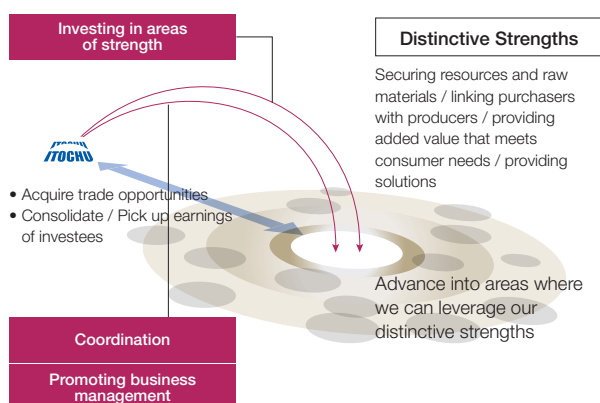


## Our Business Model, as Seen through Business Development

### Expanding Our Multifaceted Businesses and Tirelessly Upgrading

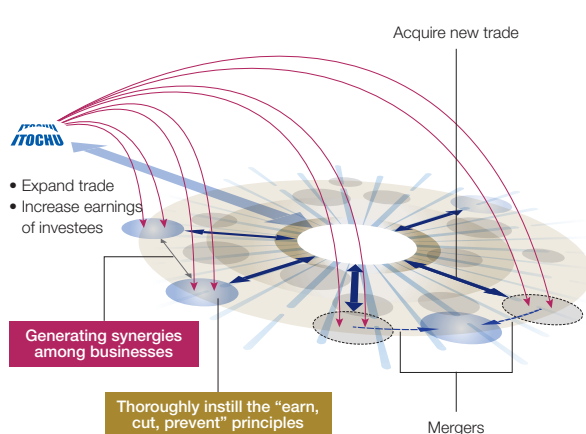
We are expanding our multifaceted businesses through a chain reaction by leveraging functional areas of strength. At the same time, we are combining existing businesses, shifting to a market-oriented perspective, and investing in new fields. Through such efforts, we continue to upgrade our business model and pursue a new vision of what a trading company can achieve.

#### Advancing into Areas Where We Can Leverage Our Distinctive Strengths



We narrow down possible areas to those in which we can generate synergies with existing businesses and control risk, and advance into new businesses and markets through trade and investment.

#### Establishing a Market Position and Creating Multifaceted, Linked Businesses

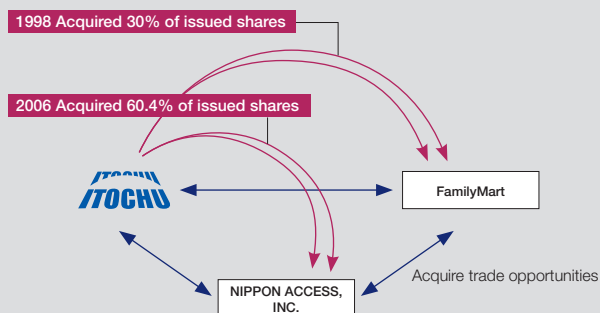


After advancing into a new area, we strive to acquire business know-how while setting our sights on the next step. At the same time, we leverage our management resources and create added value to increase investees' corporate value and establish a market position. Thereafter, we continuously work to thoroughly instill the "earn, cut, prevent" principles, acquire new trade, generate synergies among businesses, and reorganize business, creating multifaceted, linked businesses.

#### Examples from the Convenience Store Business

##### Acquiring Customer Contact Points

ITOCHU acquired approximately 30% of the issued shares of FamilyMart in 1998, marking our first full-fledged foray into the retail field. In 2006, we converted the general food wholesaler NIPPON ACCESS, INC., into a consolidated subsidiary. These moves accelerated reforms in our business model highlighted by the introduction of the Strategic Integrated System (SIS) strategy—building a value chain spanning the procurement of foodstuffs; midstream processing, manufacturing, and intermediate distribution; and downstream retail.



\* As of March 31, 2020, we own 50.2% of FamilyMart Co., Ltd., and 100% of NIPPON ACCESS, INC.

##### Strengthening the Intermediate Food Distribution Business through Reorganization

In October 2011, ITOCHU integrated its intermediate food distribution business, centering it on NIPPON ACCESS, INC. Through this reorganization, we built a system that can offer integrated handling of processed foods in all temperature ranges—ambient, frozen, and chilled—as well as the three main groups of fresh food products. This move also facilitated the provision of integrated distribution services. Now possessing top-class scale and functionality in the field of food distribution, we have created a structure providing our business partners with low-cost, high-quality logistics.

