fair value of investments in FamilyMart.
Others, Adjustments & Eliminations	1,580.8	1,699.2	+ 118.4	
Consolidated total	13,115.4	14,169.7	+ 1,054.3	

Operating Segment Information (Quarterly Information)



(Unit : billion yen)

		FYE 2023					FYE 2024				
		Q1	Q2	Q3	Q4	Yearly	Q1	Q2	Q3	Q4	Yearly
Consolidated total	Gross trading profit	525.0	559.4	550.0	495.5	2,129.9	517.9	549.8			1,067.6
	Trading income	183.0	205.5	185.9	127.5	701.9	167.2	183.7			350.9
	Net profit attributable to ITOCHU	230.6	252.4	199.2	118.3	800.5	213.2	199.7			412.9
Textile	Gross trading profit	23.9	29.5	31.7	31.4	116.5	28.4	32.8			61.1
	Trading income	2.5	6.2	6.0	5.2	20.0	3.1	8.5			11.6
	Net profit attributable to ITOCHU	4.1	7.5	8.0	5.9	25.5	4.6	6.9			11.5
Machinery	Gross trading profit	52.4	57.3	61.4	63.7	234.8	55.4	58.9			114.3
	Trading income	15.2	18.4	20.4	17.7	71.7	17.2	19.2			36.4
	Net profit attributable to ITOCHU	18.8	52.9	25.7	10.0	107.4	31.7	28.9			60.6
Plant Project, Marine & Aerospace	Gross trading profit	13.2	13.0	12.6	15.9	54.7	12.5	12.2			24.7
	Trading income	4.3	3.8	3.4	4.6	16.1	2.1	1.9			4.0
	Net profit attributable to ITOCHU	9.1	34.7	11.8	(3.7)	51.9	10.7	9.4			20.1
Automobile, Construction Machinery & Industrial Machinery	Gross trading profit	39.2	44.2	48.9	47.8	180.1	42.9	46.7			89.7
	Trading income	11.0	14.6	17.0	13.0	55.6	15.1	17.3			32.4
	Net profit attributable to ITOCHU	9.7	18.2	13.8	13.7	55.5	21.0	19.5			40.5
Metals & Minerals	Gross trading profit	69.9	57.5	56.8	37.8	222.0	46.8	45.3			92.1
	Trading income	65.1	52.6	51.5	32.8	202.2	42.1	39.9			82.0
	Net profit attributable to ITOCHU	75.6	59.5	63.2	49.0	247.4	56.2	46.5			102.7
Energy & Chemicals	Gross trading profit	70.0	82.7	86.7	76.0	315.4	68.0	65.2			133.2
	Trading income	30.3	43.8	45.9	33.1	153.1	27.9	24.9			52.7
	Net profit attributable to ITOCHU	22.7	27.3	31.3	34.4	115.8	37.5	16.4			53.8
Energy	Gross trading profit	34.4	45.5	47.7	42.6	170.2	30.4	28.2			58.6
	Trading income	15.1	26.6	27.9	21.2	90.9	11.0	8.9			19.8
	Net profit attributable to ITOCHU	10.0	15.2	19.7	26.3	71.3	7.5	5.2			12.7
Chemicals	Gross trading profit	32.6	32.3	34.1	30.2	129.2	32.2	33.4			65.6
	Trading income	13.3	13.2	14.2	9.8	50.5	12.6	13.8			26.4
	Net profit attributable to ITOCHU	10.2	9.4	9.6	5.6	34.9	7.5	8.6			16.1
Power & Environmental Solution	Gross trading profit	3.0	4.9	4.9	3.2	16.0	5.4	3.6			9.0
	Trading income	1.8	4.0	3.8	2.1	11.8	4.3	2.2			6.5
	Net profit attributable to ITOCHU	2.5	2.7	2.0	2.5	9.6	22.4	2.6			25.0

Operating Segment Information (Quarterly Information)



(Unit : billion yen)

		FYE 2023					FYE 2024				
		Q1	Q2	Q3	Q4	Yearly	Q1	Q2	Q3	Q4	Yearly
Food	Gross trading profit	82.5	88.1	87.5	72.8	330.9	88.6	98.2			186.8
	Trading income	19.3	21.6	17.5	7.6	65.9	23.7	29.7			53.5
	Net profit attributable to ITOCHU	18.7	12.7	9.1	(20.3)	20.2	20.8	18.3			39.1
General Products & Realty	Gross trading profit	54.1	61.3	58.5	51.1	225.0	63.0	64.0			126.9
	Trading income	20.3	26.4	21.8	11.4	79.9	24.0	23.5			47.5
	Net profit attributable to ITOCHU	26.7	36.5	23.3	8.6	95.1	17.5	16.5			34.0
Forest Products, General Merchandise & Logistics	Gross trading profit	39.2	47.6	44.4	37.5	168.7	45.9	49.8			95.7
	Trading income	14.0	20.5	16.0	7.9	58.5	15.4	17.4			32.8
	Net profit attributable to ITOCHU	16.8	29.2	17.1	6.1	69.2	10.6	10.7			21.2
Construction & Real Estate	Gross trading profit	14.9	13.7	14.1	13.7	56.3	17.1	14.2			31.2
	Trading income	6.3	5.9	5.7	3.5	21.5	8.6	6.1			14.6
	Net profit attributable to ITOCHU	10.0	7.3	6.2	2.4	25.9	6.9	5.9			12.8
ICT & Financial Business	Gross trading profit	65.5	73.4	72.6	74.7	286.1	62.9	69.0			131.9
	Trading income	8.1	17.4	15.8	28.1	69.4	12.7	16.6			29.3
	Net profit attributable to ITOCHU	10.7	14.9	13.0	26.0	64.6	14.4	23.5			37.8
ICT	Gross trading profit	43.0	48.5	48.8	49.8	190.1	38.9	42.7			81.6
	Trading income	5.2	11.8	11.4	21.6	50.1	7.0	10.2			17.2
	Net profit attributable to ITOCHU	7.6	9.4	9.3	20.9	47.3	9.0	15.8			24.8
Financial & Insurance Business	Gross trading profit	22.5	24.9	23.8	24.8	96.0	24.0	26.3			50.3
	Trading income	2.9	5.5	4.3	6.5	19.3	5.7	6.4			12.1
	Net profit attributable to ITOCHU	3.0	5.5	3.7	5.1	17.3	5.4	7.7			13.1
The 8th	Gross trading profit	94.0	100.6	97.6	91.6	383.8	103.7	112.4			216.1
	Trading income	11.6	18.2	12.8	3.5	46.1	18.2	25.1			43.3
	Net profit attributable to ITOCHU	4.3	8.7	6.8	(3.3)	16.6	10.6	13.8			24.4
Others, Adjustments & Eliminations	Gross trading profit	12.7	9.0	(2.9)	(3.5)	15.3	1.2	4.0			5.2
	Trading income	10.5	0.9	(5.8)	(12.0)	(6.4)	(1.7)	(3.6)			(5.3)
	Net profit attributable to ITOCHU	49.0	32.3	18.9	8.0	108.1	20.1	28.9			48.9

Operating Segment Information (Quarterly Core Profit)



(Unit : billion yen)

	FYE 2023					FYE 2024				
	Q1	Q2	Q3	Q4	Yearly	Q1	Q2	Q3	Q4	Yearly
Core Profit total (*)	211.0	219.0	204.0	153.5	787.5	190.0	193.5			383.5
<i>Non-Resource</i>	<i>141.5</i>	<i>170.6</i>	<i>156.0</i>	<i>106.2</i>	<i>574.3</i>	<i>141.8</i>	<i>153.9</i>			<i>295.7</i>
(*) Core Profit total figures are approximate values.										
Textile	4.1	7.5	6.0	5.4	23.0	4.6	6.9			11.5
Machinery	24.8	27.9	30.2	24.0	106.9	31.7	28.9			60.6
Plant Project, Marine & Aerospace	11.1	12.7	12.3	7.3	43.4	10.7	9.4			20.1
Automobile, Construction Machinery & Industrial Machinery	13.7	15.2	17.8	16.7	63.5	21.0	19.5			40.5
Metals & Minerals	75.6	59.5	63.2	48.0	246.4	56.2	46.0			102.2
Energy & Chemicals	22.7	27.3	31.3	27.4	108.8	19.0	15.9			34.8
Energy	10.0	15.2	19.7	19.8	64.8	7.5	4.7			12.2
Chemicals	10.2	9.4	9.6	6.1	35.4	7.5	8.6			16.1
Power & Environmental Solution	2.5	2.7	2.0	1.5	8.6	3.9	2.6			6.5
Food	15.2	12.7	9.1	1.2	38.2	16.3	19.8			36.1
General Products & Realty	28.2	28.0	23.8	9.6	89.6	17.5	16.5			34.0
Forest Products, General Merchandise & Logistics	18.3	22.7	17.6	7.1	65.7	10.6	10.7			21.2
Construction & Real Estate	10.0	5.3	6.2	2.4	23.9	6.9	5.9			12.8
ICT & Financial Business	10.7	14.9	13.0	19.0	57.6	14.4	19.0			33.3
ICT	7.6	9.4	9.3	13.9	40.3	9.0	13.8			22.8
Financial & Insurance Business	3.0	5.5	3.7	5.1	17.3	5.4	5.2			10.6
The 8th	4.3	8.7	6.8	(1.8)	18.1	10.6	13.8			24.4
Others, Adjustments & Eliminations	25.5	32.3	20.9	20.5	99.1	20.1	26.4			46.4

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