

Quarterly Financial Data and Stock Price

Quarterly financial data and the Company's stock price performance during fiscal 2003 and 2002 are as follow.

| Years ended March 31 | Billions of Yen (excluding net income (loss) per ten shares and stock price) | | | | | | | |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------|---------|-------------|---------|-------------|---------|-------------|---------|
| | 1st Quarter | | 2nd Quarter | | 3rd Quarter | | 4th Quarter | |
| | 2003 | 2002 | 2003 | 2002 | 2003 | 2002 | 2003 | 2002 |
| Gross trading profit | ¥125.3 | 138.3 | 148.5 | 157.5 | 144.6 | 142.7 | 147.7 | 140.4 |
| <div> <div>Total trading transactions:</div> <div> <div>2003</div> <div>2002</div> </div> <div> <div>1st Quarter</div> <div>¥2,402.8</div> <div>2,731.4</div> </div> <div> <div>2nd Quarter</div> <div>¥2,672.1</div> <div>3,163.6</div> </div> <div> <div>3rd Quarter</div> <div>¥2,559.7</div> <div>2,582.9</div> </div> <div> <div>4th Quarter</div> <div>¥2,827.0</div> <div>2,922.6</div> </div> </div> | | | | | | | | |
| Selling, general and administrative expenses | (112.7) | (112.8) | (111.8) | (123.0) | (112.5) | (113.8) | (111.5) | (115.8) |
| Provision for doubtful accounts | (0.4) | (0.9) | (2.5) | (8.5) | (1.7) | (1.4) | (12.3) | (6.1) |
| Interest income | 5.4 | 10.4 | 4.4 | 9.1 | 4.7 | 6.4 | 2.4 | 8.0 |
| Interest expense | (12.9) | (22.1) | (12.5) | (17.7) | (11.7) | (15.8) | (10.5) | (13.3) |
| Dividends | 3.1 | 2.6 | 1.7 | 5.8 | 2.6 | 2.7 | 2.7 | 2.0 |
| Profit (loss) on disposal of investments and marketable securities, net of write-downs | 5.4 | 7.2 | 4.2 | 17.8 | (0.3) | 4.1 | (22.5) | (15.5) |
| Profit (loss) on property and equipment-net | 0.2 | 0.1 | (1.0) | (3.8) | 0.3 | (0.2) | (0.3) | (3.8) |
| Other-net | (4.1) | 1.2 | (0.5) | (2.4) | (1.6) | 3.9 | (2.3) | (5.0) |
| Income (loss) before income taxes, minority interests and equity in earnings (losses) | 9.3 | 24.0 | 30.5 | 34.8 | 24.4 | 28.6 | (6.6) | (9.1) |
| Income taxes | (5.6) | (10.3) | (18.8) | (22.7) | (12.9) | (18.0) | (8.3) | 2.7 |
| Income (loss) before minority interests and equity in earnings (losses) | 3.7 | 13.7 | 11.7 | 12.1 | 11.5 | 10.6 | (14.9) | (6.4) |
| Minority interests | (1.3) | (1.9) | (2.6) | (4.9) | (2.7) | (3.2) | (3.9) | (1.1) |
| Equity in earnings (losses) of associated companies | 6.8 | 0.4 | 3.9 | 5.9 | 5.5 | 3.5 | 2.3 | 1.5 |
| Net income (loss) | ¥ 9.2 | 12.2 | 13.0 | 13.1 | 14.3 | 10.9 | (16.5) | (6.0) |
| Net income (loss) per ten shares: (Yen) | ¥ 65 | 85 | 85 | 92 | 90 | 77 | (104) | (42) |
| Stock price (Yen) | | | | | | | | |
| High | ¥ 506 | 520 | 448 | 509 | 346 | 397 | 316 | 477 |
| Low | 396 | 427 | 276 | 282 | 198 | 269 | 249 | 276 |

The above figures have not been audited by independent auditors, except for the aggregate figures from the first quarter to the second quarter, and from the first to fourth.

Management Policy for Fiscal 2004, ending March 2004

In fiscal 2004 ITOCHU will start its two-year mid-term management plan "Super A&P-2004". This plan will take further the reorganization of its profit structure and the restructuring of its management system that ITOCHU started to implement in A&P-2002. We will focus on "A&P" segments to strengthen our profitability and financial position. In particular, we will focus on the following key measures:

- 1) In the Super A&P strategy, of all the A&P segments (consumer and retail; information and multimedia; natural resources development; financial services; North America and Asia), we have identified the consumer and retail sectors, where we have a particularly strong presence, as key driving forces. We aim to allocate assets to the most efficient areas through a process of accelerated selection and concentration. We also aim to increase profits generated by group companies by strengthening core subsidiaries and associated companies as well as increasing profits from overseas operations. Furthermore, we aim to develop innovative technologies for the

future in areas such as biotechnology and nanotechnology, and we will create new businesses centering on these technologies.

- 2) We will improve our financial position; specifically, we will shift assets to more profitable areas, reduce interest-bearing debts, and improve our debt-to-equity ratio and other key measures of performance.
- 3) ITOCHU will build a solid management system. Having discussed the pros and cons of introducing "the Company with Committees system", we have decided to further enhance the transparency of our existing corporate governance system based on the board of directors and corporate auditors, which is highly rated by our stockholders. We will also further strengthen our risk management system.
- 4) We aim to establish a flexible personnel strategy and will reinvigorate our human resources system to extract individuals' potential to the fullest. We will make personnel changes based on the concept of "right person in the right place".