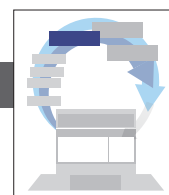




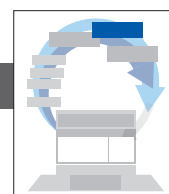
FYE 2020 Review (Achievement of Short-Term Targets)

- Made HOKEN NO MADOGUCHI GROUP INC. a subsidiary, reinforcing the structure to promote business from a market-oriented perspective
- Made WingArc1st Inc. an affiliated company and, through a business alliance with AKQA in the U.S. (a leading digital consulting company), strengthened the foundation for advancing the DX business
- Turned Paidy Inc. into an affiliated company and built a system to jointly promote new services, such as moving forward with Paidy's offline payments business
- Through a capital and business alliance with iLAC Inc., began to consider building a platform for whole genome analysis and commenced industrialization of genome-related businesses leveraging IT
- By making Gardia, Inc. a subsidiary, supported start-up companies' new business efforts via a guarantee business for personal credit
- Through Money Communications Inc., entered the salary prepayment business to create a customer base centering on younger customers



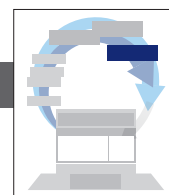
Steppingstones to Medium- to Long-Term Value Creation

- Discovering and forming alliances with start-up companies, and creating and promoting next-generation businesses by leveraging new technologies
- Fostering overseas development of business models cultivated in Japan in the mobile and ICT business sectors
- Building an earnings base in the innovative and highly convenient DX business based on a market-oriented perspective
- Expanding our overseas business foundation by leveraging new retail finance
- Creating a value chain of insurance business in the retail sector



Initiatives Supporting Sustainable Growth

- Offering high-value-added ICT solutions that realize a safe, secure, and highly convenient social infrastructure
- Providing platforms that use healthcare data to contribute to pharmaceutical and medical development, ultimately enhancing the quality of people's lives
- Building and expanding our retail business foundations by forging alliances with companies that have new technologies and customer bases



➡ Please refer to "Significant Risks to Be Managed on a Consolidated Basis" in the Risk Management section on Page 47.

Specific Example of Steppingstones to Medium- to Long-Term Value Creation

Conversion of HOKEN NO MADOGUCHI GROUP INC. into a Consolidated Subsidiary

HOKEN NO MADOGUCHI GROUP INC. (HOKEN NO MADOGUCHI), the leading walk-in insurance shop operator, sets the corporate mission of "being the best possible company for customers." With 762 shops across Japan as of March 31, 2020, it is the largest company in its industry. HOKEN NO MADOGUCHI is also a leader among insurance shops for service quality, underpinned by a proprietary system for training employees. By making HOKEN NO MADOGUCHI a subsidiary, ITOCHU supports the company to further enhance the quality of customer services in line with its management philosophy and to achieve business growth. At the same time, by working more closely with HOKEN NO MADOGUCHI, which has abundant customer contact points, ITOCHU aims to expand Group businesses with a market-oriented perspective.



From a HOKEN NO MADOGUCHI television commercial, as of June 2020

Please also see the Sustainability Action Plan on our website for initiatives supporting sustainable growth.

<https://www.itochu.co.jp/en/csr/itochu/activity/actionplan/>

