

**Consolidated Financial Results for the First Quarter
of the Fiscal Year Ending March 31, 2023**

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-Unaudited-**Consolidated Financial Results for the First Quarter of the Fiscal Year Ending March 31, 2023**

[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: Keita Ishii

General Manager, Investor Relations Division: Suguru Amano

TEL: 81 - 3 - 3497 - 7295

The date of payout of dividend: -

1. Consolidated operating results for the first quarter of FYE 2023 (from April 1, 2022 to June 30, 2022)**(1) Consolidated operating results (Summary)**

(%: Changes from the same period of 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	%
For the first quarter of												
FYE 2023	3,378,021	15.8	183,035	19.4	304,699	(20.2)	240,768	(15.4)	230,631	(13.8)	436,951	50.6
FYE 2022	2,916,818	22.1	153,310	112.7	382,009	175.0	284,715	146.9	267,476	155.3	290,167	83.7

	Basic earnings per share attributable to ITOCHU		Diluted earnings per share attributable to ITOCHU	
	yen		yen	
For the first quarter of				
FYE 2023	156.96		-	
FYE 2022	180.09		-	

Equity in earnings of associates and joint ventures (millions of yen) 1st quarter of FYE 2023: 95,659 [23.6%] 1st quarter of FYE 2022: 77,422 [78.9%]

Total comprehensive income (millions of yen) 1st quarter of FYE 2023: 449,774 [45.7%] 1st quarter of FYE 2022: 308,618 [74.2%]

(2) Consolidated financial position

	Total assets	Total equity	Total shareholders' equity	Ratio of shareholders' equity to total assets	Shareholders' equity per share
	millions of yen	millions of yen	millions of yen	%	yen
June 30, 2022	13,034,144	5,087,547	4,535,560	34.8	3,086.88
March 31, 2022	12,153,658	4,763,700	4,199,325	34.6	2,857.50

(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
For the first quarter of				
FYE 2023	236,030	(55,728)	(155,342)	653,429
FYE 2022	181,655	1,547	(281,364)	491,818

2. Dividend distribution

	Dividend distribution per share				
	End of first quarter	End of second quarter	End of third quarter	Year-end	Annual
	yen	yen	yen	yen	yen
FYE 2022	-	47.00	-	63.00	110.00
FYE 2023	-				
FYE 2023 (Planned)		65.00	-	65.00	130.00

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

3. Outlook of consolidated operating results for FYE 2023 (from April 1, 2022 to March 31, 2023)

(%: Changes from the previous fiscal year)

	Net profit attributable to ITOCHU		Basic earnings per share attributable to ITOCHU
	millions of yen	%	yen
FYE 2023	700,000	(14.7)	476.33

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

(Note) Outlook of consolidated operating results for the first half of FYE 2023 is not prepared.

4. Other information

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries accompanying changes in the consolidation scope): None

(2) Changes in accounting policies and accounting estimates

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

(3) Number of common shares issued

(a) Number of common shares outstanding: (including the number of treasury stock)	1st quarter of FYE 2023	1,584,889,504	FYE 2022	1,584,889,504
(b) Number of treasury stock:	1st quarter of FYE 2023	115,585,073	FYE 2022	115,310,164
(c) Average number of common shares outstanding:	1st quarter of FYE 2023	1,469,382,162	1st quarter of FYE 2022	1,485,242,070

[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 certified 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 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.

*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 136.68 yen = 1 U.S. dollar, the exchange rate prevailing on June 30, 2022.

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

[For the three-month period ended June 30, 2022]

(a) General Economic Situation

For the three-month period ended June 30, 2022, the global economy generally increased the sense of slowdown as prices rose against the backdrop of the Russia-Ukraine situation, disruptions in the supply chain, and other factors. The U.S. and European economies slowed as prices rose, primarily for energy, partially offset by a pick-up in the service sector such as restaurants following the lifting of restrictions on the movement of people to prevent the spread of COVID-19. Meanwhile, the Chinese economy was stagnated due to the impact of strict COVID-19 prevention measures in nation's major cities. The WTI crude oil price rose from the US\$101 per barrel range at the beginning of the fiscal year to the US\$123 per barrel range in the middle of June, primarily due to the economic sanctions imposed on Russia by various countries and uncertainty over the resulting impact on supply. However, it subsequently fell due to such factors as growing concerns over the slowdown of the global economy, to close in the US\$105 per barrel range at the end of June.

The Japanese economy saw a pick-up primarily driven by the service sector, due to a resumption in consumer activity as COVID-19 case numbers declined. However, some sectors of consumer spending and exports remained sluggish due to rising prices and the slowdown in the global economy, among other factors. The U.S. dollar-yen exchange rate started at approximately ¥122 per dollar at the beginning of the fiscal year, subsequently depreciating of the yen to approximately ¥136 per dollar by the end of June due to a rise in the U.S. long-term interest rates. The Nikkei Stock Average temporarily declined from approximately ¥27,000 at the beginning of the fiscal year to approximately ¥25,000 in the middle of May against the backdrop of a decline in the U.S. stock prices. Although it temporarily recovered to approximately ¥28,000 due to reasons including the pause in the fall in the U.S. stock prices and depreciating of the yen, it once again dropped as concerns grew over the stagnation of the global economy, closing at approximately ¥26,000 at the end of June. The yield on 10-year Japanese government bonds rose from 0.23% at the beginning of the fiscal year to above the 0.25% limit set by the Bank of Japan in the first half of June due to a rise in the U.S. long-term interest rates, but subsequently closed at 0.24% at the end of June as the Bank of Japan increased purchases of Japanese government bonds and the U.S. long-term interest rates declined.

(b) Consolidated Operating Results

	Billions of Yen				Millions of U.S. Dollars
	Apr.-Jun. 2022	Apr.-Jun. 2021	Increase (Decrease)	%	Apr.-Jun. 2022
Revenues	3,378.0	2,916.8	461.2	15.8%	24,715
Gross trading profit	525.0	490.9	34.1	6.9%	3,841
Selling, general and administrative expenses	(339.7)	(336.6)	(3.2)	0.9%	(2,485)
Gains (losses) on investments.....	8.7	133.6	(124.9)	(93.5%)	63
Equity in earnings of associates and joint ventures	95.7	77.4	18.2	23.6%	700
Income tax expense.....	(63.9)	(97.3)	33.4	(34.3%)	(468)
Net profit.....	240.8	284.7	(43.9)	(15.4%)	1,761
Net profit attributable to ITOCHU.....	230.6	267.5	(36.8)	(13.8%)	1,687
(Reference) Trading income.....	183.0	153.3	29.7	19.4%	1,339

(i) Revenues (from external customers)

Increased by 15.8%, or 461.2 billion yen, compared to the same period of the previous fiscal year to 3,378.0 billion yen (24,715 million U.S. dollars).

• Energy & Chemicals Company:

Increased by 203.2 billion yen compared to the same period of the previous fiscal year to 817.9 billion yen (5,984 million U.S. dollars), due to higher market prices in energy trading transactions, chemical-related transactions and energy-related companies.

• Metals & Minerals Company:

Increased by 124.1 billion yen compared to the same period of the previous fiscal year to 376.0 billion yen (2,751 million U.S. dollars), due to higher coal prices, partially offset by lower iron ore prices.

• General Products & Realty Company:

Increased by 48.6 billion yen compared to the same period of the previous fiscal year to 298.3 billion yen (2,182 million U.S. dollars), due to higher market prices in construction materials business.

• Machinery Company:

Increased by 42.1 billion yen compared to the same period of the previous fiscal year to 329.1 billion yen (2,408 million U.S. dollars), due to the increase in aircraft sales in aircraft-related companies, partially offset by the absence of the favorable sales in YANASE in the same period of the previous fiscal year.

(ii) Gross trading profit

Increased by 6.9%, or 34.1 billion yen, compared to the same period of the previous fiscal year to 525.0 billion yen (3,841 million U.S. dollars).

- Metals & Minerals Company:

Increased by 16.4 billion yen compared to the same period of the previous fiscal year to 69.9 billion yen (512 million U.S. dollars), due to higher coal prices, partially offset by lower iron ore prices.

- Energy & Chemicals Company:

Increased by 13.1 billion yen compared to the same period of the previous fiscal year to 70.0 billion yen (512 million U.S. dollars), due to the improvement in profitability in energy trading transactions and CIECO Azer (Crude oil exploration and production company) resulting from higher market prices.

- General Products & Realty Company:

Increased by 6.2 billion yen compared to the same period of the previous fiscal year to 54.1 billion yen (396 million U.S. dollars), due to the improvement in profitability in ETEL (European tire-related company) and the stable performance in construction materials business.

- The 8th Company:

Decreased by 16.3 billion yen compared to the same period of the previous fiscal year to 94.0 billion yen (688 million U.S. dollars), due to the conversion of Taiwan FamilyMart into an investment accounted for by the equity method from a consolidated subsidiary at the end of the first quarter of the previous fiscal year, partially offset by the increase in daily sales resulting from enhancement of product appeal and sales promotion in FamilyMart.

(iii) Selling, general and administrative expenses

Increased by 0.9%, or 3.2 billion yen, compared to the same period of the previous fiscal year to 339.7 billion yen (2,485 million U.S. dollars), due to the increase in expenses resulting from stable growth in revenue and depreciation of the yen, partially offset by the decrease because of conversion of Taiwan FamilyMart into an investment accounted for by the equity method from a consolidated subsidiary at the end of the first quarter of the previous fiscal year.

(iv) Gains (losses) on investments

Decreased by 93.5%, or 124.9 billion yen, compared to the same period of the previous fiscal year to a gain of 8.7 billion yen (63 million U.S. dollars), due to the absence of gains on the partial sale of Taiwan FamilyMart and the sale of Japan Brazil Paper & Pulp Resources Development, and the realization of foreign exchange gains due to the de-consolidation of ITOCHU Coal Americas in the same period of the previous fiscal year.

(v) Equity in earnings of associates and joint ventures

Increased by 23.6%, or 18.2 billion yen, compared to the same period of the previous fiscal year to 95.7 billion yen (700 million U.S. dollars).

• Others, Adjustments & Eliminations: (*)

Increased by 19.9 billion yen compared to the same period of the previous fiscal year to 42.7 billion yen (312 million U.S. dollars), due to higher earnings in CITIC Limited resulting from the stable performance especially in comprehensive financial business and revaluation gain on securities business, partially offset by lower earnings in C.P. Pokphand because of lower pork prices.

• Metals & Minerals Company:

Increased by 5.7 billion yen compared to the same period of the previous fiscal year to 17.4 billion yen (128 million U.S. dollars), due to higher earnings in Marubeni-Itochu Steel resulting from the favorable performance in North American steel pipe business and North American sheet construction materials business, partially offset by lower earnings in iron ore companies resulting from lower prices.

• General Products & Realty Company:

Increased by 4.7 billion yen compared to the same period of the previous fiscal year to 12.0 billion yen (88 million U.S. dollars), due to higher earnings in overseas real estate business resulting from gain on sales of properties.

• Machinery Company:

Decreased by 12.9 billion yen compared to the same period of the previous fiscal year to 2.9 billion yen (22 million U.S. dollars), due to lower earnings in a leasing-related company resulting from the impairment losses on aircrafts leased to Russian airlines and the absence of extraordinary gains in the same period 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, “3. (5) Operating Segment Information”.

(vi) Income tax expense

Decreased by 34.3%, or 33.4 billion yen, compared to the same period of the previous fiscal year to 63.9 billion yen (468 million U.S. dollars), due to lower profit before tax.

(vii) Net profit attributable to ITOCHU

Consequently, net profit attributable to ITOCHU decreased by 13.8%, or 36.8 billion yen, compared to the same period of the previous fiscal year to 230.6 billion yen (1,687 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 19.4%, or 29.7 billion yen, compared to the same period of the previous fiscal year to 183.0 billion yen (1,339 million U.S. dollars).

- Metals & Minerals Company:

Increased by 15.5 billion yen compared to the same period of the previous fiscal year to 65.1 billion yen (477 million U.S. dollars), due to higher coal prices, partially offset by lower iron ore prices.

- Energy & Chemicals Company:

Increased by 10.7 billion yen compared to the same period of the previous fiscal year to 30.3 billion yen (221 million U.S. dollars), due to the improvement in profitability in energy trading transactions and CIECO Azer resulting from higher market prices.

- The 8th Company:

Decreased by 6.7 billion yen compared to the same period of the previous fiscal year to 11.6 billion yen (85 million U.S. dollars), due to the increase in expenses resulting from promotion of store renovation, sales promotion and changes in external environment, in addition to the conversion of Taiwan FamilyMart into an investment accounted for by the equity method from a consolidated subsidiary at the end of the first quarter of the previous fiscal year, partially offset by the increase in daily sales in FamilyMart.

- ICT & Financial Business Company:

Decreased by 5.8 billion yen compared to the same period of the previous fiscal year to 8.1 billion yen (60 million U.S. dollars), due to lower sales volume in CONEXIO and lower agency commissions in HOKEN NO MADOGUCHI GROUP, in addition to the temporary increase in expenses, partially offset by the stable transactions in ITOCHU Techno-Solutions.

(2) Qualitative Information of the Consolidated Financial Position

(a) Consolidated Financial Position

	Billions of Yen				Millions of U.S. Dollars
	Jun. 2022	Mar. 2022	Increase (Decrease)	%	Jun. 2022
Total assets	13,034.1	12,153.7	880.5	7.2%	95,362
Interest-bearing debt	3,054.3	2,905.9	148.4	5.1%	22,347
Net interest-bearing debt	2,389.8	2,283.0	106.8	4.7%	17,485
Total shareholders' equity.....	4,535.6	4,199.3	336.2	8.0%	33,184
Ratio of shareholders' equity to total assets	34.8%	34.6%	Increased 0.2pt		
NET DER (times)	0.53	0.54	Improved 0.02pt		

(i) Total assets

Increased by 7.2%, or 880.5 billion yen, compared to March 31, 2022 to 13,034.1 billion yen (95,362 million U.S. dollars), due to the increase in trade receivables and inventories resulting from the increase of trading transactions and higher market prices, the increase in investments accounted for by the equity method, and the impact of the depreciation of the yen.

(ii) Net interest-bearing debt (interest-bearing debt after deducting cash and cash equivalents and time deposits)

Increased by 4.7%, or 106.8 billion yen, compared to March 31, 2022 to 2,389.8 billion yen (17,485 million U.S. dollars), due to dividend payments and the impact of the depreciation of the yen, partially offset by the stable performance in operating revenues.

Interest-bearing debt increased by 5.1%, or 148.4 billion yen, compared to March 31, 2022 to 3,054.3 billion yen (22,347 million U.S. dollars).

(iii) Total shareholders' equity

Increased by 8.0%, or 336.2 billion yen, compared to March 31, 2022 to 4,535.6 billion yen (33,184 million U.S. dollars), due to net profit attributable to ITOCHU during this fiscal year and the impact of the depreciation of the yen, partially offset by dividend payments.

(iv) Ratio of shareholders' equity to total assets and NET DER

Ratio of shareholders' equity to total assets increased by 0.2 points compared to March 31, 2022 to 34.8%. NET DER (Net debt-to-shareholders' equity ratio) improved compared to March 31, 2022 to 0.53 times.

(b) Consolidated Cash Flows

	Billions of Yen		Millions of U.S. Dollars
	Apr.-Jun. 2022	Apr.-Jun. 2021	Apr.-Jun. 2022
Cash flows from operating activities	236.0	181.7	1,727
Cash flows from investing activities	(55.7)	1.5	(408)
<i>Free cash flows</i>	<i>180.3</i>	<i>183.2</i>	<i>1,319</i>
Cash flows from financing activities	(155.3)	(281.4)	(1,136)

(i) Cash flows from operating activities

Recorded a net cash-inflow of 236.0 billion yen (1,727 million U.S. dollars), due to the stable performance in operating revenues in Metals & Minerals, The 8th and General Products & Realty Companies.

(ii) Cash flows from investing activities

Recorded a net cash-outflow of 55.7 billion yen (408 million U.S. dollars), due to the purchase of fixed assets by Food, The 8th and Machinery Companies.

(iii) Cash flows from financing activities

Recorded a net cash-outflow of 155.3 billion yen (1,136 million U.S. dollars), due to the dividend payments and repayments of lease liabilities.

“Cash and cash equivalents” as of June 30, 2022 increased by 41.7 billion yen compared to March 31, 2022 to 653.4 billion yen (4,781 million U.S. dollars).

2. Summary Information (Notes)

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries accompanying changes in the consolidation scope) : None

(2) Changes in accounting policies and accounting estimates

(a) Changes in accounting policies required by IFRS None

(b) Other changes None

(c) Changes in accounting estimates None

With regards to the impacts from the Russia-Ukraine situation and COVID-19, there are no significant changes from the description in the Annual Financial Statements for the year ended March 31, 2022.

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

ITOCHU Corporation and its Subsidiaries

For the three-month periods ended June 30, 2022 and 2021

	Millions of Yen		Millions of U.S. Dollars
	Apr.-Jun. 2022	Apr.-Jun. 2021	Apr.-Jun. 2022
Revenues:			
Revenues from sale of goods.....	¥ 3,049,729	¥ 2,595,899	\$ 22,313
Revenues from rendering of services and royalties.....	328,292	320,919	2,402
Total revenues.....	3,378,021	2,916,818	24,715
Cost:			
Cost of sale of goods.....	(2,677,409)	(2,268,567)	(19,589)
Cost of rendering of services and royalties.....	(175,569)	(157,321)	(1,285)
Total cost.....	(2,852,978)	(2,425,888)	(20,874)
Gross trading profit.....	525,043	490,930	3,841
Other gains (losses):			
Selling, general and administrative expenses.....	(339,713)	(336,561)	(2,485)
Provision for doubtful accounts.....	(2,295)	(1,059)	(17)
Gains (losses) on investments.....	8,702	133,577	63
Gains (losses) on property, plant, equipment and intangible assets.....	(1,921)	1,560	(14)
Other-net.....	(1,922)	3,017	(14)
Total other-losses.....	(337,149)	(199,466)	(2,467)
Financial income (loss):			
Interest income.....	5,860	4,872	43
Dividends received.....	23,878	15,928	175
Interest expense.....	(8,592)	(7,677)	(63)
Total financial income.....	21,146	13,123	155
Equity in earnings of associates and joint ventures.....	95,659	77,422	700
Profit before tax.....	304,699	382,009	2,229
Income tax expense.....	(63,931)	(97,294)	(468)
Net profit.....	240,768	284,715	1,761
Net profit attributable to ITOCHU.....	230,631	267,476	1,687
Net profit attributable to non-controlling interests.....	10,137	17,239	74

	Millions of Yen		Millions of
	Apr.-Jun. 2022	Apr.-Jun. 2021	U.S. Dollars
Other comprehensive income, net of tax:			Apr.-Jun. 2022
Items that will not be reclassified to profit or loss			
FVTOCI financial assets.....	¥ (29,479)	¥ 32,103	\$ (216)
Remeasurement of net defined pension liability.....	(1,014)	(767)	(7)
Other comprehensive income in associates and joint ventures.....	(2,086)	(3,987)	(15)
Items that will be reclassified to profit or loss			
Translation adjustments.....	165,940	(9,598)	1,214
Cash flow hedges.....	2,459	(3,147)	18
Other comprehensive income in associates and joint ventures.....	73,186	9,299	535
Total other comprehensive income, net of tax.....	209,006	23,903	1,529
Total comprehensive income.....	449,774	308,618	3,290
Total comprehensive income attributable to ITOCHU.....	436,951	290,167	3,197
Total comprehensive income attributable to non-controlling interests.....	12,823	18,451	93

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

Note 2 : “Trading income” is presented in accordance with Japanese accounting practices.

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

Trading income for the three-month periods ended June 30, 2022 and 2021 were 183,035 million yen (1,339 million U.S. dollars) and 153,310 million yen, respectively.

(2) Consolidated Statement of Financial Position [Condensed]

ITOCHU Corporation and its Subsidiaries

As of June 30, 2022 and March 31, 2022

Assets	Millions of Yen		Millions of U.S. Dollars
	Jun. 2022	Mar. 2022	Jun. 2022
Current assets:			
Cash and cash equivalents.....	¥ 653,429	¥ 611,715	\$ 4,781
Time deposits.....	11,050	11,185	81
Trade receivables.....	2,596,822	2,458,991	18,999
Other current receivables.....	272,783	236,864	1,996
Other current financial assets.....	168,243	101,932	1,231
Inventories.....	1,284,687	1,077,160	9,399
Advances to suppliers.....	152,565	123,382	1,116
Other current assets.....	254,324	188,727	1,860
Total current assets.....	5,393,903	4,809,956	39,463
Non-current assets:			
Investments accounted for by the equity method.....	2,494,556	2,288,762	18,251
Other investments.....	915,299	958,218	6,697
Non-current receivables.....	794,655	728,965	5,814
Non-current financial assets other than investments and receivables.....	180,695	172,191	1,322
Property, plant and equipment.....	1,971,053	1,936,044	14,421
Investment property.....	46,701	47,742	342
Goodwill and intangible assets.....	1,097,457	1,081,607	8,029
Deferred tax assets.....	51,979	54,639	380
Other non-current assets.....	87,846	75,534	643
Total non-current assets.....	7,640,241	7,343,702	55,899
Total assets.....	¥ 13,034,144	¥ 12,153,658	\$ 95,362

Liabilities and Equity	Millions of Yen		Millions of U.S. Dollars
	Jun. 2022	Mar. 2022	Jun. 2022
Current liabilities:			
Short-term debentures and borrowings.....	¥ 615,438	¥ 522,448	\$ 4,503
Lease liabilities (short-term).....	228,260	235,791	1,670
Trade payables.....	2,199,765	1,967,117	16,094
Other current payables.....	251,504	210,857	1,840
Other current financial liabilities.....	111,299	83,724	814
Current tax liabilities.....	56,515	74,026	413
Advances from customers.....	171,495	132,513	1,255
Other current liabilities.....	478,648	424,071	3,502
Total current liabilities	<u>4,112,924</u>	<u>3,650,547</u>	<u>30,091</u>
Non-current liabilities:			
Long-term debentures and borrowings.....	2,438,889	2,383,455	17,844
Lease liabilities (long-term).....	780,996	775,180	5,714
Other non-current financial liabilities.....	68,279	58,217	500
Non-current liabilities for employee benefits.....	104,348	103,975	763
Deferred tax liabilities.....	266,675	250,999	1,951
Other non-current liabilities.....	174,486	167,585	1,277
Total non-current liabilities	<u>3,833,673</u>	<u>3,739,411</u>	<u>28,049</u>
 Total liabilities	<u>7,946,597</u>	<u>7,389,958</u>	<u>58,140</u>
Equity:			
Common stock:			
Authorized: 3,000,000,000 shares; issued: 1,584,889,504 shares.....	253,448	253,448	1,854
Capital surplus.....	(169,006)	(161,917)	(1,236)
Retained earnings.....	3,951,179	3,811,991	28,908
Other components of equity:			
Translation adjustments.....	599,721	383,215	4,388
FVTOCI financial assets.....	119,288	146,638	873
Cash flow hedges.....	23,387	7,154	171
Total other components of equity.....	<u>742,396</u>	<u>537,007</u>	<u>5,432</u>
Treasury stock.....	(242,457)	(241,204)	(1,774)
Total shareholders' equity.....	<u>4,535,560</u>	<u>4,199,325</u>	<u>33,184</u>
Non-controlling interests.....	551,987	564,375	4,038
Total equity.....	<u>5,087,547</u>	<u>4,763,700</u>	<u>37,222</u>
Total liabilities and equity.....	<u>¥13,034,144</u>	<u>¥12,153,658</u>	<u>\$ 95,362</u>

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

ITOCHU Corporation and its Subsidiaries

For the three-month periods ended June 30, 2022 and 2021

(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 Apr. 1, 2022	¥ 253,448	¥ (161,917)	¥ 3,811,991	¥ 537,007	¥ (241,204)	¥ 4,199,325	¥ 564,375	¥ 4,763,700
Net profit			230,631			230,631	10,137	240,768
Other comprehensive income				206,320		206,320	2,686	209,006
Total comprehensive income			230,631	206,320		436,951	12,823	449,774
Cash dividends to shareholders			(92,715)			(92,715)		(92,715)
Cash dividends to non-controlling interests							(17,696)	(17,696)
Net change in acquisition (disposition) of treasury stock					(1,253)	(1,253)		(1,253)
Net change in sale (purchase) of subsidiary shares to (from) non-controlling interests		(7,089)		341		(6,748)	(7,515)	(14,263)
Transfer to Retained earnings			1,272	(1,272)				
Balance on Jun. 30, 2022	253,448	(169,006)	3,951,179	742,396	(242,457)	4,535,560	551,987	5,087,547

(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 Apr. 1, 2021	¥ 253,448	¥ (155,210)	¥ 3,238,948	¥ 160,455	¥ (181,360)	¥ 3,316,281	¥ 553,959	¥ 3,870,240
Net profit			267,476			267,476	17,239	284,715
Other comprehensive income				22,691		22,691	1,212	23,903
Total comprehensive income			267,476	22,691		290,167	18,451	308,618
Cash dividends to shareholders			(65,447)			(65,447)		(65,447)
Cash dividends to non-controlling interests							(11,142)	(11,142)
Net change in acquisition (disposition) of treasury stock					141	141		141
Net change in sale (purchase) of subsidiary shares to (from) non-controlling interests		(2,744)		(1,624)		(4,368)	(26,241)	(30,609)
Transfer to Retained earnings			(127,291)	127,291				
Balance on Jun. 30, 2021	253,448	(157,954)	3,313,686	308,813	(181,219)	3,536,774	535,027	4,071,801

(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 Apr. 1, 2022	\$ 1,854	\$ (1,184)	\$ 27,890	\$ 3,929	\$ (1,765)	\$ 30,724	\$ 4,129	\$ 34,853
Net profit			1,687			1,687	74	1,761
Other comprehensive income				1,510		1,510	19	1,529
Total comprehensive income			1,687	1,510		3,197	93	3,290
Cash dividends to shareholders			(678)			(678)		(678)
Cash dividends to non-controlling interests							(129)	(129)
Net change in acquisition (disposition) of treasury stock					(9)	(9)		(9)
Net change in sale (purchase) of subsidiary shares to (from) non-controlling interests		(52)		2		(50)	(55)	(105)
Transfer to Retained earnings			9	(9)				
Balance on Jun. 30, 2022	1,854	(1,236)	28,908	5,432	(1,774)	33,184	4,038	37,222

(4) Consolidated Statement of Cash Flows [Condensed]

ITOCHU Corporation and its Subsidiaries

For the three-month periods ended June 30, 2022 and 2021

	Millions of Yen		Millions of
	Apr.-Jun. 2022	Apr.-Jun. 2021	U.S. Dollars
Cash flows from operating activities:			
Net profit.....	¥ 240,768	¥ 284,715	\$ 1,761
Adjustments to reconcile net profit to net cash provided by operating activities			
Depreciation and amortization.....	99,690	104,706	729
(Gains) losses on investments.....	(8,702)	(133,577)	(63)
(Gains) losses on property, plant, equipment and intangible assets.....	1,921	(1,560)	14
Financial (income) loss.....	(21,146)	(13,123)	(155)
Equity in earnings of associates and joint ventures.....	(95,659)	(77,422)	(700)
Income tax expense.....	63,931	97,294	468
Provision for doubtful accounts and other provisions.....	(2,329)	(908)	(17)
Changes in assets and liabilities, other-net.....	(37,424)	(62,857)	(274)
Proceeds from interest.....	5,522	5,677	40
Proceeds from dividends.....	77,826	56,236	570
Payments for interest.....	(6,833)	(6,148)	(50)
Payments for income taxes.....	(81,535)	(71,378)	(596)
Net cash provided by (used in) operating activities.....	<u>236,030</u>	<u>181,655</u>	<u>1,727</u>
Cash flows from investing activities:			
Net change in investments accounted for by the equity method.....	(4,307)	72,039	(32)
Net change in other investments.....	(9,643)	(24,562)	(71)
Net change in loans receivable.....	5,275	(11,968)	39
Net change in property, plant, equipment and intangible assets.....	(48,150)	(33,027)	(352)
Net change in time deposits.....	1,097	(935)	8
Net cash provided by (used in) investing activities.....	<u>(55,728)</u>	<u>1,547</u>	<u>(408)</u>
Cash flows from financing activities:			
Net change in debentures and loans payable.....	34,970	(128,919)	256
Repayments of lease liabilities.....	(65,358)	(71,009)	(478)
Cash dividends.....	(92,715)	(65,447)	(678)
Net change in treasury stock.....	(1,726)	(8)	(13)
Other.....	(30,513)	(15,981)	(223)
Net cash provided by (used in) financing activities.....	<u>(155,342)</u>	<u>(281,364)</u>	<u>(1,136)</u>
Net change in cash and cash equivalents.....	24,960	(98,162)	183
Cash and cash equivalents at the beginning of the period (Opening balance on the consolidated statement of financial position).....	611,715	544,009	4,476
Reclassification of cash and cash equivalents included in assets held for sale in the opening balance.....	-	44,331	-
Cash and cash equivalents at the beginning of the period.....	611,715	588,340	4,476
Effect of exchange rate changes on cash and cash equivalents.....	16,754	1,640	122
Cash and cash equivalents at the end of the period.....	¥ 653,429	¥ 491,818	\$ 4,781

(5) Operating Segment Information

ITOCHU Corporation and its Subsidiaries

For the three-month periods ended June 30, 2022 and 2021

Information concerning operations in different operating segments for the three-month periods ended June 30, 2022 and 2021 is as follows:

For the three-month period ended June 30, 2022 (April 1, 2022 -June 30, 2022)										Millions of Yen	
Textile	Machinery	Metals & Minerals	Energy & Chemicals	Food	General Products & Realty	ICT & Financial Business	The 8th	Others, Adjustments & Eliminations	Consolidated total		
Revenues:											
Revenues from external customers...	¥ 111,793	¥ 329,128	¥ 376,012	¥ 817,924	¥ 1,100,107	¥ 298,309	¥ 199,795	¥ 113,024	¥ 31,929	¥ 3,378,021	
Intersegment revenues.....	-	31	-	10,232	3,118	4,860	3,217	483	(21,941)	-	
Total revenues.....	111,793	329,159	376,012	828,156	1,103,225	303,169	203,012	113,507	9,988	3,378,021	
Gross trading profit.....	23,873	52,399	69,924	70,007	82,473	54,104	65,516	94,049	12,698	525,043	
Trading income.....	2,526	15,234	65,140	30,284	19,281	20,328	8,134	11,582	10,526	183,035	
Net profit attributable to ITOCHU.... [Equity in earnings of associates and joint ventures].....	4,090	18,688	75,375	21,949	17,472	26,607	10,597	6,892	48,961	230,631	
	[1,182]	[2,946]	[17,445]	[6,162]	[3,340]	[11,969]	[10,399]	[(482)]	[42,698]	[95,659]	
Total assets on Jun. 30, 2022.....	445,623	1,403,748	1,404,478	1,693,497	2,161,932	1,181,594	1,345,848	1,882,042	1,515,382	13,034,144	
For the three-month period ended June 30, 2021 (April 1, 2021 -June 30, 2021)											Millions of Yen
Textile	Machinery	Metals & Minerals	Energy & Chemicals	Food	General Products & Realty	ICT & Financial Business	The 8th	Others, Adjustments & Eliminations	Consolidated total		
Revenues:											
Revenues from external customers...	¥ 102,122	¥ 287,063	¥ 251,922	¥ 614,701	¥ 1,064,527	¥ 249,709	¥ 191,938	¥ 128,148	¥ 26,688	¥ 2,916,818	
Intersegment revenues.....	-	17	-	9,584	2,261	4,380	3,087	539	(19,868)	-	
Total revenues.....	102,122	287,080	251,922	624,285	1,066,788	254,089	195,025	128,687	6,820	2,916,818	
Gross trading profit.....	22,097	50,605	53,541	56,894	79,905	47,938	67,962	110,347	1,641	490,930	
Trading income.....	2,401	15,846	49,633	19,615	20,977	18,844	13,966	18,273	(6,245)	153,310	
Net profit attributable to ITOCHU.... [Equity in earnings of associates and joint ventures].....	5,326	26,246	77,882	15,003	16,244	51,834	18,587	40,026	16,328	267,476	
	[746]	[15,807]	[11,776]	[3,945]	[3,856]	[7,275]	[11,733]	[(504)]	[22,788]	[77,422]	
Total assets on Jun. 30, 2021.....	405,928	1,182,753	1,026,498	1,329,408	1,882,606	999,327	1,266,175	1,977,365	1,111,641	11,181,701	
Total assets on Mar. 31, 2022.....	436,807	1,302,692	1,285,258	1,489,260	1,979,520	1,126,171	1,350,414	1,813,769	1,369,767	12,153,658	
For the three-month period ended June 30, 2022 (April 1, 2022 -June 30, 2022)										Millions of U.S. Dollars	
Textile	Machinery	Metals & Minerals	Energy & Chemicals	Food	General Products & Realty	ICT & Financial Business	The 8th	Others, Adjustments & Eliminations	Consolidated total		
Revenues:											
Revenues from external customers...	\$ 818	\$ 2,408	\$ 2,751	\$ 5,984	\$ 8,049	\$ 2,182	\$ 1,462	\$ 827	\$ 234	\$ 24,715	
Intersegment revenues.....	-	0	-	75	23	36	23	4	(161)	-	
Total revenues.....	818	2,408	2,751	6,059	8,072	2,218	1,485	831	73	24,715	
Gross trading profit.....	175	383	512	512	603	396	479	688	93	3,841	
Trading income.....	18	111	477	221	141	149	60	85	77	1,339	
Net profit attributable to ITOCHU.... [Equity in earnings of associates and joint ventures].....	30	137	551	161	128	195	77	50	358	1,687	
	[9]	[22]	[128]	[45]	[24]	[88]	[76]	[(4)]	[312]	[700]	
Total assets on Jun. 30, 2022.....	3,260	10,270	10,276	12,390	15,817	8,645	9,847	13,770	11,087	95,362	

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.

(6) Assumption for Going Concern : None