

# TWO-YEAR FINANCIAL HIGHLIGHTS

ITOCHU Corporation and Subsidiaries  
Years ended March 31

	2005	2004	2005/2004	2005
	Millions of Yen		Increase (Decrease) %	Millions of U.S. dollars
<b>For the fiscal year:</b>				
Total revenue .....	<b>¥1,991,238</b>	¥1,738,747	14.5%	<b>\$18,542</b>
Gross trading profit .....	<b>630,761</b>	555,895	13.5	<b>5,874</b>
Net income (loss) .....	<b>77,792</b>	(31,944)	—	<b>724</b>
(Reference)				
Total trading transactions .....	<b>9,576,039</b>	9,516,967	0.6	<b>89,171</b>
Adjusted profit* .....	<b>188,807</b>	100,676	87.5	<b>1,758</b>
<b>At fiscal year-end:</b>				
Total assets .....	<b>4,472,345</b>	4,487,282	(0.3)	<b>41,646</b>
Stockholders' equity .....	<b>510,397</b>	422,866	20.7	<b>4,753</b>
Net interest-bearing debts* .....	<b>1,891,086</b>	1,977,048	(4.3)	<b>17,610</b>
	Yen (Unless otherwise specified)		Increase (Decrease) %	U.S. dollars (Unless otherwise specified)
<b>Per share (Yen and U.S. Dollars):</b>				
Net income (loss) .....	<b>¥ 49.16</b>	¥ (20.20)	—%	<b>\$0.46</b>
Stockholders' equity .....	<b>322.54</b>	267.25	20.7	<b>3.00</b>
Cash dividends .....	<b>7.0</b>	—	—	<b>0.07</b>
<b>Ratios:</b>				
Gross trading profit ratio (%) .....	<b>6.6</b>	5.8		
ROA (%) .....	<b>1.7</b>	—		
ROE (%) .....	<b>16.7</b>	—		
Ratio of adjusted profit to total assets (%) .....	<b>4.2</b>	2.2		
Ratio of stockholders' equity to total assets (%) .....	<b>11.4</b>	9.4		
Net debt-to-equity ratio (net DER) (times) .....	<b>3.7</b>	4.7		

All figures are for fiscal years, which begin on April 1 of the years preceding and extend through March 31.

The Japanese yen amounts for the year ended March 31, 2005, have been translated into United States dollar amounts, solely for the convenience of the reader, at the rate of ¥107.39 = U.S.\$1, the official rate of The Bank of Tokyo-Mitsubishi, Ltd., as of March 31, 2005.

Revenue is presented in accordance with "Emerging Issues Task Force (EITF)" No.99-19, "Reporting Revenue Gross as a Principal versus Net as an Agent."

Total trading transactions are presented in accordance with Japanese accounting practice.

Total trading transactions consist of sales with respect to transactions in which the companies act as principal and the total amount of transactions in which the companies act as agent.

Net income (loss) per share and stockholders' equity per share are calculated by using the shares that exclude the number of treasury stock from that of common stock issued.

\*Adjusted profit=Gross trading profit + Selling, general and administrative expenses + Net financial expenses + Equity in earnings of associated companies\*

Calculation formula (Fiscal 2005: ¥ billion): 188.8 = 630.8 + (466.8) + (6.9) + 31.8

\*Net interest-bearing debts = Interest-bearing debts – Cash, cash equivalents and time deposits

Calculation formula (Fiscal 2005: ¥ billion): 1,891.1 = 2,346.7 – 455.6

\*Selling, general and administrative expenses in fiscal year 2004 includes the amount of net loss on settlement of the substitutional portion of the Employees' Pension Fund of ¥3.2 billion.

\*Equity in earnings of associated companies in fiscal year 2004 includes the amount of gain on negative goodwill for investments in associated companies of ¥2.2 billion.