Numerical Plan and Results of Super A&P-2004

	Billions of Yen		
	2003	2005 (Final Year)	
	Results	Plan	Results
P/L (For fiscal years):			
Net income	20.1	75.0	77.8
B/S (As of March 31):			
Total assets	4,486.4	4,400.0	4,472.3
Net interest-bearing debts	2,025.0	1,950.0	1,891.1
Stockholders' equity	426.2	540.0	510.4
Ratio (For fiscal years):			
ROA*	0.4%	1.7%	1.7%
ROE*	4.9%	13.9%	16.7%
Net DER	4.8 times	3.6 times	3.7 times
Equity ratio	9.5%	12.3%	11.4%

*ROA and ROE plans are calculated using at the year-end figures.

2. Boosting Our Ratio of Profitable Companies and Expanding the Profit Contribution from Group Companies

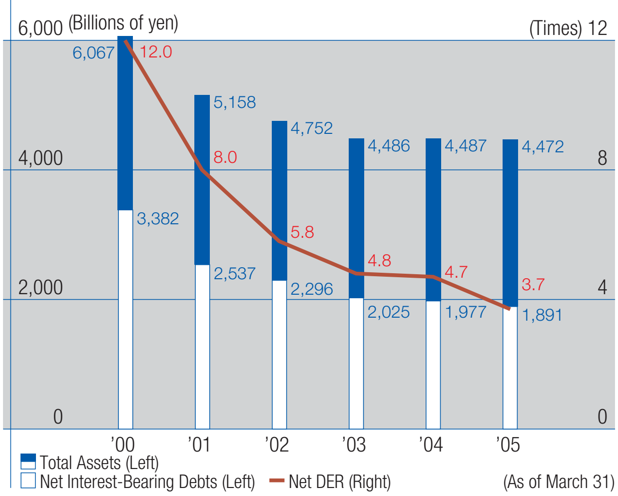
In order to expand the profit from group companies, which are a key constituent of ITOCHU's consolidated net income, we developed and strengthened our core companies, whose profit contributions total more than ¥1.0 billion, and semi-core companies, who make a ¥0.3 billion to ¥1.0 billion profit contribution. For companies could not reach such benchmarks as absolute profit levels, ROA, and RRI indexes, reduction or exit measures were taken.

As a result, a less-than-gratifying ¥47.4 billion profit from group companies in the fiscal year ended March 2003 rose by approximately 1.6 times to ¥74.5 billion (excluding goodwill impairment relating to shares of FamilyMart). These gains led to an increase in the ratio of profitable companies from 80.2% to 83.1%.

3. Further Improving Our Financial Position

Net interest-bearing debts were reduced from ¥2,025.0 billion in the fiscal year ended March 2003 to ¥1,891.1 billion in the fiscal year ended March 2005, exceeding the target under the plan. Meanwhile, stockholders' equity was affected by impairment losses for fixed assets in the previous term and for goodwill on FamilyMart shares in the term under review. Consequently, we did not reach the target of ¥540 billion initially specified in the plan. We did, however, achieve a rise in stockholders' equity from ¥426.2 billion to ¥510.4 billion during the two-year period of the plan, resulting in a reduction of net DER from 4.8 times to 3.7 times, approaching the target of 3.6 times. In addition, with the increase in stockholders' equity being under the planned target, equity ratio just missed the target level. Nevertheless, it still reached 11.4%, an improvement of 1.9 percentage points compared to the fiscal year ended March 2003.

Total Assets, Net Interest-Bearing Debts, and Net DER



Stockholders' Equity and Equity Ratio