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Stock Code: 8001
June 2, 2016

To Those Shareholders with Voting Rights

Masahiro Okafuji
President & Chief Executive Officer
ITOCHU Corporation
1-3, Umeda 3-chome, Kita-ku, Osaka

NOTICE OF THE 92ND ORDINARY GENERAL MEETING OF SHAREHOLDERS

You are cordially invited to attend the 92nd Ordinary General Meeting of Shareholders of ITOCHU Corporation to be held as described below.
If you are unable to attend the meeting in person, you may exercise your voting rights either in writing or via the Internet and other means. Please read the attached REFERENCE DOCUMENTS OF THE GENERAL MEETING OF SHAREHOLDERS and exercise your voting rights so that it will reach us by 5 p.m., Thursday, June 23, 2016. (Please refer to "Information on Exercise of Voting Rights, etc." on pages 60 to 61.)

*In the event that a vote is exercised in duplicate via enclosed Exercise Voting Rights Form and via the Internet or other means, or more than one vote is exercised electronically, the latest vote shall be effective.

1. Date: 10 a.m., Friday, June 24, 2016 (Reception commences at 9 a.m.)
2. Place: The Hō Banquet Hall (2F), Hotel New Otani Osaka
4-1, Shiromi 1-chome, Chuo-ku, Osaka
3. Objectives of the Meeting:
Reports:
1. The Business Report, the Consolidated Financial Statements and the report of the audit of the Consolidated Financial Statements by the Independent Auditor and the Board of Corporate Auditors for the 92nd Fiscal Term (from April 1, 2015 to March 31, 2016) will be reported at the meeting.
2. The Non-Consolidated Financial Statements for the 92nd Fiscal Term (from April 1, 2015 to March 31, 2016) will be reported at the meeting.

Agenda:
Proposal No. 1: Appropriation of Surplus
Proposal No. 2: Election of Fourteen (14) Directors
Proposal No. 3: Election of Two (2) Corporate Auditors
Proposal No. 4: Introduction of Performance-Linked and Share-Based Remuneration for Directors, etc.

◎ For those attending, please present the enclosed Exercise Voting Rights Form at the reception desk on arrival at the meeting.
Please take note that persons other than shareholders who can exercise voting rights, such as proxy agents who are not shareholders or those accompanying shareholders, will not be permitted to enter the meeting venue.

◎ If circumstances are generated whereby revisions should be made to the content of the Business Report, the Consolidated Financial Statements, the Non-Consolidated Financial Statements and the REFERENCE DOCUMENTS OF THE GENERAL MEETING OF SHAREHOLDERS, such notification shall be published on ITOCHU Corporation's website (http://www.itochu.co.jp/en/ir/shareholder/general_meeting/).

◎ This Notice of Meeting does not include complete the Consolidated Financial Statements and the Non-Consolidated Financial Statements audited by Corporate Auditors and Independent Auditor in preparing the respective reports of audit.

◎ The Notes to Consolidated Financial Statements, the Notes to Non-Consolidated Financial Statements, also the Consolidated Statements of Cash Flows and the Operating Segment Information as reference materials are provided on ITOCHU Corporation's website (http://www.itochu.co.jp/en/ir/shareholder/general_meeting/), pursuant to the provisions of applicable laws and regulations as well as Article 16 of ITOCHU Corporation's Articles of Incorporation.

[Attached Documents]

Business Report

(From April 1, 2015 to March 31, 2016)

1. Current Conditions of the ITOCHU Group

(1) Business Progress and Achievement

[General Economic Situation]

In fiscal year 2016, the global economy grew at a sluggish pace overall reflecting the moderate expansion of the developed countries including the U.S. and the Euro zones and economic deceleration or stagnation in economies of certain emerging countries centered in resource-supplying countries. The WTI crude oil price rose temporarily reaching the US$60 level per barrel in June due to the deterioration of the situation in the Middle East, however, from the ongoing situation of the oil supply far exceeding the demand, the price dropped to approximately the US$25 level in February. Afterward, against a backdrop of the meeting involving the major oil-producing nations to freeze the oil production, the oil price rose slightly but consequently remained at a low level at approximately the US$35-40 range in the second half of March.

Japan's economy continued to be stagnant, as sluggish growth of household income resulted in lower consumer spending, and the deterioration of overseas economic conditions and the ease in the effect of the yen depreciation resulted in lower exports. In addition, after the start of the new year, the circumstances of Japan's economy worsened further due to the deterioration of corporate and consumer sentiment resulting from the trend of yen appreciation and lower stock prices. Against a backdrop of expectations for an increase in interest rates in the U.S., the U.S. dollar appreciated against the yen reaching approximately the ¥125 level in the mid-August. However, due to the unstable financial market resulting from the decline in the Chinese stock prices and yuan, the trend toward purchasing the yen as a risk-free asset strengthened, and as a result, the yen appreciated against the U.S. dollar temporarily reaching the ¥118 level in October. Afterward, before and after the increase of the interest rates in the U.S. in mid-December, the yen depreciated to the ¥123 level, but due to the concern of the economic outlook, the yen appreciated again. After the launch of negative interest rate by the Bank of Japan in January, there was a short-term trend toward the yen depreciation, but consequently the yen appreciated again to the ¥112 level in the end of March. The Nikkei Stock Average maintained above the ¥20,000 until mid-August, however, due to the confusion of the Chinese stock market, the price dropped to less than the ¥17,000 level in the late September. In the beginning of December, the price recovered temporarily reaching the ¥20,000 level but declined again to approximately the ¥16,000 level at the end of March from the effect of deterioration of overseas economic conditions and further yen appreciation. The yield on 10-year Japanese government bonds trended downward after reaching its peak at the 0.5% level in June, and subsequently turned negative from February after the launch of negative interest rate by the Bank of Japan.

[Operating Results of the ITOCHU Group]

Revenues for the fiscal year ended March 31, 2016, decreased by 9.1%, or 507.9 billion yen, compared with the previous fiscal year, to 5,083.5 billion yen. This decrease was attributable to lower revenue from the Energy & Chemicals Company, mainly due to the decline in oil prices in energy trading transactions; lower revenue from the ICT, General Products & Realty Company, mainly due to the de-consolidation of housing-materials-related subsidiaries in the U.S. in this fiscal year; lower revenue from the Metals & Minerals Company, due to the decline in iron ore and coal prices, despite the increase in iron ore sales volume; higher revenue from the Food Company, due to the higher transaction volume in food-distribution-related subsidiaries.

Gross trading profit decreased by 1.8%, or 19.4 billion yen compared with the previous fiscal year, to 1,069.7 billion yen. This decrease was attributable to higher earnings from the Food Company due to the higher

transaction volume in food-distribution-related subsidiaries and the stable performance in provisions-related subsidiaries; higher earnings from the Energy & Chemicals Company, due to the stable performance in the energy and chemical trading transactions and the acquisition of subsidiaries in energy-related companies in the previous fiscal year, despite the lower profitability in self-developed crude oil transactions accompanying the decline in oil prices; lower earnings from the Metals & Minerals Company, due to the decline in iron ore and coal prices, despite the increase in iron ore sales volume, the reduction of costs in iron ore, and the improvement in foreign currency translation in iron ore and coal companies; lower earnings from the Textile Company, due to the unfavorable sales in apparel-related companies and inventory revaluation loss, despite the income from EDWIN CO., LTD. from the second quarter of the previous fiscal year.

Selling, general and administrative expenses increased by 3.1%, or 25.3 billion yen compared with the previous fiscal year, to 835.5 billion yen, due to the higher expenses in existing subsidiaries in the Food Company and the ICT, General Products & Realty Company, and the acquisition of EDWIN CO., LTD and subsidiaries in energy-related companies in the previous fiscal year.

Provisions for doubtful accounts increased by 1.6 billion yen compared with the previous fiscal year to a loss of 7.8 billion yen, due to an increase in allowance for doubtful accounts in foreign subsidiaries.

Gains on investments decreased by 33.8%, or 37.2 billion yen, compared with the previous fiscal year, to 72.7 billion yen, due to the absence of unordinary gain regarding the conversion of TING HSIN (CAYMAN ISLANDS) HOLDING CORP. to other investments in the previous fiscal year, despite the gain on sales of housing-materials-related subsidiaries in the U.S.

Losses on property, plant, equipment and intangible assets deteriorated by 150.8 billion yen compared with the previous fiscal year, to 155.1 billion yen (losses), due to the recognition of the impairment loss and the loss accompanying the sale of certain assets in Australian coal-related business, and the impairment loss in European tire-related companies, the North Sea oil fields development project, and fresh food-related subsidiaries.

Other-net deteriorated by 12.7 billion yen compared with the previous fiscal year, to a loss of 6.0 billion yen, due to restructuring-related expenses in subsidiaries during the fiscal year.

Net interest expenses, which is the total of **Interest income** and **Interest expense**, improved by 11.0 billion yen compared with the previous fiscal year, to expenses of 400 million yen, due to higher interest income accompanying the providing of loan regarding the acquisition of CITIC Limited shares. **Dividends received** increased by 2.6 billion yen, or 7.5%, compared with the previous fiscal year to 37.5 billion yen, due to the higher dividends from the pipeline businesses, despite the lower dividends from oil and LNG projects. Consequently, Net financial income, which is the total of net interest expenses and Dividends received, improved by 13.7 billion yen compared with the previous fiscal year to a gain of 37.1 billion yen.

Equity in earnings of associates and joint ventures increased by 137.6 billion yen compared with the previous fiscal year, to 147.7 billion yen. This increase was attributable to an improvement in the Metals & Minerals Company, due to the absence of the impairment loss in a Brazilian iron ore business in the previous fiscal year, despite the decrease in equity earnings of Australian iron ore and coal business, and stagnant market conditions and lower demand in steel products-related companies; an improvement in the Energy & Chemicals Company, due to the absence of the impairment loss in an U.S. oil and gas development company in the previous fiscal year, despite the effect of the scheduled maintenance of methanol-related companies; an increase in the Others, Adjustments & Eliminations (*), due to the start of equity pick-up of CITIC Limited from the third quarter of this fiscal year, and other factors.

(*) Others, Adjustments & Eliminations includes gains and losses which cannot be allocated to each operating segment and internal eliminations between operating segments.

Consequently, **Net profit**, which is calculated as **Profit before tax** decreased by 22.9%, or 95.8 billion yen compared with the previous fiscal year, to 322.7 billion yen minus **Income tax expense** of 46.4 billion yen, decreased by 6.5%, or 19.3 billion yen, compared with the previous fiscal year, to 276.4 billion yen. **Net profit attributable to ITOCHU**, which is calculated as **Net profit** minus **Net profit attributable to non-controlling interests** of 36.0 billion yen (profit), decreased by 20.0%, or 60.2 billion yen, compared with the previous fiscal year, to 240.4 billion yen.

(Reference)

"Trading income" in accordance with Japanese accounting practices ("Trading income" = "Gross trading profit" +"Selling, general and administrative expenses" + "Provision for doubtful accounts") decreased by 17.0%, or 46.3 billion yen, compared with the previous fiscal year, to 226.4 billion yen. This decrease was attributable to higher earnings from the Energy and Chemicals Company, due to the higher gross trading profit, despite higher expenses accompanying the acquisition of subsidiaries in energy-related companies in the previous fiscal year and unordinary expenses in this fiscal year; lower earnings from the Metals & Minerals Company, mainly due to the lower gross trading profit; lower earnings from the Textile Company, mainly due to the lower gross trading profit.

Cautionary Notes concerning Forecasts

The business report contains forward-looking statements regarding ITOCHU Corporation's corporate plans, strategies, forecasts, and other statements that are not historical facts. They are based on current expectations, estimates, forecasts and projections about the industries in which ITOCHU Corporation operates. As the expectations, estimates forecasts, and projections are subject to a number of risks, uncertainties and assumptions, including without limitation, changes in economic conditions; fluctuations in currency exchange rates; changes in the competitive environment; the outcome of pending and future litigation; and the continued availability of financing and financial instruments and financial resources, they may cause actual results to differ materially from those presented in such forward-looking statements. ITOCHU Corporation, therefore, wishes to caution that readers should not place undue reliance on forward-looking statements, and, further that ITOCHU Corporation undertakes no obligation to update any forward-looking statements as a result of new information, future events or other developments.

[Main Business]

The ITOCHU Group, through its network in Japan and overseas, engages in the domestic trading, import/export and overseas trading of various products such as textiles, machinery, information and communications-related products, metals, products related to oil and other energy sources, general merchandise, chemicals, and provisions and food. Moreover, the ITOCHU Group is making multifaceted investments in insurance agencies, finance, construction, real estate trading, and warehousing as well as operations and businesses incidental or related to those fields.

[Operating Results by Segment]

Net profit attributable to ITOCHU

(Billions of Yen)

Segment	91st Fiscal Term (FY2015)	92nd Fiscal Term (FY2016)
Textile	32.0	14.5
Machinery	54.6	48.4
Metals & Minerals	11.2	(16.7)
Energy & Chemicals	2.4	55.5
Food	114.4	25.5
ICT, General Products & Realty	79.0	74.0
Others, Adjustments & Eliminations	7.0	39.2
Total	300.6	240.4

Financial Highlights by Segment

Segment	
Textile Company	Decrease due to the unfavorable sales in apparel-related companies and inventory revaluation loss resulting in lower trading income, and impairment loss, despite the gain on remeasurement from the conversion of a China-related company from an associated company to other investments.
Machinery Company	Decrease due to the losses on investment and deterioration of tax expense, despite trading income remaining nearly at the same level compared with the previous fiscal year due to the favorable performance in plant-related companies despite the absence of favorable performance in IPP-related companies in North America in the previous fiscal year, and the increase in equity in earnings of associates and joint ventures.
Metals & Minerals Company	Deterioration due to the decline in iron ore and coal prices resulting in the decrease in trading income, and recognition of the impairment loss and the loss accompanying the sale of certain assets in the Australian coal-related business, despite the absence of the impairment loss in a Brazilian iron ore business and reversal of deferred tax assets regarding MRRT in the previous fiscal year.
Energy & Chemicals Company	Increase due to the stable performance in energy and chemical trading transactions resulting in the increase in trading income, the absence of the impairment loss in an U.S. oil and gas development company in the previous fiscal year, and improvement in tax expenses accompanying its disposal in this fiscal year, despite the impairment loss in the North Sea oil fields development project.

Segment	
Food Company	Decrease due to the absence of unordinary gain regarding the shares of TING HSIN (CAYMAN ISLANDS) HOLDING CORP. in the previous fiscal year and the impairment loss in fresh food-related subsidiaries, despite the increase in profit in food-distribution-related subsidiaries and provisions-related subsidiaries resulting in the increase in trading income.
ICT, General Products & Realty Company	Decrease due to the impairment loss in European tire-related companies, despite the stable performance in North American building-materials-related companies and logistics-related companies and improvement of expenses in mobile-phone-related companies resulting in the increase in trading income, the increase in equity in earnings of associates and joint ventures, and the gain on sales of housing-materials-related subsidiaries in the U.S.
Others, Adjustments & Eliminations	Increase due to the start of equity pick-up of CITIC Limited from the third quarter of this fiscal year, and other factors.

Notes: 1. ITOCHU Corporation prepared the consolidated financial statements in conformity with IFRS.

2. As of April 1, 2016, ITOCHU Corporation changed its organizational structure from six Division Companies to seven Division Companies. As a result, [ICT, General Products & Realty Company] became [General Products & Realty Company] and [ICT & Financial Business Company].

[Medium-Term Management Plan "Brand-new Deal 2017"]

Under the medium-term management plan, "Brand-new Deal 2017", the ITOCHU Group has two basic policies — "reinforcing our financial position", "building a platform for earnings of 400.0 billion yen". The following shows specific results in the first year of "Brand-new Deal 2017".

Consumer-Related Sector:

ITOCHU Corporation and CITIC International Assets Management Limited has agreed to enter into a partnership with Bosideng International Holdings Limited (hereinafter "Bosideng"), which is listed on the Hong Kong Stock Exchange. In the future, we will fully utilize Bosideng's sales networks developed even into Chinese inland areas, and accelerate new projects for the brand business. We will also continue to accelerate the Bosideng's growth strategies, as well as to accelerate the realization of synergies in alliance fields to achieve the further growth in earnings in the Chinese market. Concrete initiatives have already been launched, as we have already dispatched staffs, and a part of Bosideng has begun to sell products under the Outdoor Products brand, for which we hold trademark rights in China.

In addition, four companies, CITIC Limited, Charoen Pokphand Group Company Ltd. (hereinafter "CPG"), China Mobile Communications Corporation, the leading mobile carrier in China, and Shanghai Information Investment Inc., a company affiliated with Shanghai Municipality, have agreed to cooperate for entering the market of cross-border electronic commerce (hereinafter "cross-border e-commerce") in China (Note 1). With changing consumer needs, the size of the cross-border e-commerce market of China has continued to grow and has great potential, guarantees for genuine commodities and high-quality after-sales services, as well as high-quality commodities are in demand in the market. We will proceed with the four companies, which are highly influential in China, to early participate into the market of cross-border e-commerce in China.

Note 1: Internet-based cross-border commercial transactions, from product purchasing to settlement

Also, we acquired 65% shares of PROVENCE HUILES that manufactures and sells vegetable oil mainly in Europe. In the vegetable oil business, we will respond to rising health consciousness around the world, and aim to ensure a stable supply of high value-added vegetable oil by adding manufacturing and sales bases in Europe and South America to its existing business foundation in the United States.

On the other hand, as part of the effective utilization of limited management resources, we have sold all shares of PrimeSource Building Products, Inc. (hereinafter "PrimeSource"). PrimeSource was acquired by the ITOCHU Group in 1998, and has proven to be a significant contributor to the Group's results. Strong growth in the U.S. economy and the U.S. housing market is expected over the next few years, while the outlook for the operating performance of PrimeSource is expected to rise. Under these circumstances, the valuation of PrimeSource in the M&A market has increased significantly. To enable stable and sustainable growth in the medium and long terms, it has now been decided to sell the Group's stake in PrimeSource with the aim of raising asset efficiency by replacing strategic assets, as part of the effective utilization of limited management resources.

Natural Resource-Related Sector:

ITOCHU Corporation started full-scale operation at the mega-solar power plant jointly owned with Imabari Shipbuilding Co., Ltd. and Higaki Sangyo Kaisha, Ltd. This project marks the start of operations in our mega-solar power business in Japan. The plant solar panels capable of generating approximately 33,000 kilowatts of power are set up. The largest-scale solar power plant in Shikoku, the prospected annual energy production is approximately 37,000,000 kilowatt-hour, which corresponds to the yearly power consumption of about 10,000 households. To respond to future increases in domestic demand for electric power, we will use our business knowhow and experience to help ensure the stable distribution of power in Japan.

In addition, we merged Nacional Minérios S.A. (a Brazilian producer and seller of iron ore, hereinafter "NAMISA"), and the mining division of the major Brazilian steel producer Companhia Siderúrgica Nacional (hereinafter "CSN").We already owned a share in NAMISA through Brazil Japan Iron Ore Corporation (a consolidated subsidiary that ITOCHU Corporation established in collaboration with Japanese iron and steel producers) together with major steelmaking corporations in Korea and Taiwan as an international consortium (Note 2), with the consortium owning a total 40% share in the company. As a result of this merger, ownership of

the 40% of outstanding NAMISA shares owned by the consortium and the remaining 60% of outstanding NAMISA shares, the Casa de Pedra Mine (hereinafter "CdP") and various logistics assets (railway company shares and port facility usage rights) owned by CSN were all transferred to a newly established, integrated company. The CdP Mine is one of the richest and largest iron ore mines in the world, and it is hoped that this merger will make the new integrated company the most highly competitive iron-ore supplier in the region through its possession of a superior mine and well-developed facilities and infrastructure. After the merger, our percentage share in equity assets will fall from its original share of 21.95% in NAMISA to 7.6% share in the new integrated company, becoming a standard-type investment, but we will aim to earn revenues through dividend payouts, etc., from the excellent CdP mine.

Note 2: A corporate alliance for the purpose of acquiring Brazilian iron ore interests

As a result of deeper mutual understanding and taking into consideration the progress of the strategic alliance within ITOCHU Corporation, CITIC Limited and CPG, through Chia Tai Bright Investment Company Limited (hereinafter "CTB"), a company that is jointly owned by CPG and ITOCHU Corporation (the ratio of voting rights of 50:50 basis), it was agreed to move up the acquisition of the preferred shares that are convertible into ordinary shares equivalent to approximately 13.4% of voting rights, from October 2015 to August 2015, as well as the execution of conversion procedures from preferred shares into ordinary shares. As a result, CITIC Limited became an equity-method associated company of CTB who owns 20% of the ordinary shares including those acquired in April 2015. We signed a memorandum which prescribes joint development and fostering of talented human resources with two other companies, CITIC and CPG, and will aim to create a strong human resources network through short-to-long-term human resources dispatch and exchange, dispatch of employees to participate in existing training programs at each respective company, and hosting of newly created joint training seminars as the foundation that will underpin the strategic alliance.

(2) Management Policy for the Future

[Outlook for the Next Term]

Looking ahead to the next fiscal year ending March 31, 2017, we expect that the economies of developed countries including the U.S. and the Euro zones will continue to improve, and certain emerging countries may halt the worsening of the economic conditions due to the inflation control and the bottoming out of the resource prices. The global economy is expected to escape out the worst period, however, due to the increase in the concern of the geopolitical risks in the conflict regions, the uncertainty situation is expected to continue. In the Japanese economy, we anticipate a gradual recovery due to the political support including the monetary easing, however, the risks of an economic downturn will remain due to the unstable financial market.

[Further Advancing the Medium-Term Management Plan "Brand-new Deal 2017"]

Fiscal year 2017 is the second year of Brand-new Deal 2017, ITOCHU Group's medium-term management plan (the three-year plan covering the period from FY2016 to FY2018), and ITOCHU Group has positioned FY2017 as an extremely important year for the success of the plan. Accordingly, ITOCHU Group will once again return to the basic business principles of "earn, cut, prevent" and targeting further growth, ITOCHU Group has identified the following two points as the basic policies of Brand-new Deal 2017.

The first point is "reinforcing our financial position". We will take steps to achieve increases in asset quality and efficiency through aggressive asset replacement, and we will implement large strategic investments with the CITIC Limited. On that basis, we will implement other new investments within the scope of adjusted operating cash flow (Note 1) and cash-inflow resulting from investment exits, and we will continue to generate adjusted free cash flow of more than 100.0 billion yen. In addition, we will implement management focusing on capital efficiency. In this way, we will strive for ROE (Note 2) of more than 13% while enhancing shareholders' equity.

Note 1: "Cash flows from operating activities" after the deduction of changes in assets and liabilities
Note 2: ROE = (Net profit attributable to ITOCHU/ Average Shareholders' equity at the beginning and end of the fiscal year) x 100

The second point is “building a platform for earnings of 400.0 billion yen”. The axis of our growth strategies will be the generation of synergies through cooperative initiatives with the CITIC Group and the CP Group, which have robust foundations in China and Asian regions, where high levels of economic growth are expected. At the same time, we will strive to steadily achieve growth in earnings targeting expanded returns from existing businesses and implementing rigorous selection of attractive new projects. In addition, we will take steps to further expand our earnings platform by leveraging our strengths and competitive advantages in the non-resource sector, and will aim to build a platform for Net profit attributable to ITOCHU of 400.0 billion yen.

We will also continue working to build a management foundation that will support these initiatives. Centered on fields with high risks, ITOCHU Corporation will step up compliance initiatives on a consolidated basis. In addition, we will continue to strengthen our system for effective, efficient investigation/monitoring of bribery and collusive bidding risks in Japan and overseas. In regard to corporate governance, with consideration for the general principles of the Corporate Governance Code of the Tokyo Stock Exchange, Inc., we will implement a range of initiatives to increase the transparency of decision-making and to strengthen the management supervision function of the Board of Directors (Note 3). Moreover, in consideration of the third-party evaluation of the Board of Directors that was implemented in FY2016, we will continue to verify the effectiveness of the Board of Directors and to further enhance corporate governance in the future (Note 4). In addition, we will continue working to enhance various policies that bring out the best in employees, strengthening training, and enhancing the working environment for employees’ job satisfaction.

Note 3: See our corporate website (http://www.itochu.co.jp/en/about/governance_compliance/governance/pdf/CG_e.pdf) for information about the status of conformance with our Corporate Governance Code.

Note 4: See our corporate website (http://www.itochu.co.jp/en/about/governance_compliance/governance/pdf/board_evaluation.pdf) for information about the results of the evaluation of our Board of Directors.

Dividend Policy

Under the “Brand-new Deal 2017”, during the 3 years from FY2016, we will seek to annually surpass our record high dividends. In order to achieve this, whilst continuing our current dividend policy of a payout ratio of 20% for Net profit attributable to ITOCHU up to ¥200.0 billion and approximately 30% on the portion of Net profit attributable to ITOCHU exceeding ¥200.0 billion, we will guarantee a minimum dividend per share of ¥50 for FY2016, ¥55 for FY2017 and ¥60 for FY2018.

The ITOCHU Group appreciates the continuing support of our shareholders.

(3) Changes in Assets and Operating Results

1) Changes in Assets and Operating Results of the ITOCHU Group

Category	89th Fiscal Term (FY2013)		90th Fiscal Term (FY2014)		91st Fiscal Term (FY2015)	92nd Fiscal Term (FY2016) (Current term)
	U.S.GAAP	IFRS	U.S.GAAP	IFRS	IFRS	IFRS
Revenues (Millions of Yen)	4,579,763	4,699,466	5,530,895	5,587,526	5,591,435	5,083,536
Gross trading profit (Millions of Yen)	915,879	945,778	1,028,273	1,045,022	1,089,064	1,069,711
Net profit attributable to ITOCHU (Millions of Yen)	280,297	258,843	310,267	245,312	300,569	240,376
Basic earnings per share attributable to ITOCHU (Yen)	177.35	163.77	196.31	155.21	189.13	152.14
Total assets (Millions of Yen)	7,117,446	7,198,501	7,848,440	7,784,851	8,560,701	8,036,395
Total shareholders' equity (Millions of Yen)	1,765,435	1,718,980	2,146,963	2,044,120	2,433,202	2,193,677

(Amount less than 1 million yen have been rounded to the nearest 1 million yen)

Note: ITOCHU Corporation started preparing its consolidated financial statements in conformity with IFRS in the 91st Fiscal Term. In conjunction with this, the figures for the 89th Fiscal Term and the 90th Fiscal Term have also been stated in conformity with IFRS.

2) Changes in Assets and Operating Results of ITOCHU Corporation

Category	89th Fiscal Term (FY2013)	90th Fiscal Term (FY2014)	91st Fiscal Term (FY2015)	92nd Fiscal Term (FY2016) (Current term)
Total trading transactions (Millions of Yen)	4,884,972	5,673,531	5,738,595	5,203,725
Ordinary income (Millions of Yen)	159,178	191,282	209,057	203,425
Net profit (Millions of Yen)	153,304	177,859	130,628	115,301
Earnings per share (Yen)	96.92	112.44	82.13	72.92
Total assets (Millions of Yen)	3,545,004	3,632,446	3,951,473	3,366,654
Equity (Millions of Yen)	751,595	864,691	956,014	927,125

(Amount less than 1 million yen have been rounded to the nearest 1 million yen)

(4) Status of Major Group Companies

1) Major Subsidiaries and Associated Companies

	Name	Common stock	Voting shares ratio	Main business
Domestic	Dole International Holdings, Inc.	33,976 million yen	100.00%	Investment in Dole Asian fresh produce business and worldwide packaged foods business
	ITOCHU Techno-Solutions Corporation	21,764 million yen	58.27%	Sales, maintenance and development of IT systems
	ITOCHU ENEX CO., LTD.	19,878 million yen	54.00%	Wholesale of petroleum products and LPG and electricity and supply business
	ITOCHU Property Development, Ltd.	10,225 million yen	99.83%	Development and sale of housing
	C.I. Kasei Co., Ltd.	5,500 million yen	98.33%	Manufacture and sale of plastic products
	ITOCHU SHOKUHIN Co., Ltd.	4,923 million yen	51.69%	Wholesale of foods and liquor
	ITOCHU CONSTRUCTION MACHINERY CO., LTD.	4,650 million yen	100.00%	Sale and rental of construction machinery
	ITOCHU LOGISTICS CORP.	4,261 million yen	98.97%	Comprehensive logistics services
	CONEXIO Corporation	2,778 million yen	60.35%	Sale of mobile phone units, mobile phones-related solution business
	NIPPON ACCESS, INC.	2,620 million yen	93.77%	Wholesale and distribution of foods
	ITOCHU Sugar Co., Ltd.	2,000 million yen	100.00%	Manufacture, processing, and sales of sugar and by-products
Overseas	ITOCHU International Inc.	625,640 thousand US$	100.00%	Wholesale and investment
	ITOCHU Europe PLC	43,829 thousand GBP	100.00%	Wholesale and investment
	ITOCHU Hong Kong Ltd.	937,788 thousand HK$	100.00%	Wholesale and investment
	ITOCHU (CHINA) HOLDING CO., LTD.	300,000 thousand US$	100.00%	Wholesale and investment
	ITOCHU Minerals & Energy of Australia Pty Ltd	276,965 thousand AU$	100.00%	Investment and sales in projects of iron ore, coal, and bauxite mining and manufacture of alumina
	ITOCHU Coal Americas Inc.	762,000 thousand US$	100.00%	Holding of coal mine and transportation infrastructure interests
	European Tyre Enterprise Limited	325,230 thousand GBP	100.00%	Management control of the European tire business
	ITOCHU FIBRE LIMITED	143,919 thousand EUR	100.00%	Distribution and trading of pulp, wood chip and paper materials and investment in METSA FIBRE OY
	Orchid Alliance Holdings Limited	55 thousand US$	100.00%	Investment and shareholder loans to a company investing in CITIC Limited
Associated companies	Orient Corporation	150,016 million yen	16.54%	Consumer credit
	C.P. Pokphand Co. Ltd.	253,329 thousand US$	25.00%	Compound animal feed business, livestock and aquatic product related businesses, and manufacture and sale business of food products
	Marubeni-Itochu Steel Inc.	30,000 million yen	50.00%	Import/Export and wholesale of steel products
	FamilyMart Co., Ltd.	16,659 million yen	41.37%	Operation of a convenience store chain

(Amount less than 1 million or 1 thousand have been rounded to the nearest unit.)

Notes: 1. The column of voting shares ratio shows the total of shareholding by ITOCHU Corporation and indirect shareholding by its subsidiaries.

2. Orchid Alliance Holdings Limited is listed from the current term as major subsidiaries.

3. While the voting shares ratio of Orient Corporation is less than 20%, ITOCHU Corporation participates in the determination of sales and financial directions by dispatching its Directors, including its Representative Directors, to the Board of Directors of Orient Corporation. Accordingly, ITOCHU Corporation exerts an important influence and Orient Corporation is considered an associated company of ITOCHU Corporation.

2) Consolidated Subsidiaries and Equity-Method Associated Companies

Category	U.S.GAAP		IFRS	
	89th Fiscal Term (FY2013)	90th Fiscal Term (FY2014)	91st Fiscal Term (FY2015)	92nd Fiscal Term (FY2016) (Current term)
Consolidated subsidiaries	217 companies	220 companies	218 companies	212 companies
Equity-method associated companies	139 companies	134 companies	124 companies	114 companies
Total of group companies	356 companies	354 companies	342 companies	326 companies

Note: Investment companies which are directly invested in by ITOCHU Corporation and its Overseas trading subsidiaries are included in the above-mentioned number of companies. Investment companies which are considered as part of the parent company are not included.

(5) Main Offices

1) Domestic

Head Office of ITOCHU Corporation	Osaka Head Office: 1-3, Umeda 3-chome, Kita-ku, Osaka Tokyo Head Office: 5-1, Kita-Aoyama 2-chome, Minato-ku, Tokyo
Areas of ITOCHU Corporation	Chubu Area (Nagoya), Kyushu Area (Fukuoka), Chugoku & Shikoku Area (Hiroshima), Hokkaido Area (Sapporo), Tohoku Area (Sendai)
Branches of ITOCHU Corporation	Hokuriku Branch (Kanazawa), Toyama Branch

2) Overseas

Branches of ITOCHU Corporation	Johannesburg, Dubai, Manila, Kuala Lumpur
Offices of ITOCHU Corporation	43 offices including Lima, Alger, Nairobi, Riyadh, Jakarta and Moscow
Overseas trading subsidiaries	65 overseas trading subsidiaries including headquarters/branches such as ITOCHU International Inc. (U.S.A.) ITOCHU Brasil S.A., ITOCHU Europe PLC (U.K.) ITOCHU MIDDLE EAST FZE (U.A.E.) ITOCHU Australia Ltd., ITOCHU (CHINA) HOLDING CO., LTD. ITOCHU Hong Kong Ltd., ITOCHU Singapore Pte, Ltd. ITOCHU (Thailand) LTD.

(6) Status of Employees

1) Status of Employees of the ITOCHU Group (Number of employees)

Textile	Machinery	Metals & Minerals	Energy & Chemicals	Food	ICT, General Products & Realty	Other	Total
19,031 [3,935]	9,638 [698]	511 [32]	11,605 [4,023]	30,249 [9,983]	31,341 [10,442]	3,425 [113]	105,800 [29,226]

Notes: 1. The number of employees refers to actual working employees and the average annual number of temporary employees shown in the square bracket [ ] is not included in total.

2. Due to factors including the transition of PT. SUZUKI Finance Indonesia from a consolidated subsidiary to an associated company, the number of employees in the Machinery sector declined by 4,687 compared to the previous fiscal year.

2) Status of Employees of ITOCHU Corporation

Number of employees	Changes from the previous term-end	Average age	Average service years
4,279 employees	+17 employees	41.5 years old	16.7 years

Note: The above number of employees includes 889 employees and 345 employees seconded to other companies in Japan and overseas respectively and 271 employees at overseas trading subsidiaries.

(7) Status of Capital Investment

No important matter to be stated.

(8) Status of Financing

ITOCHU Group raises funds through financing mostly carried out by ITOCHU Corporation. ITOCHU Corporation undertook borrowing from financial institutions, issuance of short-term corporate bonds (electronic CP), and other actions. ITOCHU Corporation has not undertaken other procurement of funds through capital increases, or the issuance of medium-and long-term corporate bonds, etc.

(9) Main Lenders

ITOCHU Corporation mainly undertakes borrowings of the ITOCHU Group and main lenders at the end of the current term are as follows.

Lenders	Outstanding amount of borrowings
	Millions of Yen
Nippon Life Insurance Company	105,000
Development Bank of Japan Inc.	83,500
Mizuho Bank, Ltd.	79,970
Sumitomo Mitsui Banking Corporation	62,377
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	57,250
Sumitomo Mitsui Trust Bank, Limited	54,843
Mitsubishi UFJ Trust and Banking Corporation	49,953
SUMITOMO LIFE INSURANCE COMPANY	43,000
Meiji Yasuda Life Insurance Company	37,500
Mizuho Trust & Banking Co., Ltd.	35,306

(Amount less than 1 million yen have been rounded to the nearest 1 million yen)

(10) Other Significant Matters Regarding the Current Conditions of the ITOCHU Group

No important matter to be stated.

2. Shares of ITOCHU Corporation

(1) Total Number of Authorized Shares ····· 3,000,000,000 shares

(2) Total Number of Issued Shares ····· 1,662,889,504 shares

(3) Number of Shareholders ····· 168,637 persons

(4) Major Shareholders (top 10)

Shareholders	Numbers of shares held	Shareholding ratio
	Thousands of shares	%
Japan Trustee Services Bank, Ltd. (trust account)	89,461	5.66
The Master Trust Bank of Japan, Ltd. (trust account)	75,894	4.80
CP WORLDWIDE INVESTMENT COMPANY LIMITED	63,500	4.01
Mizuho Bank, Ltd.	39,200	2.48
Nippon Life Insurance Company	34,056	2.15
Mitsui Sumitomo Insurance Company, Limited	30,400	1.92
Sompo Japan Nipponkoa Insurance Inc.	26,336	1.67
Barclays Securities Japan Limited	25,000	1.58
Asahi Mutual Life Insurance Company	23,400	1.48
Japan Trustee Services Bank, Ltd. (trust account 9)	22,369	1.41

(A fraction of shares less than one thousand is truncated)

Notes: 1. ITOCHU Corporation owns 81,238 thousand shares of treasury stock but has been omitted from the major shareholders listed above.

2. The treasury stock is excluded from the calculation of shareholding ratio.

3. Corporate Officers

(1) Status of Directors and Corporate Auditors (as of March 31, 2016)

Name	Position in ITOCHU Corporation	Responsibility
Eizo Kobayashi	Chairman	
*Masahiro Okafuji	President & Chief Executive Officer	
*Koji Takayanagi	Member of the Board	President, Food Company
*Tomofumi Yoshida	Member of the Board	President, ICT, General Products & Realty Company
*Hitoshi Okamoto	Member of the Board	CSO
*Takao Shiomi	Member of the Board	President, Machinery Company
*Yuji Fukuda	Member of the Board	President, Energy & Chemicals Company
*Shuichi Koseki	Member of the Board	President, Textile Company; Chief Operating Officer, Brand Marketing Division 2
*Eiichi Yonekura	Member of the Board	President, Metals & Minerals Company
*Fumihiko Kobayashi	Member of the Board	CAO; General Manager, Human Resources & General Affairs Division
*Tsuyoshi Hachimura	Member of the Board	CFO; General Manager, Finance Division
Ichiro Fujisaki	Member of the Board	
Chikara Kawakita	Member of the Board	
Yoshio Akamatsu	Full-time Corporate Auditor	
Harutoshi Okita	Full-time Corporate Auditor	
Shingo Majima	Corporate Auditor	
Harufumi Mochizuki	Corporate Auditor	
Kentaro Uryu	Corporate Auditor	

Notes: 1. * indicates a representative director.

2. Members of the Board, Mr. Ichiro Fujisaki and Mr. Chikara Kawakita are outside directors. They are both registered as independent directors at the Tokyo Stock Exchange, Inc.
3. Corporate Auditors, Mr. Shingo Majima, Mr. Harufumi Mochizuki and Mr. Kentaro Uryu are outside corporate auditors. They are registered as independent auditors at the Tokyo Stock Exchange, Inc.
4. Important concurrent occupations or positions are as described below.

Category	Name	Organization	Title
Members of the Board	Eizo Kobayashi	Asahi Mutual Life Insurance Company	Outside Corporate Auditor
		OMRON Corporation	Outside Director
		Japan Airlines Co., Ltd.	External Director
	Masahiro Okafuji	NISSIN FOODS HOLDINGS CO., LTD.	Outside Director
	Ichiro Fujisaki	NIPPON STEEL & SUMITOMO METAL CORPORATION	Outside Director
Corporate Auditors	Shingo Majima	WIN-Partners Co., Ltd.	Outside Director
	Harufumi Mochizuki	Hitachi, Ltd.	Outside Director
		Tokyo Small and Medium Business Investment & Consultation CO., LTD.	President & CEO
	Kentaro Uryu	URYU & ITOGA	Attorney-At-Law, Managing Partner
		U&I Advisory Service Co., Ltd.	CEO
		FRUTAFRUTA, Inc.	Outside Director
		GMO TECH, Inc.	Outside Director
		Kyowa Hakko Kirin Co., Ltd.	Outside Company Auditor

5. Corporate Auditor, Mr. Shingo Majima is a certified public accountant in Japan and the United States. Also he has a long-standing career as a university professor of accounting and considerable expertise in finance and accounting.
6. Effective June 19, 2015, Mr. Kazutoshi Maeda and Mr. Masahiro Shimojo resigned as Corporate Auditors.
7. On March 31, 2016, Mr. Tomofumi Yoshida, Mr. Takao Shiomi and Mr. Yuji Fukuda resigned as Members of the Board, and Mr. Harutoshi Okita resigned as Corporate Auditor.

(2) Status of Executive Officers (as of April 1, 2016)

Name	Position in ITOCHU Corporation	Responsibility
Masahiro Okafuji	President & Chief Executive Officer	
Koji Takayanagi	Executive Vice President	President, Food Company
Tomofumi Yoshida	Senior Managing Executive Officer	President & CEO, ITOCHU International Inc.
Hitoshi Okamoto	Senior Managing Executive Officer	Chief Strategy & Information Officer
Yuji Fukuda	Senior Managing Executive Officer	CEO for Asia & Oceania Bloc; President & CEO, ITOCHU Singapore Pte, Ltd.
Yoshihisa Suzuki	Senior Managing Executive Officer	President, ICT & Financial Business Company
Shuichi Koseki	Senior Managing Executive Officer	President, Textile Company
Eiichi Yonekura	Senior Managing Executive Officer	President, Metals & Minerals Company
Masahiro Imai	Senior Managing Executive Officer	President, Energy & Chemicals Company
Fumihiko Kobayashi	Managing Executive Officer	CAO
Kazutaka Yoshida	Managing Executive Officer	President, Machinery Company
Yozo Kubo	Managing Executive Officer	Executive Vice President, Food Company
Tsuyoshi Hachimura	Managing Executive Officer	CFO
Akihiro Ueda	Managing Executive Officer	CEO for East Asia Bloc; Chairman, ITOCHU (CHINA) HOLDING CO., LTD.; Chairman, ITOCHU Shanghai Ltd.; Chairman, BIC
Yasuyuki Harada	Managing Executive Officer	President, General Products & Realty Company
Isao Kubo	Managing Executive Officer	General Manager, Internal Audit Division
Hiroyuki Tsubai	Managing Executive Officer	Chief Executive for European Operation; CEO for Africa Bloc; CEO, ITOCHU Europe PLC
Hiroyuki Fukano	Managing Executive Officer	Executive Advisory Officer for Kansai District Operation
Mitsuru Chino	Executive Officer	General Counsel
Akihiko Okada	Executive Officer	Chief Operating Officer, Steel, Non-Ferrous & Solar Division
Keita Ishii	Executive Officer	Executive Vice President, Energy & Chemicals Company; Chief Operating Officer, Chemicals Division
Masahiro Morofuji	Executive Officer	Executive Vice President, Textile Company; Chief Operating Officer, Brand Marketing Division 1
Hiroaki Kawashima	Executive Officer	General Manager for Chubu Area
Takeshi Takasugi	Executive Officer	Vice President, Food Company; Chief Operating Officer, Provisions Division
Yoichi Ikezoe	Executive Officer	Chairman, ITOCHU Hong Kong Ltd.; Senior Officer for Asia & Oceania Bloc
Shiro Hayashi	Executive Officer	Chief Operating Officer, Apparel Division 1
Hiroshi Sato	Executive Officer	Chief Operating Officer, Plant Project, Marine & Aerospace Division
Mamoru Seki	Executive Officer	General Manager, General Accounting Control Division
Tomoyuki Takada	Executive Officer	General Manager, Corporate Communications Division
Takashi Yasuda	Executive Officer	Chief Operating Officer, Energy Division

Name	Position in ITOCHU Corporation	Responsibility
Hiroyuki Kaizuka	Executive Officer	General Manager, Corporate Planning & Administration Division
Hiroshi Oka	Executive Officer	General Manager, Secretariat
Shigetoshi Imai	Executive Officer	CEO for Latin America; President & CEO, ITOCHU Brasil S.A.
Motonari Shimizu	Executive Officer	Chief Operating Officer, Apparel Division 2
Masato Osugi	Executive Officer	Chief Operating Officer, Automobile Division
Akira Tsuchihashi	Executive Officer	CFO, ICT & Financial Business Company; CFO, General Products & Realty Company

Notes: 1. As of April 1, 2016, ITOCHU Corporation changed its organizational structure from six Division Companies to seven Division Companies. As a result, [ICT, General Products & Realty Company] became [General Products & Realty Company] and [ICT & Financial Business Company].

2. Ms. Mitsuru Chino's registered name is Mitsuru Ike.

(3) Remunerations etc. to Directors and Corporate Auditors

Category	Number of persons (Persons)	Amount (Millions of Yen)	Breakdown
Directors (Outside Directors)	13 (2)	1,198 (24)	1) Monthly remuneration: ¥751 million 2) Director bonus to be paid in the current term: ¥447 million
Corporate Auditors (Outside Corporate Auditors)	7 (4)	117 (36)	Monthly remuneration only
Total (Outside Directors and Outside Corporate Auditors)	20 (6)	1,315 (60)	

(Amount less than 1 million yen have been rounded to the nearest 1 million yen)

Notes: 1. The remuneration limit for Directors: ¥1.2 billion per year as monthly remuneration (of that amount, ¥50 million per year for Outside Directors)
¥1.0 billion per year as the total amount of bonus for Directors (excluding Outside Directors), separate from the remuneration amount above
(Both resolved at the General Meeting of Shareholders on June 24, 2011)

2. The remuneration limit for Corporate Auditors: ¥13 million per month
(Resolved at the General Meeting of Shareholders on June 29, 2005)

(4) Outside Directors and Outside Corporate Auditors

1) Relations Between ITOCHU Corporation and Organizations where Important Concurrent Occupations or Positions are Held

Category	Name	Organization	Title
Outside Director	Ichiro Fujisaki	NIPPON STEEL & SUMITOMO METAL CORPORATION	Outside Director
Outside Corporate Auditors	Shingo Majima	WIN-Partners Co., Ltd.	Outside Director
	Harufumi Mochizuki	Hitachi, Ltd.	Outside Director
		Tokyo Small and Medium Business Investment & Consultation CO., LTD.	President & CEO
	Kentaro Uryu	URYU & ITOGA	Attorney-At-Law, Managing Partner
		U&I Advisory Service Co., Ltd.	CEO
		FRUTAFRUTA, Inc.	Outside Director
		GMO TECH, Inc.	Outside Director
		Kyowa Hakko Kirin Co., Ltd.	Outside Company Auditor

Note: There is no special relation between ITOCHU Corporation and the above organizations where important concurrent occupations or positions are held.

2) Primary Activities

Category	Name	Primary activities
Outside Directors	Ichiro Fujisaki	He attended all of the 16 meetings of the Board of Directors held during the current term. He mainly made statements from an objective and neutral position as an outside director based on his high level of knowledge regarding the international situation, economic matters and culture he accumulated in the course of his many years as a diplomatic official.
	Chikara Kawakita	He attended all of the 16 meetings of the Board of Directors held during the current term. He mainly made statements from an objective and neutral position as an outside director based on his high level of knowledge regarding fiscal, financial and taxation matters he accumulated in the course of his many years at the Ministry of Finance and the National Tax Agency.
Outside Corporate Auditors	Shingo Majima	He attended all of the 16 meetings of the Board of Directors and all of the 15 meetings of the Board of Corporate Auditors held during the current term. He mainly made statements from an objective and neutral position as an outside corporate auditor based on his wealth of experience and expertise on finance and accounting as a certified public accountant and university professor.
	Harufumi Mochizuki	He attended 13 of the 16 meetings of the Board of Directors and 14 of the 15 meetings of the Board of Corporate Auditors held during the current term. He mainly made statements from an objective and neutral position as an outside corporate auditor based on his wealth of experience and expertise in the field of economics and industrial policy as a government official at the Ministry of Economy, Trade and Industry (and the former Ministry of International Trade and Industry).
	Kentaro Uryu	He attended 11 of the 12 meetings of the Board of Directors and 9 of the 10 meetings of the Board of Corporate Auditors held since his appointment. He made statements from an objective and neutral position, based on his wealth of experience and expertise as an attorney in wide-ranging fields of corporate legal matters.

3) Outline of Limitation of Liability Contracts

ITOCHU Corporation entered into a limitation of liability contract as stipulated in Article 423, Paragraph 1 of the Companies Act, with outside directors and outside corporate auditors pursuant to Article 427, Paragraph 1 of the same Act. Under this contract, liabilities for compensation are the lowest amount of liability stipulated by Article 425, Paragraph 1 of the Companies Act if they have acted in good faith and without gross negligence in performing their duties.

4. Status of Independent Auditor

(1) Name of Independent Auditor

Deloitte Touche Tohmatsu LLC

(2) Remuneration of the Independent Auditor during the Current Term

1) Amount of remuneration paid by ITOCHU Corporation to the Independent Auditor for audit certification in accordance with Article 2, Paragraph 1 of the Certified Public Accountants Law.	¥575 million
2) Total amount of remuneration paid by ITOCHU Corporation and its subsidiaries	¥1,482 million

Notes: 1. The audit agreement between the Independent Auditor and ITOCHU Corporation does not separately stipulate audit remunerations based on the Companies Act and the Financial Instruments and Exchange Act. Hence, the remuneration in 1) above includes remunerations for auditing based on the Financial Instruments and Exchange Act and auditing of financial statements in English based on International Financial Reporting Standards (IFRS).

2. ITOCHU Corporation has paid remuneration to the Independent Auditor for services other than those stipulated in Article 2, Paragraph 1 of the Certified Public Accountants Law which include preparation of comfort letters, and such amount is included in the above 2) total amount of remuneration.

3. The Board of Corporate Auditors, having checked the auditing plans of the Independent Auditor and having investigated the status of its performance of duties in past fiscal years, the grounds for calculation of remuneration estimates, and other matters, has given consent to the remuneration for the Independent Auditor in accordance with Article 399, Paragraph 1 of the Companies Act.

4. Of the major subsidiaries and associated companies as described in "1. Current Conditions of the ITOCHU Group, (4) Status of Major Group Companies, 1) Major Subsidiaries and Associated Companies", Orient Corporation is audited by Ernst & Young ShinNihon LLC, overseas subsidiaries and affiliates are audited by local auditing firms possessing similar qualifications under the relevant laws and regulations.

(3) Policy Regarding Decisions to Dismiss or Deny Reappointment of Independent Auditor

The Board of Corporate Auditors shall dismiss the Independent Auditor if any of the items of Article 340, Paragraph 1 of the Companies Act applies with respect to the Independent Auditor. In addition, if it is determined that the appropriateness and credibility of audits by the Independent Auditor cannot be ensured, the Board of Corporate Auditors shall decide on the content of the proposal to dismiss or deny the reappointment of the Independent Auditor to be submitted to the General Meeting of Shareholders.

5. Overview of the Basic Policy Regarding Internal Control Systems and the Operational Status Thereof

(1) Outline of Basic Policy Regarding the Internal Control System

ITOCHU Corporation has established the following internal control systems, which are necessary to ensure that directors' implementation of duties are in compliance with laws and statutory regulations and Articles of Incorporation and ensure the appropriateness of other operations. Below is a summary of the Basic Policy regarding the Internal Control System, which the Board of Directors approved on April 19, 2006. (It was partially revised as of May 6, 2016.)

1) System to Ensure Compliance by Directors and Employees to Laws, Regulations and the Articles of Incorporation

[Corporate Governance]

1) As the decision-making body, the Board of Directors, consisting of Directors and Outside Directors, is to decide important matters in accordance with laws and regulations, the Articles of Incorporation, the "Board of Directors Regulations", and other internal regulations, and as the supervisory body, the Board of Directors is to supervise the performance of the directors.
2) Each director is to carry out such director's functions and duties as designated by the Board of Directors in accordance with laws and regulations, the Articles of Incorporation, resolutions by the Board of Directors, and internal regulations.
3) ITOCHU Corporation is to adopt the Executive Officer System to strengthen the decision-making function and supervisory function of the Board of Directors, and to streamline executive decision-making. Based on the approval of the Board of Directors, executive officers implement their designated duties based on delegation from the Board of Directors and representative directors.
4) The corporate auditors are to oversee the performance of the directors based on the "Board of Corporate Auditors Regulations" and "Auditors' Auditing Standards".

[Compliance]

1) Directors, executive officers and employees are to conduct themselves in accordance with the ITOCHU Group Corporate Philosophy and the ITOCHU Group Code of Conduct.
2) ITOCHU Corporation is to designate a representative director as the chief officer responsible for supervising compliance and also establish the Compliance Committee and a department that oversees all compliance matters. In addition, the "ITOCHU Group Compliance Program" is to be created to further enhance our compliance system.

[Internal Control to Ensure Reliability of Financial Reporting]

1) ITOCHU Corporation is to have in place internal regulations concerning commercial transactions management and accounting, and is to create the position of CFO (Chief Financial Officer) to ensure the reliability of financial reporting.
2) ITOCHU Corporation is to establish the Disclosure Committee and regularly review and improve the development and implementation status of the internal control systems to ensure the reliability of financial reporting.

[Internal Audits]

ITOCHU Corporation is to establish the Internal Audit Division under the direct control of the President & Chief Executive Officer. The Internal Audit Division is to regularly implement internal audits of all aspects of business operations based on the "Audit Regulations". Such internal audits are to examine compliance with laws and regulations, the Articles of Incorporation, and internal regulations, as well as, among other matters, the appropriateness of the procedures and nature of the exercise of duties and responsibilities.

2) System for the Storage and Preservation of Information Related to Director Duties

The directors are to appropriately store and preserve important documents and related materials concerning

the performance of their duties, including the minutes of the General Meeting of Shareholders, in accordance with the "Information Management Regulations", the "Document Management Rules" and other internal regulations. All documents and information so stored and preserved are to be subject to inspection by the directors and auditors at any time. Further, ITOCHU Corporation will establish departments responsible for the timely disclosure of important corporate information and other information. At the same time, directors will rapidly and comprehensively gather information that requires disclosure and implement timely and appropriate disclosure in compliance with laws and statutory regulations.

3) Regulations Concerning the Management of the Risk of Loss and Other Relevant Risk Management System

To adequately address the various risks associated with our business operations, such as market risk, credit risk, country risk, and investment risk, ITOCHU Corporation is to establish internal committees and responsible departments, and is to develop the necessary risk management system and risk management techniques, for example establishing a full range of management regulations, investment criteria, risk limits and transaction limits, and developing reporting and monitoring systems, and managing company-wide as well as matter-specific risks. Furthermore, ITOCHU Corporation is to regularly review the effectiveness of the risk management system.

4) System to Ensure Efficient Performance of Directors

[The HMC and Other Internal Committees]

The HMC (Headquarters Management Committee) as a supporting body to the President & Chief Executive Officer, and a number of other internal committees, are to facilitate the proper and agile decision-making by the President & Chief Executive Officer and the Board of Directors.

[Division Company System]

Under the Division Company System, the position of Division Company president is to be created at each Company, and each Company is to manage its business autonomously in accordance with laws and regulations, the Articles of Incorporation, and internal regulations. Furthermore, each Company is to establish its own numerical targets, and regularly evaluate its performance by comparing against such numerical targets.

[Clearly Define the Scope of Authority and Responsibilities]

In order to ensure the appropriateness and efficiency of the performance of the management, ITOCHU Corporation is to develop internal regulations to clearly define the scope of authority and responsibilities of each corporate officer and divisional manager.

5) System to Ensure the Adequacy of Operations of the ITOCHU Group (Consisting of ITOCHU and Its Subsidiaries)

[Subsidiary Management and Reporting System]

1) ITOCHU Corporation is to establish a department that oversees all the subsidiaries. Furthermore, relevant departments within ITOCHU Corporation are to exercise jurisdiction over their responsible subsidiaries, and provide managerial guidance to such subsidiaries in accordance with the internal regulations concerning consolidated company management. In principle, ITOCHU Corporation is to send directors and corporate auditors to each subsidiary to ensure the adequacy of the subsidiary's operations.
2) With respect to subsidiaries that ITOCHU Corporation owns indirectly through its directly-owned subsidiaries, ITOCHU Corporation is to strive to ensure the adequacy of operations by such indirectly-owned subsidiaries in accordance with this Basic Policy by way of, in principle, causing directly-owned subsidiaries to provide managerial guidance to indirectly-owned subsidiaries.
3) With respect to important matters on the management of subsidiaries, ITOCHU Corporation is to, in principle, agree and specify with each subsidiary what matters will require the prior approval of or reporting to ITOCHU Corporation, as appropriate, taking into account, among others, each subsidiary's nature and size of business and whether it is listed or unlisted.

[Rules and Other Systems to Manage the Risk of Loss at Subsidiaries]

ITOCHU Corporation is to identify the subsidiaries which shall be subject to our Group-wide risk management in respect of each risk category, taking into account, among others, each subsidiary's nature and size of business and whether it is listed or unlisted. In addition, ITOCHU Corporation is to periodically review the effectiveness of such Group-wide management system.

[System to Ensure the Efficient Performance of Duties by Directors, etc. of Subsidiaries]

ITOCHU Corporation is to formulate a management plan on a consolidated basis and undertake managerial guidance of subsidiaries in order to attain the said management plan as well as to provide support to subsidiaries such as provision of group financing from ITOCHU Corporation.

[System to Ensure Compliance by Directors, etc. and Employees of Subsidiaries to Laws, Regulations and the Articles of Incorporation]

1) In principle, ITOCHU Corporation is to send directors and corporate auditors to each subsidiary and strive to ensure that the performance of duties of directors, etc. and employees of a subsidiary complies with laws and regulations, and the Articles of Incorporation of such subsidiary through supervision and audit of the performance of duties at the subsidiary by the said directors and auditors sent from ITOCHU Corporation.
2) ITOCHU Corporation is to provide guidance to its subsidiaries for the purpose of implementing a compliance system under the "ITOCHU Group Compliance Program" and to perform periodic monitoring and review of the implementation status of the relevant matters as well as providing education and training at subsidiaries whenever necessary for the purpose of securing compliance by the entire ITOCHU Group.
3) All of the operations and activities of the subsidiaries are to be subject to internal audits by the Internal Audit Division.

6) Matters Concerning Supporting Personnel to Corporate Auditors, Independence of Such Personnel from the Directors and Ensuring the Effectiveness of Instructions to Such Personnel

ITOCHU Corporation is to establish the Corporate Auditors' Office under the direct jurisdiction of the Board of Corporate Auditors and is to put in place full-time employees with the sole responsibility of supporting the work of the corporate auditors. The supervisory authority over such employees is to belong exclusively to the corporate auditors, and evaluation of such employees is to be carried out by the corporate auditor designated by the Board of Corporate Auditors. Any transfer orders or disciplinary actions relating to such employees are to require prior approval by such corporate auditor.

7) System for Reporting by Directors and Employees to Corporate Auditors

[Attendance at Important Meetings]

The corporate auditors are to attend meetings of the Board of Directors, the HMC meetings, and other important meetings, and interview the directors and other relevant persons regarding the performance of their duties. In addition, the corporate auditors are to have the right to inspect all relevant materials.

[Reporting System]

1) The directors and corporate officers are to regularly report to the corporate auditors about their performance. Furthermore, in addition to the matters required by laws and regulations, the directors and corporate officers are to report all the decisions that could have a major impact on the finance or business of ITOCHU Corporation to the corporate auditors immediately after such decisions are made.
2) Employees are to have the right to report directly to the corporate auditors any matters that could cause serious damage to ITOCHU Corporation.
3) In the "ITOCHU Group Compliance Program", ITOCHU Corporation is to explicitly prohibit disadvantageous treatment of directors and employees who have reported to the corporate auditors and to ensure thorough familiarization with this prohibition.

8) System for Reporting by Directors, Corporate Auditors and Employees of Subsidiaries or by a Person who Received a Report from Them to Corporate Auditors

[Reporting System]

1) The directors and corporate auditors of subsidiaries may report directly to the corporate auditors of ITOCHU Corporation any matters that could cause serious damage to the said subsidiary.
2) A department that oversees compliance is to periodically report to the corporate auditors of ITOCHU Corporation a summary of matters that could cause serious damage to a subsidiary that were reported by the officers and employees of the said subsidiary.
3) In the "ITOCHU Group Compliance Program", ITOCHU Corporation is to explicitly prohibit disadvantageous treatment of persons who have reported to the corporate auditors under the provisions listed above and to ensure full familiarization with this prohibition.

9) Matters Concerning Policy on Procedures for Prepayment or Refund of Expenses Arising in Relation to Performance of Duties of Corporate Auditors and Processing of Expenses or Obligations Arising in Relation to the Performance of Other Duties

When a corporate auditor claims prepayment, etc. from ITOCHU Corporation in relation to the performance of duties under Article 388 of the Companies Act, we are to process the relevant expense or claim promptly upon confirmation by the responsible department.

10) Other Relevant Systems to Ensure the Proper Functioning of Audits

[Coordination with the Corporate Auditors by the Internal Audit Division]

The Internal Audit Division is to maintain close communication and coordination with the corporate auditors with respect to matters such as formulation of the internal audit plan for each business year, and internal audit results.

[Retaining Outside Experts]

When deemed necessary, the corporate auditors are to independently retain outside experts for the implementation of an audit.

(2) Overview of the Operational Status of Internal Control Systems

For the proper operation of internal control systems, ITOCHU Corporation has adopted a system by which it further segments items stipulated by the Basic Policy into more detailed confirmatory items in respect of each fiscal year, and, after setting the department in charge of each of these confirmatory items, conducts checks of the construction and the operational status of internal control systems by each department (and by other related internal committees) at the Internal Control Committee meetings held each half year. The Internal Control Committee, chaired by Chief Strategy & Information Officer, consists of Chief Administrative Officer, Chief Financial Officer, General Manager of Internal Audit Division, and an external expert (attorney) as members. Corporate Auditors also attend the meetings and voice opinions every time.

At its meetings, the Internal Control Committee verifies the content of checklists summarizing achievement status, issues, etc. for each of the above confirmatory items, as submitted by the departments in charge of each. It also confirms the construction and operational status of internal control systems by verifying the content of individual reports from the departments in charge, with respect to important matters such as systems to ensure the reliability of financial reporting, compliance systems, systems to manage the risk of losses, and the construction and operational status of internal control systems in the ITOCHU Group.

The results of deliberations by the Internal Control Committee are reported once per year to the HMC and the Board of Directors, the latter of which conducts a full-year evaluation of the construction and operational status of internal control systems.

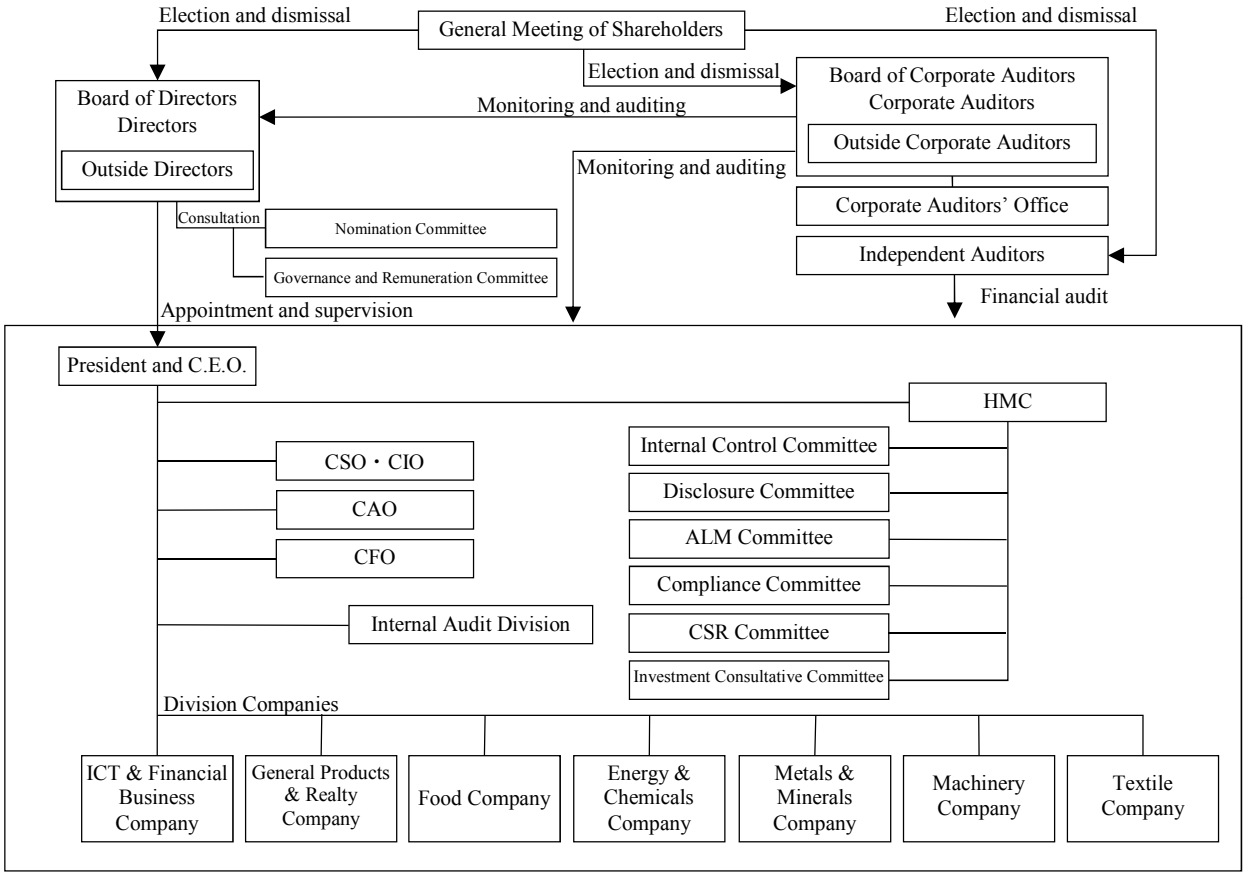
Regarding the meetings of main internal committees related to internal control in FY2016, the Internal Control Committee met 2 times, the Compliance Committee met 2 times, and the Asset Liability Management (ALM) Committee met 11 times.

Our internal control systems are constructed on the base of the ITOCHU Group, consisting of ITOCHU Corporation and its subsidiaries, and the operational status of the Group base internal control systems, and the construction and operational status of internal control systems in subsidiaries, are reported regularly to the Internal Control Committee.

We intend to revise and improve these internal control systems tirelessly in order to build systems that are even more appropriate and efficient. Further, a meeting of the Board of Directors convened on May 6, 2016, evaluated the development and implementation status of each item enumerated in the Basic Policy regarding the Internal Control System for the fiscal year ended March 31, 2016 and confirmed that there were no significant deficiencies or defects.

ITOCHU's Corporate Governance and Overview of Internal Control System

(as of April 1, 2016)



Notes: 1. HMC: Headquarters Management Committee CSO•CIO: Chief Strategy & Information Officer CAO: Chief Administrative Officer
CFO: Chief Financial Officer ALM: Asset Liability Management

2. CAO is the chief officer for compliance. Also, each Division Company has a Division Company president.
3. Internal control systems and mechanisms have been implemented at every level of ITOCHU. Only the main internal control organization and committees are described herein.

Consolidated Statement of Financial Position

ITOCHU Corporation and its Subsidiaries
As of March 31, 2016 and 2015

(Amount less than 1 million yen have been rounded to the nearest 1 million yen)

	Millions of Yen	
Assets	**2016**	2015 (Reference)
Current assets:		
Cash and cash equivalents	¥ **632,871**	¥ 700,292
Time deposits	**7,650**	11,368
Trade receivables	**1,843,541**	2,101,300
Other current receivables	**129,769**	132,495
Other current financial assets	**35,485**	53,109
Inventories	**717,124**	780,550
Advances to suppliers	**194,317**	167,812
Other current assets	**106,745**	191,026
Total current assets	**3,667,502**	4,137,952
Non-current assets:		
Investments accounted for by the equity method	**1,500,094**	1,618,138
Other investments	**804,585**	1,030,078
Non-current receivables	**634,324**	121,397
Non-current financial assets other than investments and receivables	**133,202**	148,391
Property, plant and equipment	**701,565**	786,562
Investment property	**29,132**	32,899
Goodwill and intangible assets	**405,862**	488,941
Deferred tax assets	**63,814**	55,450
Other non-current assets	**96,315**	140,893
Total non-current assets	**4,368,893**	4,422,749
Total assets	¥ **8,036,395**	¥ 8,560,701

Note: ITOCHU Corporation prepared the consolidated financial statements in conformity with IFRS.

	Millions of Yen	
Liabilities and Equity	**2016**	2015 (Reference)
Current liabilities:		
Short-term debentures and borrowings	**¥ 426,820**	¥ 543,660
Trade payables	**1,469,505**	1,669,814
Other current payables	**67,837**	76,605
Other current financial liabilities	**25,164**	28,082
Current tax liabilities	**29,375**	35,513
Advances from customers	**170,194**	173,683
Other current liabilities	**284,303**	319,154
Total current liabilities	**2,473,198**	2,846,511
Non-current liabilities:		
Long-term debentures and borrowings	**2,769,345**	2,548,504
Other non-current financial liabilities	**105,722**	103,819
Non-current liabilities for employee benefits	**67,639**	56,404
Deferred tax liabilities	**79,637**	166,171
Other non-current liabilities	**88,799**	91,041
Total non-current liabilities	**3,111,142**	2,965,939
Total liabilities	**5,584,340**	5,812,450
Equity:		
Common stock	**253,448**	253,448
Capital surplus	**156,688**	164,154
Retained earnings	**1,748,375**	1,587,318
Other components of equity:		
Translation adjustments	**202,795**	364,454
FVTOCI financial assets	**(51,630)**	176,487
Cash flow hedges	**(10,415)**	(8,517)
Total other components of equity	**140,750**	532,424
Treasury stock	**(105,584)**	(104,142)
Total shareholders' equity	**2,193,677**	2,433,202
Non-controlling interests	**258,378**	315,049
Total equity	**2,452,055**	2,748,251
Total liabilities and equity	**¥ 8,036,395**	¥ 8,560,701

Note: ITOCHU Corporation prepared the consolidated financial statements in conformity with IFRS.

Consolidated Statement of Comprehensive Income

ITOCHU Corporation and its Subsidiaries
Years ended March 31, 2016 and 2015

(Amount less than 1 million yen have been rounded to the nearest 1 million yen)

	Millions of Yen	
	2016	2015 (Reference)
Revenues:		
Revenues from sale of goods	¥ **4,362,159**	¥ 4,911,044
Revenues from rendering of services and royalties	**721,377**	680,391
Total revenues	**5,083,536**	5,591,435
Cost:		
Cost of sale of goods	**(3,483,362)**	(4,014,469)
Cost of rendering of services and royalties	**(530,463)**	(487,902)
Total cost	**(4,013,825)**	(4,502,371)
Gross trading profit	**1,069,711**	1,089,064
Other gains (losses):		
Selling, general and administrative expenses	**(835,518)**	(810,198)
Provision for doubtful accounts	**(7,775)**	(6,178)
Gains on investments	**72,680**	109,860
Losses on property, plant, equipment and intangible assets	**(155,104)**	(4,274)
Other–net	**(6,046)**	6,686
Total other-losses	**(931,763)**	(704,104)
Financial income (loss):		
Interest income	**28,518**	13,899
Dividends received	**37,491**	34,886
Interest expense	**(28,918)**	(25,346)
Total financial income	**37,091**	23,439
Equity in earnings of associates and joint ventures	**147,710**	10,116
Profit before tax	**322,749**	418,515
Income tax expense	**(46,381)**	(122,894)
Net Profit	**276,368**	295,621
Net profit attributable to ITOCHU	¥ **240,376**	¥ 300,569
Net profit attributable to non-controlling interests	**35,992**	(4,948)
Other comprehensive income for the year, net of tax:		
Items that will not be reclassified to profit or loss:		
FVTOCI financial assets	**(222,543)**	46,244
Remeasurement of net defined pension liability	**(8,468)**	6,463
Other comprehensive income in associates and joint ventures	**(8,857)**	12,064
Items that may be reclassified to profit or loss:		
Translation adjustments	**(76,932)**	83,913
Cash flow hedges	**(2,101)**	(868)
Other comprehensive income in associates and joint ventures	**(86,126)**	21,214
Total other comprehensive income for the year, net of tax	**(405,027)**	169,030
Total comprehensive income for the year	**(128,659)**	464,651
Total comprehensive income attributable to ITOCHU	¥ **(144,777)**	¥ 465,605
Total comprehensive income attributable to non-controlling interests	**16,118**	(954)

Note: ITOCHU Corporation prepared the consolidated financial statements in conformity with IFRS.

Consolidated Statement of Changes in Equity

ITOCHU Corporation and its Subsidiaries
Years ended March 31, 2016 and 2015

(Amount less than 1 million yen have been rounded to the nearest 1 million yen)

	Millions of Yen	
	2016	2015 (Reference)
Common stock:		
Balance at the beginning of the year	**¥ 253,448**	¥ 202,241
Issuance of common stock	**–**	51,207
Balance at the end of the year	**253,448**	253,448
Capital surplus:		
Balance at the beginning of the year	**164,154**	113,055
Issuance of common stock	**–**	50,918
Net change in sale (purchase) of subsidiary shares to (from) non-controlling interest	**(7,466)**	181
Balance at the end of the year	**156,688**	164,154
Retained earnings:		
Balance at the beginning of the year	**1,587,318**	1,364,295
Net profit attributable to ITOCHU	**240,376**	300,569
Transfer from other components of equity	**(3,397)**	(17)
Cash dividends	**(75,922)**	(77,529)
Balance at the end of the year	**1,748,375**	1,587,318
Other components of equity:		
Balance at the beginning of the year	**532,424**	367,329
Other comprehensive income attributable to ITOCHU	**(385,153)**	165,036
Transfer to retained earnings	**3,397**	17
Transfer to non-financial assets	**(9,807)**	–
Net change in sale (purchase) of subsidiary shares to (from) non-controlling interest	**(111)**	42
Balance at the end of the year	**140,750**	532,424
Treasury stock:		
Balance at the beginning of the year	**(104,142)**	(2,800)
Net change in treasury stock	**(1,442)**	(101,342)
Balance at the end of the year	**(105,584)**	(104,142)
Total shareholders' equity	**2,193,677**	2,433,202
Non-controlling interests:		
Balance at the beginning of the year	**315,049**	353,471
Net profit attributable to non-controlling interests	**35,992**	(4,948)
Other comprehensive income attributable to non-controlling interests	**(19,874)**	3,994
Cash dividends to non-controlling interests	**(9,228)**	(8,321)
Net change in sale (purchase) of subsidiary shares to (from) non-controlling interest	**(63,561)**	(29,147)
Balance at the end of the year	**258,378**	315,049
Total equity	**¥ 2,452,055**	¥ 2,748,251

Note: ITOCHU Corporation prepared the consolidated financial statements in conformity with IFRS.

Non-Consolidated Balance Sheet

ITOCHU Corporation
As of March 31, 2016 and 2015

(Amount less than 1 million yen have been rounded to the nearest 1 million yen)

	Millions of Yen	
Assets	**2016**	2015 (Reference)
Current assets:		
Cash and deposits with banks	**¥ 412,569**	¥ 493,290
Trade notes receivable	**35,476**	37,039
Trade accounts receivable	**553,547**	696,755
Inventories	**169,875**	190,527
Prepaid expenses	**6,444**	5,654
Deferred tax assets	**4,475**	5,414
Short-term loans receivable	**3,854**	4,733
Short-term loans receivable from subsidiaries and associated companies	**218,204**	242,104
Other current assets	**125,569**	127,764
Allowance for doubtful receivables	**(709)**	(945)
Total current assets	**1,529,304**	1,802,335
Non-current assets:		
Property, plant and equipment:		
Buildings and structures	**17,217**	17,576
Land	**28,906**	28,629
Others	**4,122**	4,759
Total property, plant and equipment net of accumulated depreciation	**50,245**	50,964
Intangible assets:		
Software	**7,520**	9,066
Others	**10,440**	9,583
Total intangible assets	**17,960**	18,649
Investments and other assets:		
Investments in securities	**232,982**	371,764
Investments in subsidiaries' and associated companies' equity securities	**1,330,297**	1,497,329
Investments in subsidiaries' and associated companies' securities other than equity securities and corporate bonds	**25,824**	17,640
Investments in equity interests	**32,234**	7,900
Investments in subsidiaries' and associated companies' equity interests	**61,942**	88,399
Long-term loans receivable	**8,087**	10,555
Long-term loans receivable from subsidiaries and associated companies	**55,551**	75,553
Claims provable in bankruptcy	**79,951**	35,810
Prepaid pension cost	**12,027**	18,494
Deferred tax assets	**1,244**	–
Other investments	**11,080**	13,797
Allowance for doubtful receivables	**(78,717)**	(36,764)
Allowance for loss on investments	**(3,357)**	(20,952)
Total investments and other assets	**1,769,145**	2,079,525
Total non-current assets	**1,837,350**	2,149,138
Total Assets	**¥ 3,366,654**	¥ 3,951,473

Liabilities and Equity	Millions of Yen 2016	2015 (Reference)
Current liabilities:		
Trade notes payable	¥ **137,438**	¥ 175,848
Trade accounts payable	**339,589**	461,616
Short-term debt	**177,892**	265,035
Commercial papers	**50,000**	–
Bonds, due within one year	**55,000**	50,000
Other payable	**19,163**	14,749
Accrued expenses	**62,865**	75,324
Income taxes payable	**315**	2,525
Advances from customers	**16,309**	14,780
Deposits received	**159,932**	179,895
Deferred income	**5,974**	10,156
Other current liabilities	**10,457**	9,982
Total current liabilities	**1,034,934**	1,259,910
Non-current liabilities:		
Bonds	**386,268**	442,017
Long-term debt	**960,497**	1,185,563
Deferred tax liabilities	**–**	40,300
Allowance for retirement benefits for employees	**360**	331
Allowance for stock benefits	**331**	–
Allowance for retirement benefits for directors, corporate auditors and executive officers	**112**	146
Allowance for loss on guarantees	**19,596**	56,379
Other non-current liabilities	**37,431**	10,813
Total non-current liabilities	**1,404,595**	1,735,549
Total liabilities	**2,439,529**	2,995,459
Equity	**888,258**	850,384
Common stock	**253,448**	253,448
Capital surplus	**62,602**	62,601
Additional paid-in capital	**62,600**	62,600
Other capital surplus	**2**	1
Retained earnings	**676,778**	637,399
Legal reserve	**36,323**	36,323
Other retained earnings		
Reserve for overseas investment loss	**–**	1,752
Retained earnings unappropriated	**640,455**	599,324
Treasury stock, at cost	**(104,570)**	(103,064)
Valuation, translation adjustments and others	**38,867**	105,630
Unrealized gain on available-for-sale securities	**38,239**	103,334
Deferred gain (loss) on derivatives under hedge accounting	**628**	2,296
Total equity	**927,125**	956,014
Total Liabilities and Equity	¥ **3,366,654**	¥ 3,951,473

Non-Consolidated Statement of Income

ITOCHU Corporation
Years ended March 31, 2016 and 2015

(Amount less than 1 million yen have been rounded to the nearest 1 million yen)

	Millions of Yen	
	2016	2015 (Reference)
Total trading transactions	**¥ 5,203,725**	¥ 5,738,595
Cost of trading transactions	**5,064,236**	5,597,815
Gross trading profit	**139,489**	140,780
Selling, general and administrative expenses	**127,863**	130,245
Operating income	**11,626**	10,535
Other income:		
Interest income	**5,773**	6,550
Dividends received	**182,899**	197,195
Others	**25,323**	10,687
Total other income	**213,995**	214,432
Other expenses:		
Interest expense	**7,794**	9,020
Others	**14,402**	6,890
Total other expenses	**22,196**	15,910
Ordinary income	**203,425**	209,057
Extraordinary gains:		
Gain on sales of property, plant and equipment	**533**	2,002
Gain on sales of investments in securities	**33,166**	15,972
Total extraordinary gains	**33,699**	17,974
Extraordinary losses:		
Loss on sales of property, plant and equipment	**72**	54
Loss on investments in subsidiaries and associated companies	**124,668**	77,933
Loss on sales of investments in securities	**481**	465
Loss on devaluation of investments in securities	**957**	6,270
Loss on impairment of long-lived assets	**61**	121
Total extraordinary losses	**126,239**	84,843
Profit before income taxes	**110,885**	142,188
Income taxes — current	**3,159**	11,213
Income taxes — deferred	**(7,575)**	347
Net profit	**¥ 115,301**	¥ 130,628

Non-Consolidated Statement of Changes in Equity

ITOCHU Corporation
Year ended March 31, 2016

(Amount less than 1 million yen have been rounded to the nearest 1 million yen) (Millions of Yen)

	Equity										Valuation, translation adjustments and others			Total equity
	Common stock	Capital surplus			Retained earnings				Treasury stock, at cost	Total share-holders' equity	Unrealized gain on available-for-sale securities	Deferred gain (loss) on derivatives under hedge accounting	Total valuation, translation adjustments and others	
		Additional paid-in capital	Other capital surplus	Total capital surplus	Legal reserve	Other retained earnings		Total retained earnings						
						Reserve for overseas investment loss	Retained earnings unappropriated							
Balance at beginning of year	253,448	62,600	1	62,601	36,323	1,752	599,324	637,399	(103,064)	850,384	103,334	2,296	105,630	956,014
Changes during the year														
Issuance of common stock										—				—
Dividends							(75,922)	(75,922)		(75,922)				(75,922)
Provision of reserve for overseas investment loss										—				—
Reversal of reserve for overseas investment loss						(1,752)	1,752	—		—				—
Net profit							115,301	115,301		115,301				115,301
Purchase of treasury stock									(1,510)	(1,510)				(1,510)
Disposal of treasury stock			1	1					4	5				5
Net changes of items other than stock-holders' equity											(65,095)	(1,668)	(66,763)	(66,763)
Net change in the year	—	—	1	1	—	(1,752)	41,131	39,379	(1,506)	37,874	(65,095)	(1,668)	(66,763)	(28,889)
Balance at end of year	253,448	62,600	2	62,602	36,323	—	640,455	676,778	(104,570)	888,258	38,239	628	38,867	927,125

Non-Consolidated Statement of Changes in Equity

ITOCHU Corporation

Year ended March 31, 2015 (reference)

(Amount less than 1 million yen have been rounded to the nearest 1 million yen) (Millions of Yen)

	Equity										Valuation, translation adjustments and others			Total equity
	Common stock	Capital surplus			Retained earnings				Treasury stock, at cost	Total share-holders' equity	Unrealized gain on available-for-sale securities	Deferred gain (loss) on derivatives under hedge accounting	Total valuation, translation adjustments and others	
		Additional paid-in capital	Other capital surplus	Total capital surplus	Legal reserve	Other retained earnings		Total retained earnings						
						Reserve for overseas investment loss	Retained earnings unappropriated							
Balance at beginning of year	202,241	11,393	1	11,394	32,369	2,069	561,270	595,708	(2,368)	806,975	57,902	(186)	57,716	864,691
Cumulative effects of changes in accounting policies							(11,408)	(11,408)		(11,408)				(11,408)
Restated balance	202,241	11,393	1	11,394	32,369	2,069	549,862	584,300	(2,368)	795,567	57,902	(186)	57,716	853,283
Changes during the year														
Issuance of common stock	51,207	51,207		51,207						102,414				102,414
Dividends					3,954		(81,483)	(77,529)		(77,529)				(77,529)
Provision of reserve for overseas investment loss						96	(96)	—		—				—
Reversal of reserve for overseas investment loss						(413)	413	—		—				—
Net profit							130,628	130,628		130,628				130,628
Purchase of treasury stock									(100,697)	(100,697)				(100,697)
Disposal of treasury stock			0	0					1	1				1
Net changes of items other than stock-holders' equity											45,432	2,482	47,914	47,914
Net change in the year	51,207	51,207	0	51,207	3,954	(317)	49,462	53,099	(100,696)	54,817	45,432	2,482	47,914	102,731
Balance at end of year	253,448	62,600	1	62,601	36,323	1,752	599,324	637,399	(103,064)	850,384	103,334	2,296	105,630	956,014

(TRANSLATION)

INDEPENDENT AUDITOR'S REPORT

May 11, 2016

To the Board of Directors of
ITOCHU Corporation:

Deloitte Touche Tohmatsu LLC

Designated Unlimited Liability Partner,
Engagement Partner,
Certified Public Accountant: Masahiro Ishizuka
Designated Unlimited Liability Partner,
Engagement Partner,
Certified Public Accountant: Haruko Nagayama
Designated Unlimited Liability Partner,
Engagement Partner,
Certified Public Accountant: Hiroyuki Yamada
Designated Unlimited Liability Partner,
Engagement Partner,
Certified Public Accountant: Tadashi Nakayasu

Pursuant to the fourth paragraph of Article 444 of the Companies Act, we have audited the consolidated financial statements, namely, the consolidated statement of financial position as of March 31, 2016 of ITOCHU Corporation (the "Company") and its subsidiaries, and the consolidated statement of comprehensive income and consolidated statement of changes in equity for the fiscal year from April 1, 2015 to March 31, 2016, and the related notes.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements pursuant to the provisions of the second sentence of the first paragraph of Article 120 of the Ordinance on Company Accounting which allows companies to prepare consolidated financial statements with the omission of a part of the disclosures required under International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting

estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Audit Opinion

In our opinion, the consolidated financial statements referred to above, prepared with the omission of a part of the disclosures required under International Financial Reporting Standards pursuant to the provisions of the second sentence of the first paragraph of Article 120 of the Ordinance on Company Accounting, present fairly, in all material respects, the financial position of ITOCHU Corporation and its subsidiaries as of March 31, 2016, and the results of their operations for the year then ended.

Interest

Our firm and the engagement partners do not have any interest in the Company for which disclosure is required under the provisions of the Certified Public Accountants Act.

The above represents a translation, for convenience only, of the original report issued in the Japanese language and “the related notes” referred to in this report are not included in the attached financial documents.

(TRANSLATION)

INDEPENDENT AUDITOR'S REPORT

May 11, 2016

To the Board of Directors of
ITOCHU Corporation:

Deloitte Touche Tohmatsu LLC

Designated Unlimited Liability Partner,
Engagement Partner,
Certified Public Accountant: Masahiro Ishizuka
Designated Unlimited Liability Partner,
Engagement Partner,
Certified Public Accountant: Haruko Nagayama
Designated Unlimited Liability Partner,
Engagement Partner,
Certified Public Accountant: Hiroyuki Yamada
Designated Unlimited Liability Partner,
Engagement Partner,
Certified Public Accountant: Tadashi Nakayasu

Pursuant to the first item, second paragraph of Article 436 of the Companies Act, we have audited the financial statements, namely, the non-consolidated balance sheet as of March 31, 2016 of ITOCHU Corporation (the "Company"), and the non-consolidated statements of income and changes in equity for the 92nd fiscal year from April 1, 2015 to March 31, 2016, and the related notes and the accompanying supplemental schedules.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements and the accompanying supplemental schedules in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of financial statements and the accompanying supplemental schedules that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements and the accompanying supplemental schedules based on our audit. We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and the accompanying supplemental schedules are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements and the accompanying supplemental schedules. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements and the accompanying supplemental schedules, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements and the accompanying supplemental schedules in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of

accounting estimates made by management, as well as evaluating the overall presentation of the financial statements and the accompanying supplemental schedules.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Audit Opinion

In our opinion, the financial statements and the accompanying supplemental schedules referred to above present fairly, in all material respects, the financial position of ITOCHU Corporation as of March 31, 2016, and the results of its operations for the year then ended in accordance with accounting principles generally accepted in Japan.

Interest

Our firm and the engagement partners do not have any interest in the Company for which disclosure is required under the provisions of the Certified Public Accountants Act.

The above represents a translation, for convenience only, of the original report issued in the Japanese language and “the related notes and the accompanying supplemental schedules” referred to in this report are not included in the attached financial documents.

(Translation)

AUDIT REPORT OF THE BOARD OF CORPORATE AUDITORS

This audit report was prepared following the discussions based on the respective audit reports of each Corporate Auditor concerning the conduct of the Directors in the performance of their duties during the 92nd fiscal year from April 1, 2015 to March 31, 2016. The Board of Corporate Auditors submits its report as follows.

1. Methods and Details of the Audit by the Corporate Auditors and the Board of Corporate Auditors

The Board of Corporate Auditors established the policies of audit, the division of duties and other matters, and received reports from each Corporate Auditor on the status and results of its audits. In addition, the Board of Corporate Auditors received reports from the Directors, etc., and the Independent Auditor regarding the performance of their duties, and requested explanations as necessary.

In accordance with the policies of audit, division of duties and the standards for the Corporate Auditors as established by the Board of Corporate Auditors, each Corporate Auditor communicated with the Directors, the Internal Audit Department, employees and others, committed to gather information and to enhance the audit environment, attended the meetings of the Board of Directors and other important meetings, received reports from the Directors, employees and others regarding the performance of their duties, requested explanations as necessary, and inspected important documents supporting decisions and other records and examined the status of operations and assets at the head office and important operating locations. In addition, the Board of Corporate Auditors periodically received reports from the Directors, employees and others, requested explanations as necessary, inspected important documents supporting decisions and other records, and expressed opinions regarding the details of the Board of Directors' resolutions and the system that is developed and operated in accordance with such resolution concerning the development of system to ensure that Directors' performance of their duties are in compliance with the laws and regulations, and Articles of Incorporation and the system to ensure the adequacy of operations of the ITOCHU Group consisting of ITOCHU Corporation and its subsidiaries as stipulated under Article 100, paragraphs 1 and 3 of the Ordinance for Enforcement of Company Act (internal control system).
As for the subsidiaries, each Corporate Auditor promoted communications with the directors, corporate auditors and, etc. of the subsidiaries, and received reports on the business of the subsidiaries as necessary.
Based on the above-mentioned methods, the business report and its supplemental schedules for the fiscal year under review were examined.

Moreover, each Corporate Auditor monitored and verified whether the Independent Auditor, Deloitte Touche Tohmatsu LLC, maintained independence and conducted proper audit, received reports from the Independent Auditor regarding the status of the performance of its duties, and requested explanations as necessary.
The Board of Corporate Auditors also received the notification from the Independent Auditor that it had established a "system to ensure appropriate performance of its duties" (pursuant to Article 131 of the Company Accounting Regulations) in accordance with the "Quality Control Standards for Auditing" (issued by the Business Accounting Council on October 28, 2005), and requested explanation as necessary.
Based on the above-mentioned methods, the Board of Corporate Auditors examined the non-consolidated financial statements (the non-consolidated balance sheet, the non-consolidated statements of income, the non-consolidated statements of changes in equity, and the notes to non-consolidated financial statements) and the accompanying supplemental schedules as well as the consolidated financial statements (the consolidated statements of financial position, the consolidated statements of income, the consolidated statements of changes in equity, and the notes to consolidated financial statements) for the fiscal year under review.

2. Results of Audit

(1) Results of Audit of Business Reports, etc.

We confirm as follows;

(a) The business report and the accompanying supplemental schedules present the Company's situation correctly in accordance with laws and regulations, and the Articles of Incorporation of the Company.

(b) There was no improper behavior, or serious violation of any applicable laws and regulations or of the Articles of Incorporation of the Company concerning the Directors' performance of their duties.

(c) The details of the Board of Directors resolutions concerning the internal control system were appropriate and adequate. Furthermore, there was no matter we must point out, regarding the description of the internal control system in the business report and the Directors' performance of their duties concerning the internal control system.

(2) Results of Audit of Non-Consolidated Financial Statements and the Accompanying Supplemental Schedules

We confirm that the auditing method and results of the Independent Auditor, Deloitte Touche Tohmatsu LLC, are appropriate.

(3) Results of Audit of Consolidated Financial Statements

We confirm that the auditing method and results of the Independent Auditor, Deloitte Touche Tohmatsu LLC, are appropriate.

May 12, 2016

ITOCHU Corporation Board of Corporate Auditors

Yoshio Akamatsu
Corporate Auditor (full time)

Shingo Majima
Outside Corporate Auditor

Harufumi Mochizuki
Outside Corporate Auditor

Kentaro Uryu
Outside Corporate Auditor

End

REFERENCE DOCUMENTS OF THE GENERAL MEETING OF SHAREHOLDERS

Proposals and references

Proposal No. 1: Appropriation of Surplus

ITOCHU Corporation has the following intention with regard to Appropriation of Surplus.

Term-end Dividends

The medium-term management plan “Brand-new Deal 2017” aims to achieve a new high for dividends paid to shareholders in each of its fiscal years, and guarantees a lower limit on the dividend equal to ¥50 in fiscal 2016, ¥55 in fiscal 2017, and ¥60 in fiscal 2018. In addition, in accordance with the expansion of Net profit attributable to ITOCHU, “Brand-new Deal 2017” aims to share the results of this expansion with shareholders through a policy of consolidated dividend payout ratio of 20% for Net profit attributable to ITOCHU up to ¥200.0 billion and approximately 30% on the portion of Net profit attributable to ITOCHU exceeding ¥200.0 billion. In accordance with this dividend policy, ITOCHU Corporation plans to pay a term-end dividend of ¥25 per share for the current term.

Since we paid an interim dividend of ¥25 per share, the total annual dividend for the term will be ¥50 per share.

(1) Type of the dividend assets
Cash

(2) Allocation of dividend assets to be paid to shareholders and total dividend amount:
¥25 per share of common stock Total ¥39,541,263,625

(3) Date on which the appropriation of surplus goes into effect:
June 27, 2016

Proposal No. 2: Election of Fourteen (14) Directors

Directors, Tomofumi Yoshida, Takao Shiomi and Yuji Fukuda resigned from the office as of March 31, 2016. In addition, at the conclusion of this 92nd Ordinary General Meeting of Shareholders, the terms of office of the ten (10) current directors will expire: Eizo Kobayashi, Masahiro Okafuji, Koji Takayanagi, Hitoshi Okamoto, Shuichi Koseki, Eiichi Yonekura, Fumihiko Kobayashi, Tsuyoshi Hachimura, Ichiro Fujisaki and Chikara Kawakita. Accordingly, we hereby propose to elect fourteen (14) directors.

Of the fourteen (14) candidates, three (3) are candidates for outside directors.

The candidates for the new directors are as follows:

Policy and Process for Nominating Candidates for Directors

In order to effectively supervise management and decide important business matters as the Board of Directors of a general trading company with broad range of business, ITOCHU Corporation's Board of Directors consists of, in principle, the Chairman, President & Chief Executive Officer, Chief Financial Officer, Chief Strategy Officer, Chief Administrative Officer, each Division Company president, and more than one outside directors to improve supervisory function of the Board of Directors. In nominating outside directors, ITOCHU Corporation prioritizes candidates with higher independence, based on the criteria for "independent directors" prescribed by the Tokyo Stock Exchange, Inc. and ITOCHU Corporation's "Independence Criteria for Outside Directors and Outside Corporate Auditors", who with his or her experience and knowledge in the relevant category, are expected to contribute to the management of ITOCHU Corporation. Proposal on candidates for directors is created by President & Chief Executive Officer, and submitted to the Nomination Committee for further deliberation before the Board of Directors finally nominates the candidates for election at the General Meeting of Shareholders.

As noted on page 53, ITOCHU Corporation has established Independence Criteria for Outside Directors and Outside Corporate Auditors. The three candidates for outside director in this proposal all fulfill these standards.

* indicates a newly nominated candidate.
** indicates candidates for outside directors.
*** indicates a newly nominated candidate for outside director.

No.	Name (Date of Birth)	Brief personal history (Important concurrent occupations or positions)
1	Masahiro Okafuji (December 12, 1949) Number of Attendance at Meetings of the Board of Directors: 16/16 (100%) Number of ITOCHU Corporation's shares held: 150,795 shares	April 1974 Joined ITOCHU Corporation June 2002 Executive Officer April 2004 Managing Executive Officer June 2004 Managing Director April 2006 Senior Managing Director April 2009 Executive Vice President April 2010 President & Chief Executive Officer (current position) (Important concurrent occupations or positions) Outside Director, NISSIN FOODS HOLDINGS CO., LTD. <u>Reason for the nomination of the candidate for director</u> Since joining ITOCHU Corporation, Mr. Masahiro Okafuji has primarily engaged in textile-related business. After serving as President of Textile Company, he assumed the position of President & Chief Executive Officer of ITOCHU Corporation in April 2010, and since then has increased corporate value through excellent management skills and leadership. As he possesses a track record as the President of ITOCHU Corporation and knowledge of general trading company management overall, we propose him as a candidate for director.

No.	Name (Date of Birth)	Brief personal history (Important concurrent occupations or positions)
2	Koji Takayanagi (November 4, 1951) Number of Attendance at Meetings of the Board of Directors: 16/16 (100%) Number of ITOCHU Corporation's shares held: 56,600 shares	April 1975 Joined ITOCHU Corporation June 2005 Executive Officer April 2008 Managing Executive Officer June 2008 Managing Director April 2010 Member of the Board, Managing Executive Officer April 2012 Member of the Board, Senior Managing Executive Officer April 2015 Member of the Board, Executive Vice President (current position) President, Food Company (current position) <u>Reason for the nomination of the candidate for director</u> Since joining ITOCHU Corporation, Mr. Koji Takayanagi has primarily engaged in energy-related business. After serving as President of Chemicals, Forest Products & General Merchandise Company and as CSO, since April 2015 he has made efforts to expand our business in the foods sector as President of Food Company. As he possesses abundant work experience in ITOCHU Corporation and knowledge of general trading company management overall, we propose him as a candidate for director.
3	Hitoshi Okamoto (June 14, 1956) Number of Attendance at Meetings of the Board of Directors: 16/16 (100%) Number of ITOCHU Corporation's shares held: 48,465 shares	April 1980 Joined ITOCHU Corporation April 2008 Executive Officer April 2010 Managing Executive Officer June 2010 Member of the Board, Managing Executive Officer April 2014 Member of the Board, Senior Managing Executive Officer (current position) April 2016 Chief Strategy & Information Officer (current position) <u>Reason for the nomination of the candidate for director</u> Since joining ITOCHU Corporation, Mr. Hitoshi Okamoto has primarily engaged in textile-related business. After serving as President of Textile Company and as CSO, since April 2016 he has worked to propose and execute management plans and to strengthen governance as Chief Strategy & Information Officer. As he possesses abundant work experience in ITOCHU Corporation and knowledge of general trading company management overall, we propose him as a candidate for director.
*4	Yoshihisa Suzuki (June 21, 1955) Number of ITOCHU Corporation's shares held: 24,484 shares	April 1979 Joined ITOCHU Corporation April 2000 General Manager, Aerospace and Space Department April 2003 General Manager, Aerospace, Space and Electronics Division June 2003 Executive Officer April 2006 Managing Executive Officer Executive Vice President, ITOCHU International Inc., CAO, ITOCHU International Inc., President & CEO, ITOCHU Canada Ltd. April 2007 President & CEO, ITOCHU International Inc., President & CEO, ITOCHU Canada Ltd. April 2011 Adviser of ITOCHU Corporation June 2011 Executive Vice President, JAMCO Corporation June 2012 Chief Executive Officer, JAMCO Corporation April 2016 Senior Managing Executive Officer of ITOCHU Corporation (current position) President, ICT & Financial Business Company (current position) (Important concurrent occupations or positions) Outside Director, Orient Corporation (scheduled to assume the position) <u>Reason for the nomination of the candidate for director</u> Since joining ITOCHU Corporation, Mr. Yoshihisa Suzuki has primarily engaged in aviation-related business, and served as President of ITOCHU International Inc. Based on his track record of displaying excellent management skills and his experience as Chief Executive Officer of JAMCO Corporation (from June 2012), we propose him as a new candidate for director in order to expand our business in the information and finance sectors.

No.	Name (Date of Birth)	Brief personal history (Important concurrent occupations or positions)
5	Shuichi Koseki (July 2, 1955) Number of Attendance at Meetings of the Board of Directors (since his appointment): 12/12 (100%) Number of ITOCHU Corporation's shares held: 37,400 shares	April 1979 Joined ITOCHU Corporation April 2007 Executive Officer April 2010 Managing Executive officer April 2015 President, Textile Company (current position) June 2015 Member of the Board, Managing Executive Officer April 2016 Member of the Board, Senior Managing Executive Officer (current position) <u>Reason for the nomination of the candidate for director</u> Since joining ITOCHU Corporation, Mr. Shuichi Koseki has primarily engaged in textile-related business and served as CEO for East Asia Bloc. Since April 2015, he has made efforts to expand our business in the textile sector as President of Textile Company. As he possesses abundant work experience in the ITOCHU Corporation and knowledge of general trading company management overall, we propose him as a candidate for director.
6	Eiichi Yonekura (September 26, 1957) Number of Attendance at Meetings of the Board of Directors: 15/16 (94%) Number of ITOCHU Corporation's shares held: 49,105 shares	April 1981 Joined ITOCHU Corporation April 2009 Executive Officer April 2011 Managing Executive Officer April 2014 President, Metals & Minerals Company (current position) June 2014 Member of the Board, Managing Executive Officer April 2016 Member of the Board, Senior Managing Executive Officer (current position) <u>Reason for the nomination of the candidate for director</u> Since joining ITOCHU Corporation, Mr. Eiichi Yonekura has primarily engaged in plant-related business. After serving as General Manager of Corporate Planning & Administration Division and as President of ITOCHU International Inc., since April 2014 he has made efforts to expand our business in the metals sector as President of Metals & Minerals Company. As he possesses abundant work experience in ITOCHU Corporation and knowledge of general trading company management overall, we propose him as a candidate for director.
*7	Masahiro Imai (August 18, 1956) Number of ITOCHU Corporation's shares held: 40,300 shares	April 1980 Joined ITOCHU Corporation April 2004 General Manager, Oil, Gas & Petrochemical Project Department April 2007 General Manager, International Operations Division April 2008 Executive Officer April 2009 Chief Operating Officer, Plant Project & Marine Division April 2012 Managing Executive Officer Chief Operating Officer, Plant Project, Marine & Aerospace Division April 2013 Chief Executive for European Operation CEO, ITOCHU Europe PLC April 2016 Senior Managing Executive Officer of ITOCHU Corporation (current position) President, Energy & Chemicals Company (current position) <u>Reason for the nomination of the candidate for director</u> Since joining ITOCHU Corporation, Mr. Masahiro Imai has primarily engaged in plant-related business and served as Chief Operating Officer of Plant Project & Marine Division. Based on his track record of displaying excellent management skills and his experience as Chief Executive for European Operation (from April 2013), we propose him as a new candidate for director in order to expand our business in the energy and chemicals sectors.

No.	Name (Date of Birth)	Brief personal history (Important concurrent occupations or positions)
8	Fumihiko Kobayashi (June 21, 1957) Number of Attendance at Meetings of the Board of Directors (since his appointment): 12/12 (100%) Number of ITOCHU Corporation's shares held: 61,480 shares	April 1980 Joined ITOCHU Corporation April 2010 Executive Officer April 2013 Managing Executive Officer June 2015 Member of the Board, Managing Executive Officer (current position) April 2016 CAO (current position) <u>Reason for the nomination of the candidate for director</u> Since joining ITOCHU Corporation, Mr. Fumihiko Kobayashi has primarily engaged in human resources-related operations and served as CAO and General Manager of Human Resources & General Affairs Division. Since April 2016, he has worked to propose and execute human resources policy and to construct and operate compliance systems as CAO. As he possesses abundant work experience in ITOCHU Corporation and knowledge of general trading company management overall, we propose him as a candidate for director.
*9	Kazutaka Yoshida (May 7, 1958) Number of ITOCHU Corporation's shares held: 40,200 shares	April 1981 Joined ITOCHU Corporation April 2004 General Manager, Automobile Department No. 2 April 2009 Chief Operating Officer, Isuzu & Construction Machinery Division April 2010 Executive Officer Chief Operating Officer, Automobile & Construction Machinery Division April 2012 Chief Operating Officer, Automobile, Construction Machinery & Industrial Systems Division April 2013 Managing Executive Officer (current position) April 2014 Executive Vice President, Machinery Company Chief Operating Officer, Automobile, Construction Machinery & Industrial Systems Division April 2015 Executive Vice President, Machinery Company April 2016 President, Machinery Company (current position) <u>Reason for the nomination of the candidate for director</u> Since joining ITOCHU Corporation, Mr. Kazutaka Yoshida has primarily engaged in automobile-related business and served as Chief Operating Officer of Automobile & Construction Machinery Division. Based on his track record of displaying excellent management skills and his experience as Executive Vice President of Machinery Company (from April 2014), we propose him as a new candidate for director in order to expand our business in the machinery sector.
10	Tsuyoshi Hachimura (July 6, 1957) Number of Attendance at Meetings of the Board of Directors (since his appointment): 12/12 (100%) Number of ITOCHU Corporation's shares held: 40,700 shares	October 1991 Joined ITOCHU Corporation April 2012 Executive Officer April 2015 Managing Executive Officer June 2015 Member of the Board, Managing Executive Officer (current position) April 2016 CFO (current position) <u>Reason for the nomination of the candidate for director</u> Since joining ITOCHU Corporation, Mr. Tsuyoshi Hachimura has primarily engaged in metals-related business and served as CAO of ITOCHU International Inc. and as CFO and General Manager of Finance Division of ITOCHU Corporation. Since April 2016, he has worked toward the improvement and operation of financial strategy, managerial administration, risk management, and internal control as CFO. As he possesses abundant work experience in ITOCHU Corporation and knowledge of general trading company management overall, we propose him as a candidate for director.

No.	Name (Date of Birth)	Brief personal history (Important concurrent occupations or positions)
*11	Yasuyuki Harada (January 15, 1959) Number of ITOCHU Corporation's shares held: 60,700 shares	April 1982 Joined ITOCHU Corporation April 2007 General Manager, Tire & Rubber Department April 2012 Deputy Chief Operating Officer, Forest Products & General Merchandise Division General Manager, General Merchandise Department April 2013 Executive Officer October 2013 Deputy Chief Operating Officer, Forest Products & General Merchandise Division April 2014 President & CEO, ITOCHU International Inc. April 2015 Managing Executive Officer of ITOCHU Corporation (current position) April 2016 President, General Products & Realty Company (current position) <u>Reason for the nomination of the candidate for director</u> Since joining ITOCHU Corporation, Mr. Yasuyuki Harada has primarily engaged in forest products & general merchandise-related business and served as Deputy Chief Operating Officer of Forest Products & General Merchandise Division. Based on his track record of displaying excellent management skills and his experience as President & CEO of ITOCHU International Inc. (from April 2014), we propose him as a new candidate for director in order to expand our business in the realty and general products sectors.

No.	Name (Date of Birth)	Brief personal history (Important concurrent occupations or positions)
** 12	Ichiro Fujisaki (July 10, 1947) Number of Attendance at Meetings of the Board of Directors: 16/16 (100%) Number of ITOCHU Corporation's shares held: 2,300 shares	April 1969 Joined Ministry of Foreign Affairs Worked in the Embassy of Japan in Indonesia, Permanent Delegation of Japan to the OECD, Budget Bureau, Ministry of Finance August 1987 Counselor, Embassy of Japan in the UK February 1991 Director, Overseas Establishments Division, Minister's Secretariat, Ministry of Foreign Affairs March 1992 Director, Financial Affairs Division, Minister's Secretariat, Ministry of Foreign Affairs February 1994 Deputy Director-General, Asian Affairs Bureau, Ministry of Foreign Affairs July 1995 Minister, Embassy of Japan in the United States of America (Political Affairs) August 1999 Director-General, North American Affairs Bureau, Ministry of Foreign Affairs September 2002 Deputy Minister for Foreign Affairs (Economic Affairs), Ministry of Foreign Affairs January 2005 Ambassador Extraordinary and Plenipotentiary, Permanent representative of Japan to the International Organizations in Geneva April 2008 Ambassador Extraordinary and Plenipotentiary to the United States of America November 2012 Retired from Ministry of Foreign Affairs January 2013 Distinguished Professor, Chairman of International Strategies, Sophia University (current position) June 2013 Member of the Board of ITOCHU Corporation (current position) June 2014 Outside Director, NIPPON STEEL & SUMITOMO METAL CORPORATION (current position) (Important concurrent occupations or positions) Outside Director, NIPPON STEEL & SUMITOMO METAL CORPORATION <u>Reason for the nomination of the candidate for outside director</u> Mr. Ichiro Fujisaki provides apt advice on the management of ITOCHU Corporation from a broad perspective and performs proper supervision of its business execution, drawing on high-level knowledge of international affairs, economic matters, culture, and more, cultivated through many years of experience as a diplomat. While he does not have experience with direct involvement in corporate management other than as an outside director of ITOCHU Corporation and other companies, we have determined that it can continue to leverage his high-level knowledge in its management, and propose him as a candidate for director.

No.	Name (Date of Birth)	Brief personal history (Important concurrent occupations or positions)
** 13	Chikara Kawakita (October 15, 1954) Number of Attendance at Meetings of the Board of Directors: 16/16 (100%) Number of ITOCHU Corporation's shares held: 0 shares	April 1977 Joined Ministry of Finance July 2001 Director, Income Tax and Property Tax Policy Division, Tax Bureau, Ministry of Finance July 2002 Director, Policy Planning and Research Division, Minister's Secretariat, Ministry of Finance July 2004 Director, Management and Co-ordination Division, Minister's Secretariat, Ministry of Finance July 2005 Regional Commissioner, Osaka Regional Taxation Bureau, National Tax Agency July 2007 Deputy Director-General, Tax Bureau, Ministry of Finance July 2008 Deputy Vice Minister for Policy Planning and Co-ordination, Minister's Secretariat, Ministry of Finance July 2009 Director-General, Financial Bureau, Ministry of Finance July 2010 Commissioner, National Tax Agency August 2012 Retired from Ministry of Finance October 2012 Professor, Graduate School of Law, Hitotsubashi University June 2013 Member of the Board of ITOCHU Corporation (current position) October 2014 Vice President, General Insurance Rating Organization of Japan (current position) <u>Reason for the nomination of the candidate for outside director</u> Mr. Chikara Kawakita provides apt advice on the management of ITOCHU Corporation from a broad perspective and performs proper supervision of its business execution, drawing on high-level knowledge of fiscal, finance, taxation, and more, cultivated through many years of experience in the Ministry of Finance and the National Tax Agency. While he does not have experience with direct involvement in corporate management other than as an outside director of ITOCHU Corporation, we have determined that it can continue to leverage his high-level knowledge in its management, and propose him as a candidate for outside director.
*** 14	Atsuko Muraki (December 28, 1955) Number of ITOCHU Corporation's shares held: 0 shares	April 1978 Joined Ministry of Labour October 2005 Counsellor for Policy Evaluation, Minister's Secretariat, Ministry of Health Labour and Welfare September 2006 Deputy Director-General, Equal Employment, Children and Families Bureau, Ministry of Health Labour and Welfare July 2008 Director-General, Equal Employment, Children and Families Bureau, Ministry of Health Labour and Welfare September 2010 Director-General for Policies on Cohesive Society, Cabinet Office September 2012 Director-General, Social Welfare and War Victims' Relief Bureau, Ministry of Health Labour and Welfare July 2013 Vice Minister of Health Labour and Welfare, Ministry of Health Labour and Welfare October 2015 Retired from Ministry of Health Labour and Welfare <u>Reason for the nomination of the candidate for outside director</u> While Ms. Atsuko Muraki has not been directly involved in corporate management, she has extensive experience as a government official, including a succession of key posts in the Ministry of Health Labour and Welfare including Deputy Director-General; Director-General of Equal Employment, Children and Families Bureau; and Vice Minister of Health Labour and Welfare. Accordingly, we have determined that she can provide objective and neutral advice from useful and diverse perspectives concerning the management of ITOCHU Corporation, and propose her as a candidate for outside director.

Notes: 1. All candidates do not have any special interest with ITOCHU Corporation.

2. Mr. Ichiro Fujisaki, Mr. Chikara Kawakita and Ms. Atsuko Muraki are candidates for outside directors. Mr. Ichiro Fujisaki and Mr. Chikara Kawakita are currently outside directors of ITOCHU Corporation, and they will have served in that capacity for three (3) years at the conclusion of this 92nd Ordinary General Meeting of Shareholders. In addition, they are registered as independent directors at Tokyo

Stock Exchange, Inc. We intend to register Ms. Atsuko Muraki with the Tokyo Stock Exchange, Inc. as an independent director.

3. ITOCHU Corporation has entered into an agreement with Mr. Ichiro Fujisaki and Mr. Chikara Kawakita limiting their liability to an amount provided for by laws and regulations as long as there are good faith and no gross negligence. In the event that this proposal is approved, we intend to continue the agreements on limited liability that it has concluded with both persons, and intend to also conclude an agreement on limited liability with Ms. Atsuko Muraki.

   The content of the contract can be summarized as follows:

   • It limits, based on the provisions of Article 427, Paragraph 1 of the Companies Act, responsibility as specified in Article 423, Paragraph 1 of that Act.

   • As long as there are good faith and no gross negligence regarding an outside director's performance of duties, ITOCHU Corporation may limit responsibility to the extent permitted under Article 425, Paragraph 1 of that Act.

ITOCHU Corporation Independence Criteria for Outside Directors and Outside Corporate Auditors

For Outside Directors or Outside Corporate Auditors of ITOCHU Corporation to be qualified as "independent directors/auditors" as defined by the Tokyo Stock Exchange, Inc., they must NOT fall under any of the following items:

A. A person whose major business partner is ITOCHU Corporation or an executing person (Note 1) of such person

- "A person whose major business partner is ITOCHU Corporation" in the above criteria means a person whose accounts receivable from ITOCHU Corporation exceed 2% of such person's consolidated net sales in any one of its last three (3) fiscal years.

B. A person who is a major business partner of ITOCHU Corporation or an executing person of such person

- "A person who is a major business partner of ITOCHU Corporation" in the above criteria means a person to which ITOCHU Corporation's revenues exceed 2% of ITOCHU Corporation's consolidated revenues in any one of ITOCHU Corporation's last three (3) fiscal years.

C. 1. A consultant, an accounting professional, a legal professional, or a tax professional receiving a significant amount of money or other assets from ITOCHU Corporation other than executive remunerations (which shall be read as a consultant, an accounting professional, a legal professional, or a tax professional of an organization if such person receiving the said assets is an organization such as corporation and partnership)

- "A significant amount of money" in the above criteria means, if such person receiving the money is an individual, 10 million yen or higher per year on average of the past three years, or, if such person is an organization, in respect of the payments made by ITOCHU Corporation on average over the last three (3) fiscal years (of such organization), the higher of 10 million yen or 2% of the consolidated gross sales of the organization.

2. A member or a partner of an auditing firm which is Independent Auditor of ITOCHU Corporation, or other accounting professional who undertakes audits on ITOCHU Corporation or its subsidiary.

D. A major shareholder (or its executing person) of ITOCHU Corporation

- "A major shareholder" in the above criteria means a shareholder who directly or indirectly holds 10% or more of voting rights of ITOCHU Corporation.

E. A director or other executing person of an organization (limited to those who are involved in business execution of such organization) to which ITOCHU Corporation has made a significant amount of donation

- "A significant amount of donation" in the above criteria means a donation of an amount exceeding 20 million yen per year on average over the last three (3) fiscal years.

F. A major lender of ITOCHU Corporation, its parent company, or their respective executing person

- "A major lender" of ITOCHU Corporation in the above criteria means the top three (3) companies of the lenders of ITOCHU Corporation in terms of the amount of borrowings in the last fiscal year.

G. A person who was an executing person of ITOCHU Corporation or its subsidiary at a certain point in time during ten (10) years prior to their appointment

H. An executing person of a company which has Director(s) on loan from ITOCHU Corporation

I. 1. In case there is an organization falling under A, B or C-1 above as of their appointment, a person who belonged to such organization at a certain point in time during three (3) years prior to their appointment
2. A person who fell under C-2 above at a certain point in time during three (3) years prior to their appointment
3. In case there is an organization falling under E above as of their appointment, a person who belonged to such organization at a certain point in time during three (3) years prior to their appointment
4. A person who fell under D or F above at a certain point in time during three (3) years prior to their appointment

J. A close relative (Note 2) of a person falling under one of the following items (limited to an important person)
(A) A person falling under any of items A through C above, or a person falling under I-1 or I-2 (For A and B, an "important person" means an executive director, executive officer or corporate officer. For C-1, "important person" means, in case of an organization, a member or a partner of such organization, and for C-2, "important person" means a member, a partner or an accounting professional who directly engages in auditing on ITOCHU Corporation's group)
(B) An executing person of ITOCHU Corporation's subsidiary
(C) A non-executive director or an Accounting Advisor of ITOCHU Corporation's subsidiary (limited to a case where an outside corporate auditor is to be designated as an independent director/auditor)
(D) A person who fell under (B) or (C), or was an executing person of ITOCHU Corporation (including non-executive director if an outside corporate auditor is to be designated as an independent director/ auditor) at a certain point in time during one (1) year prior to their appointment

Note 1: "An executing person" means a person who executes business as provided for in Article 2, Paragraph 3, Item 6 of the Ordinance for Enforcement of the Companies Act.
Note 2: "Close relative" means a relative within the second degree of kinship.

Proposal No. 3: Election of Two (2) Corporate Auditors

The corporate auditor Harutoshi Okita resigned from the office as of March 31, 2016. In addition, the term of office of the current corporate auditor Yoshio Akamatsu will expire at the conclusion of this 92nd Ordinary General Meeting of Shareholders. Accordingly, we hereby propose the election of two (2) corporate auditors.
The candidates for the new corporate auditors are as follows.
The Board of Corporate Auditors has given its accord to this proposal.

* indicates a newly nominated candidate for corporate auditor.

No.	Name (Date of Birth)	Brief personal history (Important concurrent occupations or positions)
1	Yoshio Akamatsu (May 2, 1949) Number of Attendance at Meetings of the Board of Directors: 16/16 (100%) Number of Attendance at Meetings of the Board of Corporate Auditors: 15/15 (100%) Number of ITOCHU Corporation's shares held: 41,540 shares	April 1974 Joined ITOCHU Corporation June 2002 Executive Officer April 2005 Managing Executive Officer April 2010 Senior Managing Executive Officer June 2010 Member of the Board, Senior Managing Executive Officer April 2012 Adviser June 2012 Corporate Auditor (current position) Reason for the nomination of the candidate for corporate auditor Since joining ITOCHU Corporation, Mr. Yoshio Akamatsu has primarily engaged in plant-related business. After serving as CAO•CCO, he assumed the position of corporate auditor in June 2012, and since then has appropriately executed the duties of the position. We have determined that he can continue to supervise and audit the management of ITOCHU Corporation from a neutral and objective perspective, drawing on his extensive experience as a corporate auditor of ITOCHU Corporation, and propose him as a candidate for corporate auditor.
*2	Kiyoshi Yamaguchi (September 10, 1957) Number of ITOCHU Corporation's shares held: 10,400 shares	April 1980 Joined ITOCHU Corporation April 2006 General Manager, Planning & Coordinating Department, Textile Company April 2010 Senior Vice President, General Manager, Textile Division, ITOCHU International Inc. Chairman & CEO, ITOCHU PROMINENT USA LLC. April 2011 Executive Officer of ITOCHU Corporation Executive Vice President, General Manager, Textile Division, ITOCHU International Inc. Chairman & CEO, ITOCHU PROMINENT USA LLC. April 2012 General Manager, Secretariat of ITOCHU Corporation April 2013 Adviser June 2013 President & CEO, ITOCHU FINANCIAL MANAGEMENT Inc. (current position, retirement from office planned for June, 2016) Reason for the nomination of the candidate for corporate auditor Since joining ITOCHU Corporation, Mr. Kiyoshi Yamaguchi has primarily engaged in textile-related business, and possesses abundant experience in a succession of posts including General Manager of Secretariat. Based on his track record of supporting the checks and balances functions of headquarters and his experience as the President of a subsidiary undertaking financial-and accounting-related work for ITOCHU Corporation (from June 2013), we have determined that he can appropriately execute the duties of corporate auditor and propose him as a new candidate for corporate auditor.

Note: Both candidates do not have any special interest with ITOCHU Corporation.

Proposal No. 4: Introduction of Performance-Linked and Share-Based Remuneration for Directors, etc.

Remuneration for Directors of ITOCHU Corporation (excluding Outside Directors; the same applies hereinafter in this proposal) consists of a monthly remuneration and performance-linked bonus.

In respect of the purport and spirit of the "Corporate Governance Code" of Tokyo Stock Exchange, Inc. concerning remuneration plan linked to mid-to long-term results and based on shares, ITOCHU Corporation now requests approval to introduce a performance-linked and share-based remuneration plan (hereinafter, the "Plan"), by which we will perform the delivery of shares of ITOCHU Corporation to Directors and Executive Officers (excluding those that are non-residents of Japan; hereinafter, "Directors, etc."), in accordance with factors including performance. An outline of the Plan is two points as follows:

1. By introduction of the Plan, with respect only to the net profit attributable to ITOCHU (consolidated) exceeding ¥300 billion, to pay 50% of the amount of bonus that would be calculated under the formula for the current performance-linked bonus by means of share-based remuneration in lieu of bonus in cash; and
2. With the view to providing adequate incentive toward further growth of ITOCHU Corporation, to establish an upper limit to provide the share-based remuneration for Directors, etc. based on performance, etc. attained in each fiscal year.

The introduction of the Plan aims to make the linkage between the remuneration for Directors, etc. and ITOCHU Corporation's stock price clearer, and, by having Directors, etc. share not only the merits of stock price increases but also the risks of stock price declines with our shareholders, aims to heighten awareness toward making contributions to improving our performance over the medium and long term and to increasing corporate value. Accordingly, ITOCHU Corporation considers introduction of the Plan justifiable.

The number of Directors eligible for the Plan is eleven (11) (excluding Outside Directors) provided that Proposal No. 2: Election of Fourteen (14) Directors is approved and adopted as proposed. Although remuneration for Executive Officers is included in remuneration under the Plan, given the possibility that Executive Officers may newly be appointed as Directors during the applicable period of the Trust (defined in 2. below), for the entirety of the remuneration under the Plan, the proposal requests approval of said amount and other details as remuneration, etc. for Directors, etc.

Amount and other details of remuneration, etc., under the Plan

1. Overview of the Plan

The Plan is a share-based remuneration scheme by which ITOCHU Corporation's shares are acquired through a trust using money contributed by ITOCHU Corporation, and by which ITOCHU Corporation's shares and an amount of money equivalent to the portion of ITOCHU Corporation's shares converted into cash (hereinafter, "ITOCHU Corporation's Shares, etc.") are delivered and provided (hereinafter, "Delivery, etc.") to Directors, etc. through the trust. (Details are as provided for in 2. below and thereafter.) This proposal requests approval of the shareholders separate from the current limit on remuneration for Directors (up to ¥1.2 billion per year, with bonus of up to ¥1.0 billion per year) that was approved at the 87th Ordinary General Meeting of Shareholders held on June 24, 2011.

(1) Persons eligible for the Delivery, etc. of ITOCHU Corporation's Shares, etc. under this proposal	・ Directors and Executive Officers of ITOCHU Corporation (excluding Outside Directors, and Directors and Executive Officers that are non-residents of Japan)
(2) Impact of ITOCHU Corporation's shares subject to this proposal on the total number of issued shares	
Maximum amount of money contributed by ITOCHU Corporation (as provided for in 2. below)	・ A total of ¥1.5 billion in the applicable period of two fiscal years
Upper limit on the number of ITOCHU Corporation's shares to be acquired by Directors, etc. (including the number of shares subject to	・ The upper limit on the total number of points (number of shares) granted to Directors, etc. during the trust period, with an applicable period of two

conversion into cash) and the method of acquisition of ITOCHU Corporation's shares (as provided for in 3. below)	fiscal years, will be 1,300,000 points (an average of 650,000 points per year), or approximately 0.08% (an average of approximately 0.04% per year) of the total number of issued shares (as of March 31, 2016, after deduction of shares of treasury stock). ・ As ITOCHU Corporation's shares are scheduled to be acquired on the stock market, there will be no dilution of shares.
(3) Contents of the terms of achieving performance targets (as provided for in 3. below)	・ Funds used for performance-linked and share-based remuneration will vary in accordance with the level of net profit attributable to ITOCHU (consolidated) in each fiscal year.
(4) Timing of Delivery, etc. of ITOCHU Corporation's Shares, etc. to Directors, etc. (as provided for in 4. below)	・After retirement from office

2. Maximum amount of money contributed by ITOCHU Corporation

The Plan will be applicable to two consecutive fiscal years (initially, the two fiscal years from the fiscal year ending on the last day of March 2017 to the fiscal year ending on the last day of March 2018, and, in the event of extension of the trust period as provided for below, every two fiscal years thereafter; hereinafter, "Applicable Period").

ITOCHU Corporation contributes, as remuneration for Directors, etc., money up to a total of ¥1.5 billion for every Applicable Period and sets a trust with a trust period of two years and with Directors, etc. that fulfill the requirements for eligible beneficiaries as beneficiaries of the trust (hereinafter, the "Trust"). The Trust purchases the shares of ITOCHU Corporation on the stock market using the trusted money in accordance with the instructions of the trust administrator.

ITOCHU Corporation will, during the trust period, perform grants of points (as provided for in 3. below) to Directors, etc., and, following retirement from office (or, in the case of the death of a Director, etc., following death), Delivery, etc. of ITOCHU Corporation's Shares, etc. corresponding to the accumulated value of points granted (hereinafter, "Accumulated Points") will be performed by the Trust.

At the expiry of the trust period of the Trust, the Trust may be continued by performing amendment to the trust contract or placing an additional trust as an alternative to newly setting the Trust. In this event, the trust period of the Trust will be extended by two years, and the two fiscal years following the extension of the trust period will be the new Applicable Period. ITOCHU Corporation will provide an additional contribution up to a total of ¥1.5 billion for every Applicable Period extended, continue to grant points to Directors, etc. during the Applicable Period extended; provided, however, that, if, in the case of providing the aforesaid additional contribution, there are residual ITOCHU Corporation's shares (excluding shares corresponding to the points granted to Directors, etc. for which Delivery, etc., are incomplete) and money (hereinafter, collectively, "Residual Shares, etc.") in the trust assets on the last day of the Applicable Period prior to the extension, the total of the amount of Residual Shares, etc. and the trust money for additional contribution shall not be more than ¥1.5 billion.

3. Calculation method and maximum amount of ITOCHU Corporation's Shares, etc. acquired by Directors, etc.

In June of every year during the trust period, Directors, etc. who served as a Director, etc. from July 1 of the previous year to the last day of June of said year (hereinafter, the "Applicable Period of Payment"), but excluding persons who retired from office as a Director, etc. before the last day of March of said year, will be granted points in accordance with performance in the fiscal year that ended on March 31 of said year and in accordance with the number of months of service in the Applicable Period of Payment, as a consideration for the performance of duties during the Applicable Period of Payment. Specifically, this will be as indicated below. One point will correspond to one ITOCHU Corporation's share, and fractions of less than one point will be rounded down; provided, however, that, in the event that a share split, consolidation of shares, etc. involving ITOCHU Corporation's shares

occurs during the trust period, the number of ITOCHU Corporation's shares (including the number of shares subject to conversion into cash) per point will be adjusted, in accordance with said split ratio, consolidation ratio, etc.

Points granted to Directors in June of each year
= Individual share-based remuneration amount (Note 1) / Average acquisition stock price of ITOCHU Corporation's shares in the Trust (Note 2) x {(Number of months of service from July, the beginning month of the Applicable Period of Payment, to June of the following year (rounding up fractions of less than one month)) / 12} (rounding down fractions)

Note 1: Individual share-based remuneration amount is calculated on the basis of total share-based remuneration amount, which is calculated as indicated below on the basis of net profit attributable to ITOCHU (consolidated) for the fiscal year that ended on March 31 during the Applicable Period of Payment.

■ Total share-based remuneration amount
= (Net profit attributable to ITOCHU (consolidated) for the fiscal year that ended on March 31 during the Applicable Period of Payment – ¥300.0 billion) x 50% x 0.35% x Sum total of position points of eligible Directors / 55 (rounding up fractions of less than 1 yen)

■ Individual share-based remuneration amount
= Total share-based remuneration amount x Position points of each Director / Sum total of position points of Directors (rounding down fractions of less than 1,000 yen)

Position points

	Position	Position points
Directors	Chairman/President & Chief Executive Officer	10
	Director Executive Vice President	5
	Director Senior Managing Executive Officer	4
	Director Managing Executive Officer	3

Note 2: In the event that the trust period has been extended, this is the average acquisition stock price of ITOCHU Corporation's shares that were acquired by the Trust in accordance with the extension of the trust period. (However, if no ITOCHU Corporation's shares were acquired by the Trust in accordance with the extension of the trust period, then this is the closing stock price of ITOCHU Corporation's shares on the market of Tokyo Stock Exchange, Inc. on the first day of the extended trust period).

Points to be granted to Executive Officers (excluding those serving concurrently as Directors) in June of each year will be calculated using the same method as points for Directors.

Following the retirement from office of a Director, etc., Delivery, etc. of ITOCHU Corporation's Shares, etc. corresponding to the Accumulated Points will be performed.

The upper limit on the total number of points to be granted to Directors, etc. during the trust period of the Trust will be 1,300,000 points for each of the two fiscal years that constitute the Applicable Period (an average of 650,000 points per year). This upper limit on the total number of granted points is set on the basis of the upper limit on the funds of the Trust in 2. above, with reference to the most recent stock price.

4. Timing of Delivery, etc. of ITOCHU Corporation's Shares, etc. to Directors, etc.

A Director, etc. who fulfills the requirements for beneficiaries will, after retirement from office (excluding the case of death), receive delivery of ITOCHU Corporation's shares corresponding to 50% of the Accumulated Points calculated on the basis of 3. above (rounding down shares of less than one unit), and, with regard to the number of ITOCHU Corporation's shares corresponding to the residual number of the points, will receive

provision of money equivalent to those shares, converted into cash within the Trust.

In the event that a Director, etc. who fulfills the requirements for beneficiaries passes away during the trust period, the heir of the Director, etc. will receive provision of money from the Trust equivalent to the number of ITOCHU Corporation's shares corresponding to the Accumulated Points calculated after death, converted into cash within the Trust. In the event that a Director, etc. who fulfills the requirements for beneficiaries is posted overseas during the trust period, with regard to the number of ITOCHU Corporation's shares corresponding to the Accumulated Points at that time, and taking into account the number of days until the overseas posting, (1) if the delivery of shares is possible before the Director, etc. is posted overseas, the Director, etc. will receive the delivery of ITOCHU Corporation's shares equivalent to 50% (rounding down shares of less than one unit), and the provision of money equivalent to the number of ITOCHU Corporation's shares corresponding to the residual number of points, converted to cash; and (2) if the delivery of shares is difficult before the Director, etc. is posted overseas, the Director, etc. will receive the provision of money equivalent to all of the shares, converted into cash within the Trust.

5. Voting rights concerning ITOCHU Corporation's shares in the Trust

In order to ensure neutrality toward management, voting rights of ITOCHU Corporation's shares in the Trust shall not be exercised during the trust period.

6. Handling of dividends of ITOCHU Corporation's shares in the Trust

With regard to dividends paid on ITOCHU Corporation's shares in the Trust, following receipt thereof by the Trust and except where appropriated for purposes of trust fees and trust expenses, an amount equivalent to the per-share dividend will be reserved per point in accordance with the Accumulated Points of Directors, etc. as of the record date, and will be provided to Directors, etc. together with ITOCHU Corporation's Shares, etc. for which Delivery, etc. is performed under 4. above.

7. Other matters of the Plan

Other matters regarding the Plan shall be defined by the Board of Directors each time the Trust is set, an amendment is performed to the trust contract, and additional contribution is made to the Trust.

Information on Exercise of Voting Rights, etc.

The right to vote at the general meeting of shareholders is a principal right of shareholders. Please exercise your voting rights after reading the REFERENCE DOCUMENTS OF THE GENERAL MEETING OF SHAREHOLDERS on pages 44 to 59.
You may exercise your voting rights by one of the following three methods.

1. By attending the general meeting of shareholders

Please submit your Exercise Voting Rights Form to the reception of the meeting. Please also bring this Notice to the meeting.

<The date of the general meeting of shareholders>
June 24, 2016 at 10 a.m.

2. By mail

Please indicate your approval or disapproval to each of the proposals and return it to ITOCHU Corporation by the voting deadline.

<Voting deadline>
Your vote must arrive at ITOCHU Corporation no later than 5 p.m. on June 23, 2016.

3. Via the Internet or other means

If you are not able to attend the general meeting of shareholders, you may exercise your voting rights via the Internet or other means. Please read the detailed instructions in below.

<Voting deadline>
Your vote must be inputted no later than 5 p.m. on June 23, 2016.

Exercise of Voting Rights via the Internet

Please read carefully the explanation described below before exercising your voting rights via the Internet.

1. Procedures

(1) Please access the following website solely set up for the exercise of voting rights designated by ITOCHU Corporation
[Website] http://www.web54.net (This website is available in Japanese only.)
(2) The code and password printed on the right-hand side of the Exercise Voting Rights Form are required.
(3) Shareholders are requested to change the above password to a desired password and exercise the voting rights by following the instructions on the screen.
(For shareholders who received the Notice of the 92nd Ordinary General Meeting of Shareholders by e-mail, the password column therein is shown as "********". Please input the password you have chosen when you registered your e-mail address.)

2. Handling of voting rights that have been exercised multiple times

(1) If you have exercised multiple votes via the Internet, the last vote shall be deemed effective.
(2) If you have exercised your voting rights both via the Internet and by sending the Exercise Voting Rights Form, the last one to arrive at ITOCHU Corporation shall be deemed effective. The exercise of voting rights via the Internet shall be deemed effective if both arrive at ITOCHU Corporation on the same day.

3. Handling of passwords

(1) The password verifies that you are entitled to vote. Please carefully secure it in the same manner as personal identification number. ITOCHU Corporation does not accept any referrals on passwords by telephone or any other means.

(2) In case you exceed a certain number of tries to input your password, the Internet-based voting system will be automatically locked, making further operations unavailable. In case of requesting re-issue of a password, please follow the on-screen guidance for further processing.

4. System requirements

(1) To connect your communication device to the Internet, you might have to pay a connection fee and telecommunication charges (telephone charge) to your service provider and a carrier. Such a fee or charges shall be borne by each shareholder.

(2) Please be noted that this website cannot be accessed by mobile phones.

Inquiries on the Operation of Your PC and Other Communication Terminals

(1) If you are unclear as to the operation of your PC and other devices regarding the exercise of voting rights via the Internet, please contact the following number.

Sumitomo Mitsui Trust Bank, Limited, Stock Transfer Agency Web Support (dedicated line)
Tel: 0120-652-031 (toll free, available only in Japan)
(Service hours: 9 a.m. to 9 p.m.)

(2) In case of other inquiries, please contact the following number.

Sumitomo Mitsui Trust Bank, Limited, Stock Transfer Agency Operation Center
Tel: 0120-782-031 (toll free, available only in Japan)
(Service hours: 9 a.m. to 5 p.m. on weekdays)

Electronic Voting Platform for Institutional Investors

Institutional investors may exercise their voting rights via "Voting Rights Electronic Exercise Platform" operated by ICJ Co., Ltd., if application is made in advance.

End