

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

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**-Unaudited-****Consolidated Financial Results for the Third 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 third quarter of the FYE 2023 (from April 1, 2022 to December 31, 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 to third quarter of												
FYE 2023	10,544,219	16.0	574,395	23.6	924,548	(3.4)	719,653	(1.5)	682,229	0.5	751,496	(1.1)
FYE 2022	9,093,654	19.8	464,729	52.4	957,332	112.7	730,297	85.8	678,864	86.3	759,810	82.0

	Basic earnings per share attributable to ITOCHU		Diluted earnings per share attributable to ITOCHU	
	yen		yen	
For the first to third quarter of				
FYE 2023	464.66		-	
FYE 2022	457.06		-	

Equity in earnings of associates and joint ventures (millions of yen) 3rd quarter of FYE 2023: 264,425 [ 13.9%] 3rd quarter of FYE 2022: 232,223 [ 53.0%]

Total comprehensive income (millions of yen) 3rd quarter of FYE 2023: 786,236 [ (3.0)%] 3rd quarter of FYE 2022: 810,810 [ 76.2%]

**(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
December 31, 2022	13,599,163	5,395,134	4,731,308	34.8	3,233.45
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 to third quarter of				
FYE 2023	636,219	(437,081)	(289,079)	531,348
FYE 2022	572,031	56,011	(760,958)	463,627

**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	-	65.00	-	-	-
FYE 2023 (Planned)	-	-	-	75.00	140.00

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

**3. Outlook of consolidated operating results for the 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	800,000	(2.5)	545.78	

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

#### 4. Other information

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries accompanying changes in the consolidation scope) : Yes  
New company : 3 (Citrus Investment LLC HCJI Holdings Co., Ltd. IMEA CANADA INC.)  
Note: For more details, please refer to page 10, "2. (1) Changes in significant subsidiaries during the period".

- (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:         | 3rd quarter of FYE 2023 | 1,584,889,504 | FYE 2022                | 1,584,889,504 |
| (including the number of treasury stock)         |                         |               |                         |               |
| (b) Number of treasury stock:                    | 3rd quarter of FYE 2023 | 121,650,807   | FYE 2022                | 115,310,164   |
| (c) Average number of common shares outstanding: | 3rd quarter of FYE 2023 | 1,468,228,141 | 3rd quarter of FYE 2022 | 1,485,288,920 |

Note: Based on the decision at the meeting of the Board of Directors,  
ITOCHU has carried out share buybacks of 6,746,200 own shares during the nine-month period ended December 31, 2022.

[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 132.70 yen = 1 U.S. dollar, the exchange rate prevailing on December 31, 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 nine-month period ended December 31, 2022]

#### **(a) General Economic Situation**

Looking back at the global economy for the nine-month period ended December 31, 2022, the U.S. and European economies slowed amid rising prices mainly due to the worsening Russia-Ukraine situation and interest rate increases by major central banks. The Chinese economy remained stagnant due to continuous strict prevention measures against COVID-19 and other factors. The WTI crude oil price rose from the US \$101 per barrel level at the beginning of the fiscal year to the US\$123 per barrel level in the middle of June due to the uncertainty over crude oil supply resulting from the economic sanctions imposed on Russia by various countries and other factors. However, it temporarily fell to around US\$70 per range in December due to the slowdown of the global economy, to close in the US\$80 per barrel level at the end of December.

The Japanese economy saw a pick-up primarily driven by the service sector, due to a resumption in consumer activity as restrictions on activity under COVID-19 were eased. However, the recovery in both domestic and foreign demand was limited and ended up in a moderate increase due to the resurgence of COVID-19 from the summer, rising prices, and the slowdown in the global economy. The U.S. dollar-yen exchange rate started at ¥122 per dollar level at the beginning of the fiscal year, and the yen subsequently depreciated to ¥151 per dollar level at one point by late October due to a rise in U.S. long-term interest rates. However, subsequently the yen appreciated as a result of the foreign exchange intervention by the Japanese government, a decline in U.S. long-term interest rates, and the Bank of Japan's revision to its monetary policy, and closed at ¥132 per dollar level at the end of the year. Although the Nikkei Stock Average temporarily rose from the ¥27,000 level at the beginning of the fiscal year due to the weaker yen and recovery in the domestic economy, as a general trend, it declined in tandem with the U.S. stock prices amid falling to around ¥26,000 at the end of the year, partially because of the Bank of Japan's revision to its monetary policy. The yield on 10-year Japanese government bonds rose from 0.23% at the beginning of the fiscal year, transacted at a level exceeding the 0.25% limit set by the Bank of Japan from September along with a rise in the U.S. long-term interest rates, and soared to around 0.50% in late December, in the wake of the expansion of the range of fluctuation in long-term interest rates by the Bank of Japan.

(b) Consolidated Operating Results

	Billions of Yen				Millions of U.S. Dollars
	Apr.-Dec. 2022	Apr.-Dec. 2021	Increase (Decrease)	%	Apr.-Dec. 2022
Revenues .....	10,544.2	9,093.7	1,450.6	16.0%	79,459
Gross trading profit .....	1,634.4	1,463.2	171.1	11.7%	12,316
Selling, general and administrative expenses .....	(1,053.7)	(993.3)	(60.4)	6.1%	(7,941)
Gains (losses) on investments.....	47.1	204.6	(157.5)	(77.0%)	355
Equity in earnings of associates and joint ventures .....	264.4	232.2	32.2	13.9%	1,993
Income tax expense.....	(204.9)	(227.0)	22.1	(9.8%)	(1,544)
Net profit.....	719.7	730.3	(10.6)	(1.5%)	5,423
<b>Net profit attributable to ITOCHU.....</b>	<b>682.2</b>	<b>678.9</b>	<b>3.4</b>	<b>0.5%</b>	<b>5,141</b>
(Reference) Trading income.....	574.4	464.7	109.7	23.6%	4,328

(i) Revenues (from external customers)

Increased by 16.0%, or 1,450.6 billion yen compared to the same period of the previous fiscal year to 10,544.2 billion yen (79,459 million U.S. dollars).

• Energy & Chemicals Company:

Increased by 496.3 billion yen compared to the same period of the previous fiscal year to 2,554.0 billion yen (19,246 million U.S. dollars), due to higher market prices in energy trading transactions, chemical-related transactions, and energy-related companies.

• Food Company:

Increased by 261.2 billion yen compared to the same period of the previous fiscal year to 3,516.3 billion yen (26,498 million U.S. dollars), due to higher market prices in provisions-related transactions and higher transaction volume in food-distribution-related companies.

• General Products & Realty Company:

Increased by 213.6 billion yen compared to the same period of the previous fiscal year to 970.1 billion yen (7,310 million U.S. dollars), due to higher market prices in construction materials business, the improvement in profitability in ETEL (European tire-related company), and the conversion of a North American engineered wood products company into a consolidated subsidiary.

• Metals & Minerals Company:

Increased by 212.0 billion yen compared to the same period of the previous fiscal year to 984.2 billion yen (7,417 million U.S. dollars), due to higher coal prices and the depreciation of the yen, partially offset by lower iron ore prices.

(ii) Gross trading profit

Increased by 11.7%, or 171.1 billion yen, compared to the same period of the previous fiscal year to 1,634.4 billion yen (12,316 million U.S. dollars).

• Energy & Chemicals Company:

Increased by 44.4 billion yen compared to the same period of the previous fiscal year to 239.4 billion yen (1,804 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 and the stable performance in electricity transactions.

• Metals & Minerals Company:

Increased by 43.5 billion yen compared to the same period of the previous fiscal year to 184.2 billion yen (1,388 million U.S. dollars), due to higher coal prices and the depreciation of the yen, partially offset by lower iron ore prices.

• General Products & Realty Company:

Increased by 30.7 billion yen compared to the same period of the previous fiscal year to 173.9 billion yen (1,310 million U.S. dollars), due to the stable performance in construction materials business and domestic real estate companies, the improvement in profitability in ETEL, and the conversion of a North American engineered wood products company into a consolidated subsidiary.

• Machinery Company:

Increased by 18.0 billion yen compared to the same period of the previous fiscal year to 171.1 billion yen (1,289 million U.S. dollars), due to the favorable sales in automobile-related companies and North American construction machinery companies.

(iii) Selling, general and administrative expenses

Increased by 6.1%, or 60.4 billion yen, compared to the same period of the previous fiscal year to 1,053.7 billion yen (7,941 million U.S. dollars), due to the increase in expenses resulting from the stable growth in revenue and the depreciation of the yen, partially offset by the decrease because of 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 previous fiscal year.

(iv) Gains (losses) on investments

Decreased by 77.0%, or 157.5 billion yen, compared to the same period of the previous fiscal year to a gain of 47.1 billion yen (355 million U.S. dollars), due to the absence of gains on the partial sale of Taiwan FamilyMart, the de-consolidation of Paidy, and the sale of Japan Brazil Paper & Pulp Resources Development, in addition to the realization of foreign exchange gains due to the de-consolidation of ITOCHU Coal Americas in the same period of the previous fiscal year, partially offset by the gain on the sale of a North American beverage-equipment-maintenance company.

(v) Equity in earnings of associates and joint ventures

Increased by 13.9%, or 32.2 billion yen, compared to the same period of the previous fiscal year to 264.4 billion yen (1,993 million U.S. dollars).

• Others, Adjustments & Eliminations: (\*)

Increased by 25.3 billion yen compared to the same period of the previous fiscal year to 100.1 billion yen (754 million U.S. dollars), due to higher earnings in CITIC Limited resulting from the stable performance especially in comprehensive financial business, revaluation gain on securities business, and the depreciation of the yen even with the impact of lower iron ore prices, partially offset by lower earnings in C.P. Pokphand because of lower pork prices.

• Metals & Minerals Company:

Increased by 10.4 billion yen compared to the same period of the previous fiscal year to 47.0 billion yen (354 million U.S. dollars), due to higher earnings in Marubeni-Itochu Steel resulting from the stable performance in North American business and the depreciation of the yen, partially offset by lower earnings in iron ore companies resulting from lower prices.

• General Products & Realty Company:

Increased by 9.7 billion yen compared to the same period of the previous fiscal year to 34.2 billion yen (258 million U.S. dollars), due to the gain on sales of properties in overseas real estate business and higher earnings in IFL (European pulp-related company) resulting from higher pulp prices.

• Food Company:

Decreased by 6.9 billion yen compared to the same period of the previous fiscal year to 5.8 billion yen (44 million U.S. dollars), due to lower earnings in meat-products-related companies resulting from lower sales prices in China, unfavorable sales to Japan caused by the depreciation of the yen, and the increase in production cost caused by higher grain prices, partially offset by the stable performance in North American grain-related companies.

(\*) “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 9.8%, or 22.1 billion yen, compared to the same period of the previous fiscal year to 204.9 billion yen (1,544 million U.S. dollars), due to lower profit before tax.

(vii) Net profit attributable to ITOCHU

Consequently, net profit attributable to ITOCHU increased by 0.5%, or 3.4 billion yen, compared to the same period of the previous fiscal year to 682.2 billion yen (5,141 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 23.6%, or 109.7 billion yen, compared to the same period of the previous fiscal year to 574.4 billion yen (4,328 million U.S. dollars).

- Metals & Minerals Company:  
Increased by 40.8 billion yen compared to the same period of the previous fiscal year to 169.3 billion yen (1,276 million U.S. dollars), due to higher coal prices and the depreciation of the yen, partially offset by lower iron ore prices.
- Energy & Chemicals Company:  
Increased by 37.8 billion yen compared to the same period of the previous fiscal year to 120.0 billion yen (904 million U.S. dollars), due to the improvement in profitability in energy trading transactions and CIECO Azer resulting from higher market prices and the stable performance in electricity transactions.
- General Products & Realty Company:  
Increased by 16.1 billion yen compared to the same period of the previous fiscal year to 68.5 billion yen (516 million U.S. dollars), due to the stable performance in construction materials business and domestic real estate companies, the improvement in profitability in ETEL, and the conversion of a North American engineered wood products company into a consolidated subsidiary.
- Machinery Company:  
Increased by 9.2 billion yen compared to the same period of the previous fiscal year to 54.0 billion yen (407 million U.S. dollars), due to the favorable sales in automobile-related companies and North American construction machinery companies.



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

### (a) Consolidated Financial Position

	Billions of Yen				Millions of U.S. Dollars
	Dec. 2022	Mar. 2022	Increase (Decrease)	%	Dec. 2022
Total assets .....	13,599.2	12,153.7	1,445.5	11.9%	102,481
Interest-bearing debt .....	3,090.9	2,905.9	185.0	6.4%	23,293
Net interest-bearing debt .....	2,549.6	2,283.0	266.6	11.7%	19,214
Total shareholders' equity.....	4,731.3	4,199.3	532.0	12.7%	35,654
Ratio of shareholders' equity to total assets .....	34.8%	34.6%	Increased 0.2pt		
NET DER (times) .....	0.54	0.54	same level		

#### (i) Total assets

Increased by 11.9%, or 1,445.5 billion yen, compared to March 31, 2022 to 13,599.2 billion yen (102,481 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 resulting from the investment in shares in Hitachi Construction Machinery, and the depreciation of the yen.

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

Increased by 11.7%, or 266.6 billion yen, compared to March 31, 2022 to 2,549.6 billion yen (19,214 million U.S. dollars), due to dividend payments and share buybacks, the investment in shares in Hitachi Construction Machinery, and the depreciation of the yen, partially offset by the stable performance in operating revenues. Interest-bearing debt increased by 6.4%, or 185.0 billion yen, compared to March 31, 2022 to 3,090.9 billion yen (23,293 million U.S. dollars).

#### (iii) Total shareholders' equity

Increased by 12.7%, or 532.0 billion yen, compared to March 31, 2022 to 4,731.3 billion yen (35,654 million U.S. dollars), due to net profit attributable to ITOCHU during this fiscal year and the depreciation of the yen, partially offset by dividend payments and share buybacks.

#### (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) was at the same level compared to March 31, 2022 as 0.54 times.

(b) Consolidated Cash Flows

	Billions of Yen		Millions of U.S. Dollars
	Apr.-Dec. 2022	Apr.-Dec. 2021	Apr.-Dec. 2022
Cash flows from operating activities .....	636.2	572.0	4,794
Cash flows from investing activities .....	(437.1)	56.0	(3,294)
<i>Free cash flows</i> .....	<i>199.1</i>	<i>628.0</i>	<i>1,500</i>
Cash flows from financing activities .....	(289.1)	(761.0)	(2,178)

(i) Cash flows from operating activities

Recorded a net cash-inflow of 636.2 billion yen (4,794 million U.S. dollars), due to the stable performance in operating revenues in Metals & Minerals, The 8th, and Energy & Chemicals Companies.

(ii) Cash flows from investing activities

Recorded a net cash-outflow of 437.1 billion yen (3,294 million U.S. dollars), due to the investment in shares in Hitachi Construction Machinery by Machinery Company, the acquisition of a North American engineered wood products business by General Products & Realty Company, the investment in iron ore business in Canada by Metals & Minerals Company, and the purchase of fixed assets by Food, The 8th, Machinery, Energy & Chemicals, and Metals & Minerals Companies.

(iii) Cash flows from financing activities

Recorded a net cash-outflow of 289.1 billion yen (2,178 million U.S. dollars), due to dividend payments and share buybacks, and repayments of lease liabilities, partially offset by proceeds from debentures and loans payable.

“Cash and cash equivalents” as of December 31, 2022 decreased by 80.4 billion yen compared to March 31, 2022 to 531.3 billion yen (4,004 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) :**

HCJI Holdings Co., Ltd. (hereinafter referred to as the “Joint Venture”), which is jointly held by Citrus Investment LLC (hereinafter referred to as the “Investment Company”), a subsidiary of ITOCHU and HCJ Holdings Ltd., a special purpose company of Japan Industrial Partners, Inc. acquired the common shares of Hitachi Construction Machinery Co., Ltd. The Investment Company and the Joint Venture became specified subsidiaries of ITOCHU as a result of ITOCHU’s additional contribution through the Investment Company in the Joint Venture for the purpose of the acquisition.

IMEA CANADA INC. (hereinafter referred to as “IMEA Canada” ), which was established as a wholly-owned subsidiary of ITOCHU became a specified subsidiary of ITOCHU as a result of the capital increase of IMEA Canada to acquire the shares of an investment management company which owns interests of iron ore business in Canada; ArcelorMittal Mining Canada G.P. and ArcelorMittal Infrastructure Canada G.P.

### **(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 nine-month periods ended December 31, 2022 and 2021

	Millions of Yen		Millions of U.S. Dollars
	Apr.-Dec. 2022	Apr.-Dec. 2021	Apr.-Dec. 2022
<b>Revenues:</b>			
Revenues from sale of goods.....	¥ 9,524,064	¥ 8,136,065	\$ 71,771
Revenues from rendering of services and royalties.....	1,020,155	957,589	7,688
Total revenues.....	10,544,219	9,093,654	79,459
<b>Cost:</b>			
Cost of sale of goods.....	(8,361,522)	(7,142,910)	(63,011)
Cost of rendering of services and royalties.....	(548,326)	(487,508)	(4,132)
Total cost.....	(8,909,848)	(7,630,418)	(67,143)
<b>Gross trading profit.....</b>	<b>1,634,371</b>	<b>1,463,236</b>	<b>12,316</b>
<b>Other gains (losses):</b>			
Selling, general and administrative expenses.....	(1,053,737)	(993,302)	(7,941)
Provision for doubtful accounts.....	(6,239)	(5,205)	(47)
Gains (losses) on investments.....	47,129	204,606	355
Gains (losses) on property, plant, equipment and intangible assets.....	(7,133)	587	(54)
Other-net.....	9,013	10,822	68
Total other-losses.....	(1,010,967)	(782,492)	(7,619)
<b>Financial income (loss):</b>			
Interest income.....	29,954	15,470	226
Dividends received.....	53,562	50,923	404
Interest expense.....	(46,797)	(22,028)	(353)
Total financial income.....	36,719	44,365	277
Equity in earnings of associates and joint ventures.....	264,425	232,223	1,993
<b>Profit before tax.....</b>	<b>924,548</b>	<b>957,332</b>	<b>6,967</b>
Income tax expense.....	(204,895)	(227,035)	(1,544)
<b>Net profit.....</b>	<b>719,653</b>	<b>730,297</b>	<b>5,423</b>
Net profit attributable to ITOCHU.....	682,229	678,864	5,141
Net profit attributable to non-controlling interests.....	37,424	51,433	282

	Millions of Yen		Millions of U.S. Dollars
	Apr.-Dec. 2022	Apr.-Dec. 2021	Apr.-Dec. 2022
<b>Other comprehensive income, net of tax:</b>			
<b>Items that will not be reclassified to profit or loss</b>			
FVTOCI financial assets.....	¥ (24,016)	¥ 16,367	\$ (181)
Remeasurement of net defined pension liability.....	(1,036)	(767)	(8)
Other comprehensive income in associates and joint ventures.....	(10,733)	(8,490)	(81)
<b>Items that will be reclassified to profit or loss</b>			
Translation adjustments.....	96,793	25,877	730
Cash flow hedges.....	(3,960)	(1,001)	(30)
Other comprehensive income in associates and joint ventures.....	9,535	48,527	72
<b>Total other comprehensive income, net of tax.....</b>	<b>66,583</b>	<b>80,513</b>	<b>502</b>
<b>Total comprehensive income.....</b>	<b>786,236</b>	<b>810,810</b>	<b>5,925</b>
Total comprehensive income attributable to ITOCHU.....	751,496	759,810	5,663
Total comprehensive income attributable to non-controlling interests.....	34,740	51,000	262

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 nine-month periods ended December 31, 2022 and 2021 were 574,395 million yen (4,328 million U.S. dollars) and 464,729 million yen, respectively.

**(2) Consolidated Statement of Financial Position [Condensed]**

ITOCHU Corporation and its Subsidiaries  
As of December 31, 2022 and March 31, 2022

Assets	Millions of Yen		Millions of U.S. Dollars
	Dec. 2022	Mar. 2022	Dec. 2022
<b>Current assets:</b>			
Cash and cash equivalents.....	¥ 531,348	¥ 611,715	\$ 4,004
Time deposits.....	9,970	11,185	75
Trade receivables.....	2,832,104	2,458,991	21,342
Other current receivables.....	274,146	236,864	2,066
Other current financial assets.....	102,487	101,932	772
Inventories.....	1,474,749	1,077,160	11,114
Advances to suppliers.....	158,951	123,382	1,198
Other current assets.....	227,378	188,727	1,714
Total current assets.....	<u>5,611,133</u>	<u>4,809,956</u>	<u>42,285</u>
<b>Non-current assets:</b>			
Investments accounted for by the equity method.....	2,800,613	2,288,762	21,105
Other investments.....	922,528	958,218	6,952
Non-current receivables.....	791,925	728,965	5,968
Non-current financial assets other than investments and receivables.....	170,446	172,191	1,284
Property, plant and equipment.....	2,004,688	1,936,044	15,107
Investment property.....	43,551	47,742	328
Goodwill and intangible assets.....	1,124,424	1,081,607	8,473
Deferred tax assets.....	50,385	54,639	380
Other non-current assets.....	79,470	75,534	599
Total non-current assets.....	<u>7,988,030</u>	<u>7,343,702</u>	<u>60,196</u>
<b>Total assets.....</b>	<u><u>¥ 13,599,163</u></u>	<u><u>¥ 12,153,658</u></u>	<u><u>\$ 102,481</u></u>

Liabilities and Equity	Millions of Yen		Millions of
			U.S. Dollars
	Dec. 2022	Mar. 2022	Dec. 2022
<b>Current liabilities:</b>			
Short-term debentures and borrowings.....	¥ 699,176	¥ 522,448	\$ 5,269
Lease liabilities (short-term).....	235,762	235,791	1,777
Trade payables.....	2,459,530	1,967,117	18,534
Other current payables.....	216,875	210,857	1,634
Other current financial liabilities.....	78,509	83,724	592
Current tax liabilities.....	72,106	74,026	543
Advances from customers.....	190,294	132,513	1,434
Other current liabilities.....	471,027	424,071	3,550
Total current liabilities .....	<u>4,423,279</u>	<u>3,650,547</u>	<u>33,333</u>
<b>Non-current liabilities:</b>			
Long-term debentures and borrowings.....	2,391,717	2,383,455	18,024
Lease liabilities (long-term).....	772,216	775,180	5,819
Other non-current financial liabilities.....	68,631	58,217	517
Non-current liabilities for employee benefits.....	100,853	103,975	760
Deferred tax liabilities.....	278,358	250,999	2,098
Other non-current liabilities.....	168,975	167,585	1,273
Total non-current liabilities .....	<u>3,780,750</u>	<u>3,739,411</u>	<u>28,491</u>
Total liabilities .....	<u>8,204,029</u>	<u>7,389,958</u>	<u>61,824</u>
<b>Equity:</b>			
Common stock:			
Authorized: 3,000,000,000 shares;			
issued: 1,584,889,504 shares.....	253,448	253,448	1,910
Capital surplus.....	(164,904)	(161,917)	(1,243)
Retained earnings.....	4,307,743	3,811,991	32,462
Other components of equity:			
Translation adjustments.....	462,078	383,215	3,482
FVTOCI financial assets.....	113,783	146,638	858
Cash flow hedges.....	28,641	7,154	216
Total other components of equity.....	<u>604,502</u>	<u>537,007</u>	<u>4,556</u>
Treasury stock.....	(269,481)	(241,204)	(2,031)
Total shareholders' equity.....	<u>4,731,308</u>	<u>4,199,325</u>	<u>35,654</u>
Non-controlling interests.....	663,826	564,375	5,003
Total equity.....	<u>5,395,134</u>	<u>4,763,700</u>	<u>40,657</u>
<b>Total liabilities and equity.....</b>	<u>¥13,599,163</u>	<u>¥12,153,658</u>	<u>\$ 102,481</u>

-Unaudited-

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

ITOCHU Corporation and its Subsidiaries

For the nine-month periods ended December 31, 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			682,229			682,229	37,424	719,653
Other comprehensive income				69,267		69,267	(2,684)	66,583
Total comprehensive income			682,229	69,267		751,496	34,740	786,236
Cash dividends to shareholders			(188,372)			(188,372)		(188,372)
Cash dividends to non-controlling interests							(25,795)	(25,795)
Net change in acquisition (disposition) of treasury stock					(28,277)	(28,277)		(28,277)
Net change in sale (purchase) of subsidiary shares to (from) non-controlling interests		(2,987)		123		(2,864)	90,506	87,642
Transfer to Retained earnings			1,895	(1,895)		-		-
Balance on Dec. 31, 2022	253,448	(164,904)	4,307,743	604,502	(269,481)	4,731,308	663,826	5,395,134

(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			678,864			678,864	51,433	730,297
Other comprehensive income				80,946		80,946	(433)	80,513
Total comprehensive income			678,864	80,946		759,810	51,000	810,810
Cash dividends to shareholders			(135,356)			(135,356)		(135,356)
Cash dividends to non-controlling interests							(20,716)	(20,716)
Net change in acquisition (disposition) of treasury stock					164	164		164
Net change in sale (purchase) of subsidiary shares to (from) non-controlling interests		(2,615)		(1,624)		(4,239)	(30,126)	(34,365)
Transfer to Retained earnings			(116,979)	116,979		-		-
Balance on Dec. 31, 2021	253,448	(157,825)	3,665,477	356,756	(181,196)	3,936,660	554,117	4,490,777

(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	\$ 1,910	\$ (1,220)	\$ 28,726	\$ 4,047	\$ (1,818)	\$ 31,645	\$ 4,253	\$ 35,898
Net profit			5,141			5,141	282	5,423
Other comprehensive income				522		522	(20)	502
Total comprehensive income			5,141	522		5,663	262	5,925
Cash dividends to shareholders			(1,419)			(1,419)		(1,419)
Cash dividends to non-controlling interests							(194)	(194)
Net change in acquisition (disposition) of treasury stock					(213)	(213)		(213)
Net change in sale (purchase) of subsidiary shares to (from) non-controlling interests		(23)		1		(22)	682	660
Transfer to Retained earnings			14	(14)		-		-
Balance on Dec. 31, 2022	1,910	(1,243)	32,462	4,556	(2,031)	35,654	5,003	40,657



**(4) Consolidated Statement of Cash Flows [Condensed]**

ITOCHU Corporation and its Subsidiaries

For the nine-month periods ended December 31, 2022 and 2021

	Millions of Yen		Millions of U.S. Dollars
	Apr.-Dec. 2022	Apr.-Dec. 2021	Apr.-Dec. 2022
<b>Cash flows from operating activities:</b>			
Net profit.....	¥ 719,653	¥ 730,297	\$ 5,423
Adjustments to reconcile net profit to net cash provided by operating activities			
Depreciation and amortization.....	303,955	303,681	2,291
(Gains) losses on investments.....	(47,129)	(204,606)	(355)
(Gains) losses on property, plant, equipment and intangible assets.....	7,133	(587)	54
Financial (income) loss.....	(36,719)	(44,365)	(277)
Equity in earnings of associates and joint ventures.....	(264,425)	(232,223)	(1,993)
Income tax expense.....	204,895	227,035	1,544
Provision for doubtful accounts and other provisions.....	(1,574)	1,773	(12)
Changes in assets and liabilities, other-net.....	(241,929)	(230,238)	(1,823)
Proceeds from interest.....	25,620	14,577	193
Proceeds from dividends.....	189,265	151,386	1,426
Payments for interest.....	(35,738)	(21,165)	(269)
Payments for income taxes.....	(186,788)	(123,534)	(1,408)
Net cash provided by (used in) operating activities.....	<u>636,219</u>	<u>572,031</u>	<u>4,794</u>
<b>Cash flows from investing activities:</b>			
Net change in investments accounted for by the equity method.....	(292,863)	68,743	(2,207)
Net change in other investments.....	(1,294)	73,418	(10)
Net change in loans receivable.....	(19,408)	10,597	(146)
Net change in property, plant, equipment and intangible assets.....	(127,317)	(97,335)	(960)
Net change in time deposits.....	3,801	588	29
Net cash provided by (used in) investing activities.....	<u>(437,081)</u>	<u>56,011</u>	<u>(3,294)</u>
<b>Cash flows from financing activities:</b>			
Net change in debentures and loans payable.....	79,464	(397,654)	599
Repayments of lease liabilities.....	(196,038)	(200,888)	(1,477)
Cash dividends.....	(188,372)	(135,356)	(1,419)
Net change in treasury stock.....	(27,559)	(27)	(208)
Other.....	43,426	(27,033)	327
Net cash provided by (used in) financing activities.....	<u>(289,079)</u>	<u>(760,958)</u>	<u>(2,178)</u>
<b>Net change in cash and cash equivalents.....</b>	<b>(89,941)</b>	<b>(132,916)</b>	<b>(678)</b>
Cash and cash equivalents at the beginning of the period (Opening balance on the consolidated statement of financial position).....	611,715	544,009	4,610
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	4,610
Effect of exchange rate changes on cash and cash equivalents.....	9,574	8,203	72
<b>Cash and cash equivalents at the end of the period.....</b>	<b>¥ 531,348</b>	<b>¥ 463,627</b>	<b>\$ 4,004</b>

**(5) Operating Segment Information**

## ITOCHU Corporation and its Subsidiaries

For the nine-month periods ended December 31, 2022 and 2021

Information concerning operations in different operating segments for the nine-month periods ended December 31, 2022 and 2021 is as follows:

For the nine-month period ended December 31, 2022 (April 1, 2022 -December 31, 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...	¥ 393,140	¥ 1,013,661	¥ 984,191	¥ 2,553,994	¥ 3,516,263	¥ 970,081	¥ 656,354	¥ 353,978	¥ 102,557	¥ 10,544,219
Intersegment revenues.....	3,866	80	-	32,047	10,870	14,628	9,924	3,082	(74,497)	-
Total revenues.....	397,006	1,013,741	984,191	2,586,041	3,527,133	984,709	666,278	357,060	28,060	10,544,219
Gross trading profit.....	85,136	171,102	184,240	239,403	258,070	173,895	211,470	292,282	18,773	1,634,371
Trading income.....	14,715	54,039	169,311	120,002	58,354	68,507	41,261	42,606	5,600	574,395
Net profit attributable to ITOCHU.....	19,540	97,081	197,883	79,837	36,745	86,271	38,386	26,355	100,131	682,229
[Equity in earnings of associates and joint ventures].....	[5,326]	[32,358]	[47,003]	[7,651]	[5,827]	[34,193]	[31,456]	[530]	[100,081]	[264,425]
Total assets on Dec. 31, 2022.....	480,319	1,645,171	1,375,112	1,743,485	2,394,988	1,240,589	1,408,128	1,889,024	1,422,347	13,599,163
For the nine-month period ended December 31, 2021 (April 1, 2021 -December 31, 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...	¥ 329,524	¥ 895,364	¥ 772,191	¥ 2,057,676	¥ 3,255,026	¥ 756,453	¥ 604,665	¥ 353,331	¥ 69,424	¥ 9,093,654
Intersegment revenues.....	3	62	-	29,346	8,903	15,317	9,398	1,450	(64,479)	-
Total revenues.....	329,527	895,426	772,191	2,087,022	3,263,929	771,770	614,063	354,781	4,945	9,093,654
Gross trading profit.....	71,529	153,110	140,713	195,049	243,379	143,199	210,796	299,881	5,580	1,463,236
Trading income.....	9,391	44,826	128,517	82,216	59,277	52,448	49,939	43,457	(5,342)	464,729
Net profit attributable to ITOCHU.....	16,607	66,052	180,596	65,373	46,351	92,062	88,692	52,864	70,267	678,864
[Equity in earnings of associates and joint ventures].....	[3,732]	[33,168]	[36,640]	[9,256]	[12,737]	[24,525]	[36,597]	[753]	[74,815]	[232,223]
Total assets on Dec. 31, 2021.....	436,286	1,212,675	1,108,560	1,538,977	2,118,416	1,110,834	1,306,739	1,833,979	1,100,515	11,766,981
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 nine-month period ended December 31, 2022 (April 1, 2022 -December 31, 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...	\$ 2,963	\$ 7,638	\$ 7,417	\$ 19,246	\$ 26,498	\$ 7,310	\$ 4,946	\$ 2,668	\$ 773	\$ 79,459
Intersegment revenues.....	29	1	-	242	82	110	75	23	(562)	-
Total revenues.....	2,992	7,639	7,417	19,488	26,580	7,420	5,021	2,691	211	79,459
Gross trading profit.....	642	1,289	1,388	1,804	1,945	1,310	1,594	2,203	141	12,316
Trading income.....	111	407	1,276	904	440	516	311	321	42	4,328
Net profit attributable to ITOCHU.....	147	732	1,491	602	277	650	289	199	754	5,141
[Equity in earnings of associates and joint ventures].....	[40]	[244]	[354]	[58]	[44]	[258]	[237]	[4]	[754]	[1,993]
Total assets on Dec. 31, 2022.....	3,620	12,398	10,363	13,139	18,048	9,349	10,611	14,235	10,718	102,481

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

Note 4 : As of October 1, 2022, ITOCHU dissolved the mutual-holdings for certain group companies held by The 8th segment as minority and the other segment as majority, and shares of such group companies are only held by the other segment. These changes are reflected from the results for the three-month period ended December 31, 2022 and the results for the six-month period ended September 30, 2022 are not affected by these changes. According to the above, the results for the three-month period ended December 31, 2021 are reclassified in the same manner.

**(6) Assumption for Going Concern : None**

**(7) Material Subsequent Events**

The resolution regarding Repurchase of Own Shares

ITOCHU has decided at the meeting of the Board of Directors held on February 3, 2023 to repurchase own shares in accordance with Article 156 of the Companies Act of Japan, as applied pursuant to Paragraph 3, Article 165 of the Companies Act of Japan.

**(a) Reason for Repurchasing Own Shares**

ITOCHU will repurchase its own shares to execute the flexible capital strategy based on the current Shareholder Returns Policy.

**(b) Details of the Repurchase**

- (i) Type of shares to be repurchased : Common stock of ITOCHU
- (ii) Total number of shares to be repurchased : 7,500,000 shares (maximum)  
(Proportion of the total number of shares issued excluding treasury stock : approximately 0.5%)
- (iii) Total amount of shares to be repurchased : ¥25,000 million (maximum)
- (iv) Period : From February 6, 2023 to March 31, 2023
- (v) Methods of repurchase : I. Purchases through Off-Auction Own Share  
Repurchase Trading (ToSTNeT-3)  
II. Purchases on the Tokyo Stock Exchange