

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY

ITOCHU Corporation and Subsidiaries
Years ended March 31, 2005, 2004 and 2003

	Millions of Yen			Millions of U.S. dollars (Note 2)
	2005	2004	2003	2005
Common stock (note 15):				
Balance at beginning of year				
issued:				
1,584,889,504 shares 2005				
1,583,487,736 shares 2004				
1,425,487,736 shares 2003	¥ 202,241	¥ 202,241	¥ 174,749	\$ 1,883
Issuance of common stock				
158,000,000 shares 2003	—	—	27,492	—
Acquisition of minority interests through issuance of common stock				
1,401,768 shares 2004	—	—	—	—
Balance at end of year				
1,584,889,504 shares 2005 and 2004				
1,583,487,736 shares 2003	¥ 202,241	¥ 202,241	¥ 202,241	\$ 1,883
Capital surplus (notes 15 and 16):				
Balance at beginning of year	¥ 136,915	¥ 136,842	¥ 111,348	\$ 1,275
Issuance of common stock	—	—	27,285	—
Acquisition of minority interests through issuance of common stock.....	—	141	—	—
Redistribution arising from sale by parent of common stock of subsidiaries and associated companies	—	(82)	(1,791)	—
Excess arising from retirement of treasury stock.....	109	14	—	1
Balance at end of year	¥ 137,024	¥ 136,915	¥ 136,842	\$ 1,276
Retained earnings (note 16):				
Legal reserve:				
Balance at beginning of year	¥ 3,450	¥ 3,212	¥ 3,410	\$ 33
Transfer from other retained earnings	575	301	16	5
Redistribution arising from sale by parent of common stock of subsidiaries and associated companies	(98)	(63)	(214)	(1)
Balance at end of year	¥ 3,927	¥ 3,450	¥ 3,212	\$ 37
Other retained earnings:				
Balance at beginning of year	¥ 106,958	¥ 143,014	¥ 128,468	\$ 996
Net income (loss)	77,792	(31,944)	20,078	724
Cash dividends	—	(3,956)	(7,521)	—
Transfer to legal reserve	(575)	(301)	(16)	(5)
Redistribution arising from sale by parent of common stock of subsidiaries and associated companies	98	145	2,005	1
Balance at end of year	¥ 184,273	¥ 106,958	¥ 143,014	\$ 1,716
Accumulated other comprehensive loss (notes 2, 3, 10, 12, 17 and 18):				
Balance at beginning of year	¥ (25,982)	¥ (58,408)	¥ (20,264)	\$ (242)
Other comprehensive income (loss)	9,740	32,426	(38,144)	91
Balance at end of year	¥ (16,242)	¥ (25,982)	¥ (58,408)	\$ (151)
Treasury stock:				
Balance at beginning of year	¥ (716)	¥ (681)	¥ (43)	\$ (7)
Net change in treasury stock	(110)	(35)	(638)	(1)
Balance at end of year	¥ (826)	¥ (716)	¥ (681)	\$ (8)
Total	¥ 510,397	¥ 422,866	¥ 426,220	\$ 4,753
Comprehensive income (loss):				
Net income (loss).....	¥ 77,792	¥ (31,944)	¥ 20,078	\$ 724
Other comprehensive income (loss) (net of tax) (notes 2, 12 and 17):				
Net change in foreign currency translation adjustments during the year ...	4,348	(16,558)	(20,563)	41
Minimum pension liability adjustments (note 10)	(1,413)	794	(689)	(13)
Net change in unrealized holding gains (losses)				
on securities during the year (note 3)	7,093	46,034	(17,827)	66
Net change in unrealized holding gains (losses)				
on derivative instruments during the year (note 18)	(288)	2,156	935	(3)
Total other comprehensive income (loss)	9,740	32,426	(38,144)	91
Total	¥ 87,532	¥ 482	¥ (18,066)	\$ 815

See notes to consolidated financial statements.

HIGHLIGHTS &
TOP MANAGEMENT

SPECIAL FEATURE

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FINANCIAL SECTION

CORPORATE DATA