

# Consolidated Statements of Stockholders' Equity

ITOCHU Corporation and Subsidiaries  
Years ended March 31, 2003, 2002 and 2001

|  | Millions of Yen   |                |                | Thousands of<br>U.S. dollars<br>(Note 1) |
|--|-------------------|----------------|----------------|--|
|  | 2003              | 2002           | 2001           | 2003                                     |
| <b>Common stock:</b>   |                   |                |                |  |
| Balance at beginning of year .....   | ¥174,749          | 174,749        | 174,721        | \$1,453,818                              |
| Issuance of common stock .....   | 27,492            | —              | —              | 228,719                                  |
| Conversion of convertible bonds .....  | —                 | —              | 28             | —  |
| Balance at end of year (note 16) .....   | ¥202,241          | 174,749        | 174,749        | \$1,682,537                              |
| <b>Capital surplus:</b>  |                   |                |                |  |
| Balance at beginning of year .....   | ¥111,348          | 112,691        | 222,462        | \$ 926,356                               |
| Issuance of common stock .....   | 27,285            | —              | —              | 226,997                                  |
| Conversion of convertible bonds .....  | —                 | —              | 28             | —  |
| Transfer to retained earnings (deficit) .....  | —                 | —              | (109,799)      | —  |
| Redistribution arising from sale by parent of common<br>stock of subsidiaries and associated companies ..... | (1,791)           | (1,343)        | —              | (14,900)                                 |
| Balance at end of year (notes 16 and 17) .....   | ¥136,842          | 111,348        | 112,691        | \$1,138,453                              |
| <b>Retained earnings (deficit) (note 17):</b>  |                   |                |                |  |
| Legal reserve:   |                   |                |                |  |
| Balance at beginning of year .....   | ¥ 3,410           | 2,614          | 20,243         | \$ 28,369                                |
| Transfer from (to) other retained earnings (deficit) .....   | 16                | 1,180          | (17,506)       | 133                                      |
| Redistribution arising from sale by parent of common<br>stock of subsidiaries and associated companies ..... | (214)             | (384)          | (123)          | (1,780)                                  |
| Balance at end of year .....   | ¥ 3,212           | 3,410          | 2,614          | \$ 26,722                                |
| Other retained earnings (deficit):   |                   |                |                |  |
| Balance at beginning of year .....   | ¥128,468          | 108,421        | (89,514)       | \$1,068,785                              |
| Net income .....   | 20,078            | 30,191         | 70,507         | 167,038                                  |
| Cash dividends .....   | (7,521)           | (10,691)       | —              | (62,571)                                 |
| Transfer from capital surplus .....  | —                 | —              | 109,799        | —  |
| Transfer from (to) legal reserve .....   | (16)              | (1,180)        | 17,506         | (133)                                    |
| Redistribution arising from sale by parent of common<br>stock of subsidiaries and associated companies ..... | 2,005             | 1,727          | 123            | 16,681                                   |
| Balance at end of year .....   | ¥143,014          | 128,468        | 108,421        | \$1,189,800                              |
| <b>Accumulated other comprehensive income (loss) (notes 2,3,11 and 18):</b>                                  |                   |                |                |  |
| Balance at beginning of year .....   | ¥ (20,264)        | (81,535)       | (46,587)       | \$ (168,585)                             |
| Other comprehensive income (loss) .....  | (38,144)          | 61,271         | (34,948)       | (317,338)                                |
| Balance at end of year .....   | ¥ (58,408)        | (20,264)       | (81,535)       | \$ (485,923)                             |
| <b>Treasury stock:</b>   |                   |                |                |  |
| Balance at beginning of year .....   | ¥ (43)            | —              | —              | \$ (358)                                 |
| Net charges in treasury stock .....  | (638)             | (43)           | —              | (5,308)                                  |
| Balance at end of year .....   | ¥ (681)           | (43)           | —              | \$ (5,666)                               |
| <b>Total</b> .....   | <b>¥426,220</b>   | <b>397,668</b> | <b>316,940</b> | <b>\$3,545,923</b>                       |
| <b>Comprehensive income (loss):</b>  |                   |                |                |  |
| Net income .....   | ¥ 20,078          | 30,191         | 70,507         | \$ 167,038                               |
| Other comprehensive income (loss) (notes 2,3,11 and 18) .....  | (38,144)          | 61,271         | (34,948)       | (317,338)                                |
| <b>Total</b> .....   | <b>¥ (18,066)</b> | <b>91,462</b>  | <b>35,559</b>  | <b>\$ (150,300)</b>                      |

See accompanying Notes to Consolidated Financial Statements.