



### 3. Cross-Company Focus Area 2:

#### Natural Resource Development Sector

For the period of Frontier-2006, we instituted an earnings plan for the natural resource development business that takes into account the mildly conservative assumption of the natural resource market. At the same time, we will carefully select new investments in light of the increasing price of acquiring stakes in natural resources. Also, we will expand earnings while maintaining a high earnings structure by increasing primarily investments in existing businesses and increasing our acquisitions of stakes in natural resources. We also expect to increase earnings from existing projects by commencing and expanding production in which we already hold stakes. Specific examples include increased production in a large-scale oil field development project in Azerbaijan and the commencement of production at a new coal mining operation in Australia.

Efforts will also be concentrated in segments other than energy, metal, and mineral resources, such as those associated with the natural resource development business. For example, we seek to expand upstream interests in the paper pulp segment and thereby secure a stable earnings source.

### 4. Cross-Company Focus Area 3:

#### Markets in North America and Asia Including China

ITOCHU will work to expand overseas earnings by continuing to position two regions as priority markets. One is Asia, especially China, where strong growth can be expected for the foreseeable future, and the other is North America, where we will take advantage of our existing business foundation and the large market.

Asia, especially China, is a region where ITOCHU is well positioned. To utilize this potential, we will conduct strategic investments in the Consumer-Related sector, particularly foods, and in infrastructure and natural resource businesses. We will also seek to increase regional and third-country transactions.

In North America, we will use our strong profit base, especially in the fields of housing materials, the brand business, and automobiles, to underpin an expansion of earnings. At the same time, efforts will be devoted to acquiring new earnings sources through new investments.

Plans also call for the laying of a cornerstone for development in emerging markets where significant growth is anticipated, such as Russia, India, and Brazil.