

Leveraging Our True Strengths to Take On Challenges

Brand-new Deal 2012 / Brand-new Deal 2014

We implemented structural reforms, such as reorganization measures and a reevaluation of our compensation system. In addition, in FYE 2011 we advanced the processing of inefficient assets and reevaluated our investment criteria. In these ways, we reinforced our footing. From FYE 2012, we made a major change in our course and began to rigorously implement proactive management. Under the “Brand-new Deal 2012” and “Brand-new Deal 2014” plans, we focused on our strengths—individual capabilities and the consumer-related sector.

Brand-new Deal 2012

(FYE 2012–2013)

Earn, Cut, Prevent

In comparison with investment of approximately ¥560.0 billion on a gross basis under the previous medium-term management plan, under this plan we increased cumulative total investment to approximately ¥970.0 billion over two years and we accumulated superior assets. One-half of this amount, approximately ¥485.0 billion, was invested in the non-resource sector, and we made large-scale investments, such as in METSA FIBRE, of Finland, one of the world's leading softwood pulp producers. We strengthened our infrastructure-related businesses, which include wind power and water-related businesses, and our automobile-related businesses, which provide a stable earnings base. In this way, we expanded our machinery business, which had a comparatively small scale of earnings.

In FYE 2012, we recorded profit of ¥300.5 billion, the highest in ITOCHU's history, and reinforced our position as one of the top three general trading companies. In FYE 2013, with resource prices falling, the non-resource sector recorded solid growth and supported earnings for the entire company. In addition, we also revised our shareholder return policy and instituted a highly transparent policy linked to net profit.

STEP 1

Toward No. 3 among General Trading Companies

Shift to Full-scale Proactive Management While Shifting Focus to Non-resource Sector

Amount of Investment

