

# Trajectory of Corporate Value Enhancement

We have steadily developed an enviable track record accompanied by resilience to economic volatility with the strategies of “Brand-new Deal” management plans, which began with “Brand-new Deal 2012.” Under the plans, we have always remained aware of the “earn, cut, prevent” principles in conducting business activities and took measures flexibly and promptly to deal with management issues, etc., and rapid changes in the external environment.

## Steadily Continuing to Build Up Results

### Brand-new Deal 2012

(FYE 2012–2013)

“Earn, Cut, Prevent”

Basic Policies

Strengthen Our Front-Line Capabilities  
Proactively Seek New Opportunities  
Expand Our Scale of Operations

Market Capitalization at Fiscal Year-End\*1

¥1.8 trillion

Results

- Formulated and implemented the “earn, cut, prevent” principles
- Increased earnings through aggressive new investments
- Strengthened management foundations by reinforcing corporate governance

etc.

Steady Achievement of Targets

FYE	Consolidated Net Profit	Accomplished	
	Initial Plan	Results	
2013	¥280.0 billion	¥280.3 billion	✓
2012	¥240.0 billion	¥300.5 billion	✓

### Brand-new Deal 2014

(FYE 2014–2015)

“Aiming to be the No. 1 Trading Company in the Non-Resource Sector”

Basic Policies

Boost Profitability  
Pursue Balanced Growth  
Maintain Financial Discipline and Lean Management

Market Capitalization at Fiscal Year-End\*1

¥2.2 trillion

Results

- Solidified position as the No. 1 non-resource trading company
- Commenced strategic business alliance and capital participation with CITIC and CP Group
- Reformed work styles by introducing the Morning-Focused Working System

etc.

Steady Achievement of Targets

FYE	Consolidated Net Profit	Accomplished	
	Initial Plan	Results	
2015	¥300.0 billion	¥300.6 billion	✓
2014	¥290.0 billion	¥310.3 billion	✓

### Brand-new Deal 2017

(FYE 2016–2018)

“Challenge”

“Engaging All Employees to Lead a New Era for the Sogo Shosha”

“Infinite Missions Transcending Growth”

Basic Policies

Strengthen Our Financial Position  
Build Solid Earnings Base to Generate ¥400.0 Billion Level Consolidated Net Profit

Market Capitalization at Fiscal Year-End\*1

¥3.4 trillion

Results

- Built an earnings base for consolidated net profit of ¥400.0 billion
- Received Moody's A rating for the first time in roughly 20 years
- Entrenched work-style reforms and increased the Outside Directors' ratio to at least one-third

etc.

Steady Achievement of Targets

FYE	Consolidated Net Profit	Accomplished	
	Initial Plan	Results	
2018	¥400.0 billion	¥400.3 billion	✓
2017	¥350.0 billion	¥352.2 billion	✓
2016	¥330.0 billion	¥240.4 billion	

### Brand-new Deal 2020

(FYE 2019–2020)

ITOCHU: INFINITE MISSIONS: INNOVATION

“Evolution to Next-Generation Growth Models”

+ “Medium- to Long-Term Shareholder Returns Policy (October 2018)”

Basic Policies

Reinvention of Business  
Smart Management  
No. 1 Health Management

Market Capitalization at Fiscal Year-End\*1

¥3.6 trillion

Results

- Established a foothold for consolidated net profit of ¥500.0 billion
- Made FamilyMart a consolidated subsidiary and established The 8th Company
- Revised the Group corporate mission

etc.

Steady Achievement of Targets

FYE	Consolidated Net Profit	Accomplished	
	Initial Plan	Results	
2020	¥500.0 billion	¥501.3 billion	✓
2019	¥450.0 billion	¥500.5 billion	✓

### FYE 2021 Management Plan

Single-year plan reflecting the COVID-19 pandemic

Basic Policies

Thoroughly instilling the “earn, cut, prevent” principles as the core of our business

Market Capitalization at Fiscal Year-End\*1

¥5.7 trillion

Results

- Achieved the “triple crown”<sup>2</sup> of general trading companies
- Privatized FamilyMart
- Became the first general trading company to be included in all ESG-related investment indices adopted by the Government Pension Investment Fund (GPIF)

etc.

Steady Achievement of Targets

FYE	Consolidated Net Profit	Accomplished	
	Initial Plan	Results	
2021	¥400.0 billion	¥401.4 billion	✓

### Brand-new Deal 2023

(FYE 2022–FYE 2024)

Establish the “Profit Stage of ¥800.0 Billion”

+ Strengthen Balanced Financial and Non-Financial Capital

Basic Policies

Realizing business transformation by shifting to a market-oriented perspective

Profit opportunities are shifting downstream

Enhancing our contribution to and engagement with the SDGs through business activities

“Sampo-yoshi capitalism”

Results until FYE 2023

- Achieved consolidated net profit of over ¥800.0 billion for the second consecutive year
- Upgraded by Moody's, etc.
- Established the Women's Advancement Committee and evolved unique work-style reforms measures

etc.

Steady Achievement of Targets

FYE	Consolidated Net Profit	Accomplished	
	Initial Plan	Results	
2024	¥780.0 billion	In progress	
2023	¥700.0 billion	¥800.5 billion	✓
2022	¥550.0 billion	¥820.3 billion	✓

External Environment Management Issues, etc.

Uncertain outlook due to slumping resource prices

Temporary deterioration in financial indicators due to an investment in CITIC

Concerns over obsolescence of existing businesses caused by the Fourth Industrial Revolution

Uncertain outlook due to the COVID-19 pandemic

Setting out growth strategies in anticipation of post-COVID-19 society

## Flexibly Adapting to Changes and Issues

\*1 Including treasury stock \*2 Market capitalization, stock price, and consolidated net profit