-Unaudited-

February 3, 2017

Consolidated Financial Results for the Third Quarter of the Fiscal Year 2017 Ending March 31, 2017

[Prepared in conformity with International Financial Reporting Standards]

Company name: ITOCHU Corporation
Stock exchange code: 8001 https://www.itochu.co.jp/en/ir/
President and Chief Executive Officer: Masahiro Okafuji
General Manager, Investor Relations Department: Kazuaki Yamaguchi TEL: 81 - 3 - 3497 - 7295

The date of payout of dividend: -

1. Consolidated operating results for the third quarter of the fiscal year 2017 (from April 1, 2016 to December 31, 2016)

(1) Consolidated operating results (Summary) (%: Changes from the same period of the previous fiscal year)

	Revenues		Trading income (*3)		Profit before tax		Net Profit		Net profit attributable to ITOCHU		Total comprehensive income attributable to ITOCHU	
For the first to third quarter of	millions of yen	%	millions of yen	%	millions of yen	%	millions of yen	%	millions of yen	%	millions of yen	%
Fiscal year 2017	3,471,072	(8.0)	200,812	23.6	393,618	12.8	315,098	0.8	300,336	6.9	275,948	57.4
Fiscal year 2016	3,771,936	(8.6)	162,522	(17.2)	348,850	5.6	312,720	26.6	280,939	21.4	175,335	(58.6)

	Basic earnings per share attributable to ITOCHU	Diluted earnings per share attributable to ITOCHU
For the first to third quarter of	yen	yen
Fiscal year 2017	190.43	190.43
Fiscal year 2016	177.81	177.81

Equity in earnings of associates and joint ventures (millions of yen) 3rd quarter of FY 2017 : 142,508 [+ 23.6%] 3rd quarter of FY 2016 : 115,274 [+ 20.0%]
Total comprehensive income (millions of yen) 3rd quarter of FY 2017 : 291,497 [+ 50.0%] 3rd quarter of FY 2016 : 194,290 [(56.2%)]

(2) Consolidated financial position

	Total assets	Total equity	Total shareholders' equity	Ratio of shareholders' equity to total assets	Shareholders' equity per share
	millions of yen	millions of yen	millions of yen	%	yen
December 31, 2016	8,396,548	2,625,178	2,370,633	28.2	1,512.61
March 31, 2016	8,036,395	2,452,055	2,193,677	27.3	1,388.66

2. Dividend distribution

	Dividend distribution per share				
	End of first quarter	End of second quarter	End of third quarter	Year-end	Annual
	yen	yen	yen	yen	yen
Fiscal year 2016	-	25.00	-	25.00	50.00
Fiscal year 2017	-	27.50	-		
Fiscal year 2017 (Planned)				27.50	55.00

(Note) Revisions to the plan of dividend distribution announced most recently: None

3. Outlook of consolidated operating results for the fiscal year 2017 (from April 1, 2016 to March 31, 2017)

(%: Changes from the previous fiscal year)

	Revenues		Trading income		Profit before tax		Net Profit		Net profit attributable to ITOCHU		Basic earnings per share attributable to ITOCHU
	millions of yen	%	millions of yen	%	millions of yen	%	millions of yen	%	millions of yen	%	yen
Fiscal year 2017	4,600,000	(9.5)	265,000	17.0	475,000	47.2	372,000	34.6	350,000	45.6	221.56

(Note) Revisions to the outlook of consolidated operating results announced most recently: None

4. Other information

(1) Changes in significant subsidiaries accompanied by changes in the consolidation scope: None

(2) Changes in accounting policies and accounting estimates

(a) Changes in accounting policies required by IFRS: None
(b) Other changes: None
(c) Changes in accounting estimates: None

(3) Number of common shares issued

(a) Number of common shares outstanding: (including the number of treasury stock)	3rd quarter of FY 2017	1,662,889,504	Fiscal Year 2016	1,662,889,504
(b) Number of treasury stock:	3rd quarter of FY 2017	95,642,393	Fiscal Year 2016	83,176,232
(c) Average number of common shares outstanding:	3rd quarter of FY 2017	1,577,147,248	3rd quarter of FY 2016	1,579,986,482

[Note]

*1. This document is an English translation of a statement initially written in Japanese. The original Japanese document should be considered as the primary version.

*2. The financial statements contain 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. 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, financial instruments and financial resources. Therefore, 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.

*3. "Trading income" is presented in accordance with Japanese accounting practices.
-"Trading income" = "Gross trading profit" + "Selling, general and administrative expenses" + "Provision for doubtful accounts"

*4. The consolidated financial statements are expressed in Japanese yen and, solely for the convenience of the reader, have been translated into U.S. dollars at the rate of 116.49 yen = 1 U.S. dollar, the exchange rate prevailing on December 31, 2016. The translation should not be construed as a representation that the Japanese yen amounts could be converted into U.S. dollars at the above or any other rate.

*5. "ITOCHU" referred to in the consolidated financial statements represents ITOCHU Corporation.

1. Qualitative Information

(1) Qualitative Information of the Consolidated Operating Results

[For the nine-month period ended December 31, 2016]

(a) General Economic Situation

For the nine-month period ended December 31, 2016, the global economy grew at a sluggish pace overall reflecting that some emerging countries still remained in an economic downturn while others such as China showed signs of recovery, although the U.S. economy increasingly strengthened towards the end of the year due to improvement in domestic employment and income environments and positive expectations for the new president, and the European economy moderately expanded as the uncertainty surrounding the Brexit decision temporarily subsided. The WTI crude oil price recovered from the US$35-40 range per barrel in early April to the mid-US$50s range in the end of December due to the decision of major oil-producing countries including OPEC to reduce oil production.

The economic conditions in Japan continued to be stagnant overall reflecting the drop in exports due to the appreciation of the yen since the beginning of the year, the companies' increasing cautious approach to capital investment accompanying deteriorated corporate earnings, and the delay in the recovery of consumer expenditures.

The yen had appreciated against the U.S. dollar from the ¥112 level in the beginning of April to the ¥100 level due to fading expectations for an increase in interest rates in the U.S. and the disarray surrounding the Brexit decision. However, with the high expectations about the economic policies of the new administration in the U.S. and the interest rate hike in the U.S. in December, the yen depreciated against the U.S. dollar and touched a peak of the ¥117 level in late December. The Nikkei Stock Average recovered to the ¥19,000 level in the end of December due to the depreciation of the yen since the U.S. presidential election, after dipping to below the ¥15,000 level in June due to the appreciation of the yen and the stagnant economy. As the yield on 10-year Japanese government bonds (JGB) had lowered to the minus 0.2% level in late June due to the stagnant economy, it recovered to the positive 0.05% level in the end of December due to the appreciation of the yen and rising stock market.

(b) Consolidated Operating Results

	Billions of Yen				Millions of U.S. Dollars
	Apr.-Dec. 2016	Apr.-Dec. 2015	Increase (Decrease)	%	Apr.-Dec. 2016
Revenues	3,471.1	3,771.9	(300.9)	(8.0%)	29,797
Gross trading profit	792.3	790.4	1.9	0.2%	6,802
Selling, general and administrative expenses	(590.6)	(622.5)	32.0	(5.1%)	(5,070)
Gains on investments	35.4	66.0	(30.5)	(46.3%)	304
Losses on property, plant, equipment and intangible assets	(0.1)	(29.3)	29.2	-	(1)
Equity in earnings of associates and joint ventures	142.5	115.3	27.2	23.6%	1,223
Income tax expense	(78.5)	(36.1)	(42.4)	117.3%	(674)
Net profit attributable to ITOCHU	300.3	280.9	19.4	6.9%	2,578
(Reference) Trading income	200.8	162.5	38.3	23.6%	1,724

(i) Revenues (from external customers)

Decreased by 8.0%, or 300.9 billion yen, compared with the same period of the previous fiscal year to 3,471.1 billion yen (29,797 million U.S. dollars).

- Energy & Chemicals Company:
  Decreased by 130.8 billion yen compared with the same period of the previous fiscal year to 1,021.1 billion yen (8,765 million U.S. dollars), due to the lower sales prices in energy-related companies and energy trading transactions, and the appreciation of the yen.

- Textile Company:
  Decreased by 45.4 billion yen compared with the same period of the previous fiscal year to 386.9 billion yen (3,321 million U.S. dollars), due to the unfavorable sales in apparel-related companies.

- Machinery Company:
  Decreased by 38.8 billion yen compared with the same period of the previous fiscal year to 261.2 billion yen (2,242 million U.S. dollars), due to the conversion of an automobile-related subsidiary to investments accounted for by the equity method in the previous fiscal year and the appreciation of the yen.

- General Products & Realty Company:
  Decreased by 38.8 billion yen compared with the same period of the previous fiscal year to 383.4 billion yen (3,291 million U.S. dollars), due to the de-consolidation of a housing-materials-related company in the U.S. in the same period of the previous fiscal year and the appreciation of the yen.

(ii) Gross trading profit

Increased by 0.2%, or 1.9 billion yen, compared with the same period of the previous fiscal year to 792.3 billion yen (6,802 million U.S. dollars).

- Metals & Minerals Company:
  Increased by 13.8 billion yen compared with the same period of the previous fiscal year to 39.0 billion yen (335 million U.S. dollars), due to the higher iron ore and coal prices and the reduction of costs in iron ore and coal-related business, despite the appreciation of the yen.

- Food Company:
  Increased by 13.2 billion yen compared with the same period of the previous fiscal year to 208.7 billion yen (1,792 million U.S. dollars), due to the improvement in profitability in fresh-food-related and food-distribution-related companies.

- ICT & Financial Business Company:
  Increased by 4.6 billion yen compared with the same period of the previous fiscal year to 116.1 billion yen (997 million U.S. dollars), due to the higher transaction volume in domestic ICT-related companies.

- General Products & Realty Company:
  Decreased by 13.8 billion yen compared with the same period of the previous fiscal year to 105.0 billion yen (901 million U.S. dollars), due to the de-consolidation of a housing-materials-related company in the U.S. in the same period of the previous fiscal year and the appreciation of the yen, despite the stable performance in apartment/condominium-related companies.

・ Machinery Company:
Decreased by 13.3 billion yen compared with the same period of the previous fiscal year to 75.3 billion yen (646 million U.S. dollars), due to the conversion of an automobile-related subsidiary to investments accounted for by the equity method in the previous fiscal year, deterioration in profitability in ship-related business affected by stagnant market conditions, the lower transaction volume in automobile-related transactions, and the appreciation of the yen.

(iii) Selling, general and administrative expenses

Decreased by 5.1%, or 32.0 billion yen, compared with the same period of the previous fiscal year to 590.6 billion yen (5,070 million U.S. dollars), due to the improvement of expenses in the Textile sector, the lower expenses in foreign companies accompanying the appreciation of the yen, and the de-consolidation of a housing-materials-related company in the U.S. in the same period of the previous fiscal year, despite higher expenses accompanying rise in revenues in certain existing companies.

(iv) Gains on investments

Decreased by 46.3%, or 30.5 billion yen, compared with the same period of the previous fiscal year to 35.4 billion yen (304 million U.S. dollars), due to the absence of the gain on sales of a housing-materials-related company in the U.S. and an extraordinary gain regarding a finance-related company in the same period of the previous fiscal year, despite the gain accompanying the changes in equity resulting from the merger of FamilyMart and UNY Holdings.

(v) Losses on property, plant, equipment and intangible assets

Improved 29.2 billion yen compared with the same period of the previous fiscal year to 0.1 billion yen (losses) (1 million U.S. dollars), due to the recognition of the impairment loss in the North Sea oil fields development project in the same period of the previous fiscal year.

(vi) Equity in earnings of associates and joint ventures

Increased by 23.6%, or 27.2 billion yen, compared with the same period of the previous fiscal year to 142.5 billion yen (1,223 million U.S. dollars).

・ Others, Adjustments & Eliminations(*)
Increased by 37.4 billion yen compared with the same period of the previous fiscal year to 59.1 billion yen (507 million U.S. dollars), due to the start of equity pick-up of CITIC Limited from the third quarter of the previous fiscal year and other factors.

・ Energy & Chemicals Company:
Increased by 2.4 billion yen compared with the same period of the previous fiscal year to 3.0 billion yen (25 million U.S. dollars), due to the absence of the effect of the scheduled maintenance of methanol-related companies.

・ Metals & Minerals Company:
Decreased by 9.1 billion yen compared with the same period of the previous fiscal year to 11.6 billion yen (100 million U.S. dollars), due to the discontinued recognition of investments accounted for by the equity method of a Brazilian iron ore company in the same period of the previous fiscal year.

・ General Products & Realty Company:
Decreased by 4.4 billion yen compared with the same period of the previous fiscal year to 8.3 billion yen (71 million U.S. dollars), due to the stagnant market conditions and foreign currency translation in foreign pulp-related companies.

(*)Others, Adjustments & Eliminations includes gains and losses which cannot be allocated to each operating segment and internal eliminations between operating segments. For more details, please refer to page 15, "4. (5) Operating Segment Information".

(vii) Income tax expense

Increased by 117.3%, or 42.4 billion yen, compared with the same period of the previous fiscal year to 78.5 billion yen (674 million U.S. dollars), due to the absence of the improvement in tax expenses accompanying the disposal of a U.S. oil and gas development company in the same period of the previous fiscal year.

(viii) Net profit attributable to ITOCHU

Consequently, Net profit attributable to ITOCHU increased by 6.9%, or 19.4 billion yen, compared with the same period of the previous fiscal year to 300.3 billion yen (2,578 million U.S. dollars).

(Reference) Trading Income

"Trading Income" in accordance with Japanese accounting practices ("Trading income" = "Gross trading profit" + "Selling, general and administrative expenses" + "Provision for doubtful accounts") increased by 23.6%, or 38.3 billion yen, compared with the same period of the previous fiscal year to 200.8 billion yen (1,724 million U.S. dollars).

- Metals & Minerals Company:
  Increased by 17.2 billion yen compared with the same period of the previous fiscal year to 26.3 billion yen (225 million U.S. dollars), due to the higher iron ore and coal prices and the reduction of costs in iron ore and coal-related business, despite the appreciation of the yen.

- Food Company:
  Increased by 10.7 billion yen compared with the same period of the previous fiscal year to 47.8 billion yen (410 million U.S. dollars), due to the improvement in profitability in fresh-food-related and food-distribution-related companies.

- ICT & Financial Business Company:
  Increased by 5.4 billion yen compared with the same period of the previous fiscal year to 23.1 billion yen (198 million U.S. dollars), due to the higher transaction volume in domestic ICT-related companies.

(2) Qualitative Information of the Consolidated Financial Position

(a) Consolidated Financial Position

	Billions of Yen				Millions of U.S. Dollars
	Dec. 2016	Mar. 2016	Increase (Decrease)	%	Dec. 2016
Total assets	8,396.5	8,036.4	360.2	4.5%	72,080
Interest-bearing debt	3,072.9	3,196.2	(123.3)	(3.9%)	26,379
Net interest-bearing debt	2,471.6	2,555.6	(84.1)	(3.3%)	21,217
Total shareholders' equity	2,370.6	2,193.7	177.0	8.1%	20,351
Ratio of shareholders' equity to total assets	28.2%	27.3%	Increased 0.9pt		
NET DER (times)	1.04	1.17	Improved 0.1pt		

(i) Total assets

Increased by 4.5%, or 360.2 billion yen, compared with March 31, 2016 to 8,396.5 billion yen (72,080 million U.S. dollars). This increase was due to the increased trade receivables and inventories accompanying the seasonal factors in food-distribution-related companies and the higher oil prices in energy trading transactions, and the additional investments and merging transaction relating to FamilyMart and UNY Holdings.

(ii) Interest-bearing debt

Decreased by 3.9%, or 123.3 billion yen, compared with March 31, 2016 to 3,072.9 billion yen (26,379 million U.S. dollars), due to the repayment of debt accompanying the large surplus of free cash flows through the stable performance in operating revenue and steady collections. Net interest-bearing debt (Interest-bearing debt after deducting Cash and cash equivalents and Time deposits) decreased by 3.3%, or 84.1 billion yen, compared with March 31, 2016 to 2,471.6 billion yen (21,217 million U.S. dollars).

(iii) Total shareholders' equity

Increased by 8.1%, or 177.0 billion yen, compared with March 31, 2016 to 2,370.6 billion yen (20,351 million U.S. dollars), due to the increase in Net profit attributable to ITOCHU during this fiscal year, despite the dividend payments, the effect of foreign currency translation, and the acquisition of treasury stock.

(iv) Ratio of shareholders' equity to total assets and NET DER (Net debt-to-shareholders' equity ratio)

Ratio of shareholders' equity to total assets increased by 0.9 points compared with March 31, 2016 to 28.2%. NET DER (Net debt-to-shareholders' equity ratio) improved compared with March 31, 2016 to 1.04 times.

(b) Consolidated Cash Flows

	Billions of Yen		Millions of U.S. Dollars
	Apr.-Dec. 2016	Apr.-Dec. 2015	Apr.-Dec. 2016
Cash flows from operating activities	232.3	253.7	1,994
Cash flows from investing activities	(31.8)	(788.2)	(273)
Free cash flows.....	*200.5*	*(534.5)*	*1,721*
Cash flows from financing activities	(242.6)	466.2	(2,083)

(i) Cash flows from operating activities

Recorded a net cash-inflow of 232.3 billion yen (1,994 million U.S. dollars), resulting from the stable performance in operating revenue in the Metals & Minerals, Energy, Food, and ICT sectors.

(ii) Cash flows from investing activities

Recorded a net cash-outflow of 31.8 billion yen (273 million U.S. dollars) mainly due to the acquisition of fixed assets in the Food, ICT and Metals & Minerals sectors, and the additional investment relating to FamilyMart and UNY Holdings.

(iii) Cash flows from financing activities

Recorded a net cash-outflow of 242.6 billion yen (2,083 million U.S. dollars) due to the repayment of debt, the dividend payments, and the acquisition of treasury stock.

Consequently, Cash and cash equivalents as of December 31, 2016 decreased by 41.3 billion yen to 591.6 billion yen (5,079 million U.S. dollars) compared with March 31, 2016.

2. Summary Information (Notes)

(1) Changes in significant subsidiaries accompanied by changes in the consolidation scope: None

(2) Changes in accounting policies and accounting estimates

(a) Changes in accounting policies required by IFRS: None
(b) Other changes: None
(c) Changes in accounting estimates: None

3. Outlook for the Fiscal Year 2017

Looking ahead to the fourth quarter of the fiscal year ending March 31, 2017, we expect that the global economy will gradually turn towards recovery since the U.S. and Eurozone economies are expected to continue to expand despite the risk of financial markets destabilization accompanying the inauguration of the new U.S. president and the Brexit decision. The economic outlook in emerging countries is expected to remain unpredictable since many of them are largely affected by foreign exchange markets and natural resource prices and the Chinese economy is being suppressed by the saturated effects of government measures and continued structural economic reforms despite stable consumer spending. The WTI crude oil price is expected to stay flat at the US$50-55 level due to increased oil production mainly in the U.S., the coal price, which surged in the latter half of the last year due to supply restrictions, is expected to continue to decline due to the normalization of supply, and the iron ore price seems to weaken reflecting sluggish growth in demand for steel.

In Japan, although its economic conditions are expected to be firm due to signs of recovery in consumer spending and the support of the government stimulus package, the changes in overseas situations may cause the appreciation of the yen and place downward pressure on its economy. In addition, attention should be paid to the effects of the amendment of tax system on corporate performance.

The forecast for the annual consolidated Net Profit attributable to ITOCHU in the fiscal year ending March 31, 2017 will remain unchanged since last announced on November 2, 2016.

For your attention, these forecasts are forward-looking statements that are based on management's assumptions and beliefs based on information currently available and involve risks and uncertainties. Thus, the actual results could be substantially different from the above statement due to such factors including, but not limited to, global economic and market conditions, and currency exchange rate fluctuations.

Distribution of the current fiscal year's profit

ITOCHU Corporation plans to pay dividends of 55.0 yen per share (minimum) for the fiscal year ending March 31, 2017 (interim dividend of 27.5 yen per share has already been paid).

4. Quarterly Consolidated Financial Statements［Condensed］

(1) Consolidated Statement of Comprehensive Income［Condensed］

ITOCHU Corporation and its Subsidiaries

For the nine-month periods ended December 31, 2016 and 2015

	Millions of Yen		Millions of U.S. Dollars
	Apr.-Dec. 2016	Apr.-Dec. 2015	**Apr.-Dec. 2016**
Revenues:			
Revenues from sale of goods	**¥ 2,940,139**	¥ 3,234,344	**$ 25,239**
Revenues from rendering of services and royalties	**530,933**	537,592	**4,558**
Total revenues	**3,471,072**	3,771,936	**29,797**
Cost:			
Cost of sale of goods	**(2,284,931)**	(2,584,523)	**(19,615)**
Cost of rendering of services and royalties	**(393,813)**	(396,971)	**(3,380)**
Total cost	**(2,678,744)**	(2,981,494)	**(22,995)**
Gross trading profit	**792,328**	790,442	**6,802**
Other gains (losses):			
Selling, general and administrative expenses	**(590,566)**	(622,549)	**(5,070)**
Provision for doubtful accounts	**(950)**	(5,371)	**(8)**
Gains on investments	**35,441**	65,964	**304**
Losses on property, plant, equipment and intangible assets	**(101)**	(29,334)	**(1)**
Other-net	**7,677**	9,975	**66**
Total other-losses	**(548,499)**	(581,315)	**(4,709)**
Financial income (loss):			
Interest income	**19,540**	20,649	**168**
Dividends received	**9,593**	25,329	**82**
Interest expense	**(21,852)**	(21,529)	**(187)**
Total financial income	**7,281**	24,449	**63**
Equity in earnings of associates and joint ventures	**142,508**	115,274	**1,223**
Profit before tax	**393,618**	348,850	**3,379**
Income tax expense	**(78,520)**	(36,130)	**(674)**
Net Profit	**315,098**	312,720	**2,705**
Net profit attributable to ITOCHU	**300,336**	280,939	**2,578**
Net profit attributable to non-controlling interests	**14,762**	31,781	**127**

	Millions of Yen		Millions of U.S. Dollars
	Apr.-Dec. 2016	Apr.-Dec. 2015	**Apr.-Dec. 2016**
Other comprehensive income, net of tax:			
Items that will not be reclassified to profit or loss			
FVTOCI financial assets	**¥ 21,213**	¥ (47,396)	**$ 182**
Remeasurement of net defined pension liability	**(177)**	(147)	**(2)**
Other comprehensive income in associates and joint ventures	**104**	(1,774)	**1**
Items that will be reclassified to profit or loss			
Translation adjustments	**(4,998)**	(24,018)	**(43)**
Cash flow hedges	**3,547**	(2,038)	**30**
Other comprehensive income in associates and joint ventures	**(43,290)**	(43,057)	**(371)**
Total other comprehensive loss, net of tax	**(23,601)**	(118,430)	**(203)**
Total comprehensive income	**291,497**	194,290	**2,502**
Total comprehensive income attributable to ITOCHU	**275,948**	175,335	**2,369**
Total comprehensive income attributable to non-controlling interests	**15,549**	18,955	**133**

Note 1: The gains and losses on disposal and remeasurement of equity financial instruments, of which the changes in fair value are recorded in other comprehensive income, are recognized in "FVTOCI financial assets".

Note 2: "Trading income" is presented in accordance with Japanese accounting practices.
("Trading income" = "Gross trading profit" + "Selling, general and administrative expenses" + "Provision for doubtful accounts")
Trading income for the nine-month periods ended December 31, 2016 and 2015 were 200,812 million yen (1,724 million U.S. dollars) and 162,522 million yen, respectively.

(2) Consolidated Statement of Financial Position［Condensed］

ITOCHU Corporation and its Subsidiaries

As of December 31, 2016 and March 31, 2016

Assets	Millions of Yen		Millions of U.S. Dollars
	Dec. 2016	Mar. 2016	**Dec. 2016**
Current assets:			
Cash and cash equivalents	**¥ 591,621**	¥ 632,871	**$ 5,079**
Time deposits	**9,714**	7,650	**83**
Trade receivables	**2,093,375**	1,843,541	**17,970**
Other current receivables	**91,049**	129,769	**782**
Other current financial assets	**51,484**	35,485	**442**
Inventories	**827,845**	717,124	**7,107**
Advances to suppliers	**189,718**	194,317	**1,629**
Other current assets	**108,854**	106,745	**934**
Total current assets	**3,963,660**	3,667,502	**34,026**
Non-current assets:			
Investments accounted for by the equity method	**1,606,416**	1,500,094	**13,790**
Other investments	**829,643**	804,585	**7,122**
Non-current receivables	**658,458**	634,324	**5,652**
Non-current financial assets other than investments and receivables	**103,052**	133,202	**885**
Property, plant and equipment	**678,965**	701,565	**5,829**
Investment property	**27,837**	29,132	**239**
Goodwill and intangible assets	**385,071**	405,862	**3,306**
Deferred tax assets	**48,369**	63,814	**415**
Other non-current assets	**95,077**	96,315	**816**
Total non-current assets	**4,432,888**	4,368,893	**38,054**
Total assets	**¥ 8,396,548**	¥ 8,036,395	**$ 72,080**

Liabilities and Equity	Millions of Yen		Millions of U.S. Dollars
	Dec. 2016	Mar. 2016	**Dec. 2016**
Current liabilities:			
Short-term debentures and borrowings	**¥ 466,128**	¥ 426,820	**$ 4,001**
Trade payables	**1,749,921**	1,469,505	**15,022**
Other current payables	**68,520**	67,837	**588**
Other current financial liabilities	**45,172**	25,164	**388**
Current tax liabilities	**18,474**	29,375	**159**
Advances from customers	**169,720**	170,194	**1,457**
Other current liabilities	**290,019**	284,303	**2,490**
Total current liabilities	**2,807,954**	2,473,198	**24,105**
Non-current liabilities:			
Long-term debentures and borrowings	**2,606,766**	2,769,345	**22,378**
Other non-current financial liabilities	**100,526**	105,722	**863**
Non-current liabilities for employee benefits	**67,670**	67,639	**581**
Deferred tax liabilities	**114,014**	79,637	**979**
Other non-current liabilities	**74,440**	88,799	**638**
Total non-current liabilities	**2,963,416**	3,111,142	**25,439**
Total liabilities	**5,771,370**	5,584,340	**49,544**
Equity:			
Common stock:			
Authorized: 3,000,000,000 shares;			
issued: 1,662,889,504 shares	**253,448**	253,448	**2,176**
Capital surplus	**157,620**	156,688	**1,353**
Retained earnings	**1,963,388**	1,748,375	**16,855**
Other components of equity:			
Translation adjustments	**149,612**	202,795	**1,284**
FVTOCI financial assets	**(28,142)**	(51,630)	**(242)**
Cash flow hedges	**(2,960)**	(10,415)	**(25)**
Total other components of equity	**118,510**	140,750	**1,017**
Treasury stock	**(122,333)**	(105,584)	**(1,050)**
Total shareholders' equity	**2,370,633**	2,193,677	**20,351**
Non-controlling interests	**254,545**	258,378	**2,185**
Total equity	**2,625,178**	2,452,055	**22,536**
Total liabilities and equity	**¥ 8,396,548**	¥ 8,036,395	**$ 72,080**

(3) Consolidated Statement of Changes in Equity［Condensed］

ITOCHU Corporation and its Subsidiaries

For the nine-month periods ended December 31, 2016 and 2015

	Millions of Yen		Millions of U.S. Dollars
	Apr.-Dec. 2016	Apr.-Dec. 2015	**Apr.-Dec. 2016**
Common stock:			
Balance at the beginning of the period	**¥ 253,448**	¥ 253,448	**$ 2,176**
Balance at the end of the period	**¥ 253,448**	¥ 253,448	**$ 2,176**
Capital surplus:			
Balance at the beginning of the period	**¥ 156,688**	¥ 164,154	**$ 1,345**
Net change in sale (purchase) of subsidiary shares to (from) non-controlling interests	**932**	(6,285)	**8**
Balance at the end of the period	**¥ 157,620**	¥ 157,869	**$ 1,353**
Retained earnings:			
Balance at the beginning of the period	**¥ 1,748,375**	¥ 1,587,318	**$ 15,009**
Net profit attributable to ITOCHU	**300,336**	280,939	**2,578**
Transfer from other components of equity	**(2,286)**	268	**(19)**
Cash dividends	**(83,037)**	(75,922)	**(713)**
Balance at the end of the period	**¥ 1,963,388**	¥ 1,792,603	**$ 16,855**
Other components of equity:			
Balance at the beginning of the period	**¥ 140,750**	¥ 532,424	**$ 1,208**
Other comprehensive income attributable to ITOCHU	**(24,388)**	(105,604)	**(209)**
Transfer to retained earnings	**2,286**	(268)	**19**
Transfer to non-financial assets	**-**	(9,806)	**-**
Net change in sale (purchase) of subsidiary shares to (from) non-controlling interests	**(138)**	(36)	**(1)**
Balance at the end of the period	**¥ 118,510**	¥ 416,710	**$ 1,017**
Treasury stock:			
Balance at the beginning of the period	**¥ (105,584)**	¥ (104,142)	**$ (906)**
Net change in treasury stock	**(16,749)**	(1,483)	**(144)**
Balance at the end of the period	**¥ (122,333)**	¥ (105,625)	**$ (1,050)**
Total shareholders' equity	**¥ 2,370,633**	¥ 2,515,005	**$ 20,351**
Non-controlling interests:			
Balance at the beginning of the period	**¥ 258,378**	¥ 315,049	**$ 2,218**
Net profit attributable to non-controlling interests	**14,762**	31,781	**127**
Other comprehensive income attributable to non-controlling interests	**787**	(12,826)	**6**
Cash dividends to non-controlling interests	**(8,584)**	(7,951)	**(74)**
Net change in sale (purchase) of subsidiary shares to (from) non-controlling interests	**(10,798)**	(60,077)	**(92)**
Balance at the end of the period	**¥ 254,545**	¥ 265,976	**$ 2,185**
Total equity	**¥ 2,625,178**	¥ 2,780,981	**$ 22,536**

(4) Consolidated Statement of Cash Flows [Condensed] -Unaudited-

ITOCHU Corporation and its Subsidiaries

For the nine-month periods ended December 31, 2016 and 2015

	Millions of Yen		Millions of U.S. Dollars
	Apr.-Dec. 2016	Apr.-Dec. 2015	**Apr.-Dec. 2016**
Cash flows from operating activities:			
Net profit	**¥ 315,098**	¥ 312,720	**$ 2,705**
Adjustments to reconcile net profit to net cash provided by operating activities			
Depreciation and amortization	**79,408**	91,159	**682**
Provision for doubtful accounts	**950**	5,371	**8**
(Gains) losses on investments	**(35,441)**	(65,964)	**(304)**
(Gains) losses on property, plant, equipment and intangible assets	**101**	29,334	**1**
Financial (income) loss	**(7,281)**	(24,449)	**(63)**
Equity in earnings of associates and joint ventures	**(142,508)**	(115,274)	**(1,223)**
Income tax expense	**78,520**	36,130	**674**
Changes in assets and liabilities, other-net	**(66,903)**	(20,287)	**(575)**
Proceeds from interest	**19,535**	13,479	**168**
Proceeds from dividends	**60,389**	77,001	**518**
Payments for interest	**(17,089)**	(20,469)	**(147)**
Payments for income taxes	**(52,467)**	(65,068)	**(450)**
Net cash provided by (used in) operating activities	**232,312**	253,683	**1,994**
Cash flows from investing activities:			
Net change in investments accounted for by the equity method	**(8,390)**	90,392	**(72)**
Net change in other investments	**(11,392)**	76,740	**(98)**
Net change in loans receivable	**44,413**	(897,621)	**381**
Net change in property, plant, equipment and intangible assets	**(54,462)**	(57,999)	**(467)**
Net change in time deposits	**(2,008)**	292	**(17)**
Net cash provided by (used in) investing activities	**(31,839)**	(788,196)	**(273)**
Cash flows from financing activities:			
Net change in debentures and loans payable	**(134,788)**	614,450	**(1,157)**
Cash dividends	**(83,037)**	(75,922)	**(713)**
Other	**(24,778)**	(72,356)	**(213)**
Net cash provided by (used in) financing activities	**(242,603)**	466,172	**(2,083)**
Net change in cash and cash equivalents	**(42,130)**	(68,341)	**(362)**
Cash and cash equivalents at the beginning of the period	**632,871**	700,292	**5,433**
Effect of exchange rate changes on cash and cash equivalents	**880**	317	**8**
Cash and cash equivalents at the end of the period	**¥ 591,621**	¥ 632,268	**$ 5,079**

(5) Operating Segment Information

ITOCHU Corporation and its Subsidiaries
For the nine-month periods ended December 31, 2016 and 2015

Information concerning operations in different operating segments for the nine-month periods ended December 31, 2016 and 2015 is as follows:

For the nine-month period ended December 31, 2016 (April 1, 2016 -December 31, 2016)

Millions of Yen

	Textile	Machinery	Metals & Minerals	Energy & Chemicals	Food	General Products & Realty	ICT & Financial Business	Others, Adjustments & Eliminations	Consolidated
Revenues:									
Revenues from external customers	**¥ 386,873**	**¥ 261,192**	**¥ 131,717**	**¥ 1,021,060**	**¥ 804,223**	**¥ 383,390**	**¥ 463,324**	**¥ 19,293**	**¥ 3,471,072**
Intersegment revenues	**365**	**1**	**-**	**679**	**276**	**10,102**	**4,822**	**(16,245)**	**-**
Total revenues	**387,238**	**261,193**	**131,717**	**1,021,739**	**804,499**	**393,492**	**468,146**	**3,048**	**3,471,072**
Gross trading profit	**99,981**	**75,263**	**39,025**	**134,189**	**208,694**	**104,991**	**116,113**	**14,072**	**792,328**
Trading income	**19,224**	**18,342**	**26,263**	**33,378**	**47,796**	**24,140**	**23,110**	**8,559**	**200,812**
Net profit attributable to ITOCHU	**20,930**	**37,602**	**24,716**	**17,059**	**63,045**	**26,629**	**26,967**	**83,388**	**300,336**
[Equity in earnings of associates and joint ventures]	**[4,961]**	**[19,047]**	**[11,596]**	**[2,970]**	**[15,045]**	**[8,298]**	**[21,515]**	**[59,076]**	**[142,508]**
Total assets at December 31, 2016	**518,731**	**987,520**	**884,999**	**1,174,443**	**1,977,647**	**857,012**	**670,772**	**1,325,424**	**8,396,548**

For the nine-month period ended December 31, 2015 (April 1, 2015 -December 31, 2015)

Millions of Yen

	Textile	Machinery	Metals & Minerals	Energy & Chemicals	Food	General Products & Realty	ICT & Financial Business	Others, Adjustments & Eliminations	Consolidated
Revenues:									
Revenues from external customers	¥ 432,233	¥ 300,021	¥ 146,996	¥ 1,151,852	¥ 814,221	¥ 422,193	¥ 447,708	¥ 56,712	¥ 3,771,936
Intersegment revenues	360	1	-	687	243	9,712	4,444	(15,447)	-
Total revenues	432,593	300,022	146,996	1,152,539	814,464	431,905	452,152	41,265	3,771,936
Gross trading profit	104,035	88,591	25,262	138,816	195,501	118,816	111,554	7,867	790,442
Trading income	19,033	22,841	9,104	35,479	37,145	23,686	17,679	(2,445)	162,522
Net profit attributable to ITOCHU	23,231	40,340	20,073	45,857	34,853	46,760	36,784	33,041	280,939
[Equity in earnings of associates and joint ventures]	[7,961]	[18,091]	[20,732]	[610]	[13,558]	[12,669]	[19,965]	[21,688]	[115,274]
Total assets at December 31, 2015	562,855	1,083,636	1,097,590	1,245,301	1,953,479	897,446	672,214	1,722,158	9,234,679
Total assets at March 31, 2016	524,452	978,067	876,386	1,077,095	1,723,074	810,803	684,806	1,361,712	8,036,395

For the nine-month period ended December 31, 2016 (April 1, 2016 -December 31, 2016)

Millions of U.S. Dollars

	Textile	Machinery	Metals & Minerals	Energy & Chemicals	Food	General Products & Realty	ICT & Financial Business	Others, Adjustments & Eliminations	Consolidated
Revenues:									
Revenues from external customers	**$ 3,321**	**$ 2,242**	**$ 1,131**	**$ 8,765**	**$ 6,904**	**$ 3,291**	**$ 3,977**	**$ 166**	**$ 29,797**
Intersegment revenues	**3**	**0**	**-**	**6**	**2**	**87**	**41**	**(139)**	**-**
Total revenues	**3,324**	**2,242**	**1,131**	**8,771**	**6,906**	**3,378**	**4,018**	**27**	**29,797**
Gross trading profit	**858**	**646**	**335**	**1,152**	**1,792**	**901**	**997**	**121**	**6,802**
Trading income	**165**	**158**	**225**	**287**	**410**	**207**	**198**	**74**	**1,724**
Net profit attributable to ITOCHU	**180**	**323**	**212**	**146**	**541**	**229**	**231**	**716**	**2,578**
[Equity in earnings of associates and joint ventures]	**[43]**	**[163]**	**[100]**	**[25]**	**[129]**	**[71]**	**[185]**	**[507]**	**[1,223]**
Total assets at December 31, 2016	**4,453**	**8,478**	**7,597**	**10,082**	**16,977**	**7,357**	**5,758**	**11,378**	**72,080**

Note 1: "Equity in earnings of associates and joint ventures" is included in Net profit attributable to ITOCHU.
Note 2: "Trading income" = "Gross trading profit" + "Selling, general and administrative expenses" + "Provision for doubtful accounts"
Note 3: Others, Adjustments & Eliminations includes gains and losses which cannot be allocated to each operating segment and internal eliminations between operating segments. The investments against CITIC Limited and C.P. Pokphand Co. Ltd. and the profits and losses from them are included in this segment.
Note 4: Effective from April 1, 2016, ITOCHU 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].

(6) Assumption for Going Concern: None

(7) Information Concerning Dividend Payments

(Dividend payments in the nine-month period ended December 31, 2016)

Resolution	Stock type	Total dividend amount	Dividend resource	Dividend per share	Record date	Effective date
General meeting of Shareholders on June 24, 2016	Common Stock	39,541 million yen	Retained earnings	25.00 yen	March 31, 2016	June 27, 2016
Board of directors meeting on November 2, 2016	Common Stock	43,495 million yen	Retained earnings	27.50 yen	September 30, 2016	December 2, 2016

(8) Significant Changes in Shareholders' Equity: None

(9) Material Subsequent Events: None