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ITOCHU boasts top-class profitability in the information and telecommunication field, possessing subsidiaries that are industry leaders in sectors where sustained growth is expected. These subsidiaries include the IT service providers ITOCHU TECHNO-SCIENCE Corporation and CRC Solutions Corp., web portal business Excite Japan Co., Ltd., mobile services business ITC NETWORKS CORPORATION, and aerospace business ITOCHU Aviation Co., Ltd.

Carrying on our tradition of a frontier spirit in creating new industries and new fields of business, we are also actively working to cultivate new technologies and businesses that we expect to be the cornerstone of our future earnings growth.

Net Income from Major Group Companies*

Years ended March 31 (Billions of yen)	2004	2005
• ITOCHU TECHNO-SCIENCE Corporation	¥3.5	¥5.1
• CRC Solutions Corp.	0.2	1.0
• SPACE SHOWER NETWORKS INC.	0.1	0.1

*ITOCHU's share of net income

Business Performance and Priority Policies in Fiscal Year 2005

The overall business environment for fiscal year 2005 was favorable. Despite slow growth in new mobile phone subscribers due to a maturation of the market and falling prices of IT products and services, a recovery in IT investment was accompanied by improving corporate profits and strong Internet advertising market growth was observed.

Amidst these trends, we focused on establishing new businesses that will make up the Division Company's core businesses in the future. As such, we launched our VOD (Video on Demand) business and established JAPAN AEROSPACE CORPORATION, which took over the aerospace business of the former KAWASHO CORPORATION. We also focused on developing group companies targeted for future stock listings.



Internet portal, excite