February 5, 2019

-Unaudited-

Consolidated Financial Results for the Third Quarter of the Fiscal Year 2019 ending March 31, 2019

[Prepared in conformity with International Financial Reporting Standards]

Company name: ITOCHU Corporation
Stock exchange code: 8001 https://www.itochu.co.jp/en/ir/
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The date of payout of dividend: -

1. Consolidated operating results for the third quarter of the fiscal year 2019 (from April 1, 2018 to December 31, 2018)

(1) Consolidated operating results (Summary)

(%: Changes from the same period of the previous fiscal year)

	Revenues		Trading income (*4)		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 2019	8,626,834	114.6	271,035	17.0	550,102	19.8	431,536	13.4	397,551	11.3	361,637	(21.8)
Fiscal Year 2018	4,019,802	15.8	231,644	15.4	459,045	16.6	380,377	20.7	357,132	18.9	462,527	67.6

	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 2019	256.64	-
Fiscal Year 2018	230.02	-

Equity in earnings of associates and joint ventures (millions of yen) 3rd quarter of FY 2019: 48,692 [(71.4%)] 3rd quarter of FY 2018: 170,200 [+ 19.4%]

Total comprehensive income (millions of yen) 3rd quarter of FY 2019: 394,287 [(19.4%)] 3rd quarter of FY 2018: 488,899 [+ 67.7%]

(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, 2018	10,833,192	3,638,169	2,871,052	26.5	1,869.43
March 31, 2018	8,663,937	2,984,351	2,669,483	30.8	1,722.06

(3) Consolidated cash flows information

	Operating activities	Investing activities	Financing activities	Cash and cash equivalents
For the first to third quarter of	millions of yen	millions of yen	millions of yen	millions of yen
Fiscal Year 2019	203,835	69,328	(96,886)	586,894
Fiscal Year 2018	210,028	(99,202)	(255,193)	466,696

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 2018	-	32.00	-	38.00	70.00
Fiscal Year 2019	-	37.00	-		
Fiscal Year 2019 (Planned)				46.00	83.00

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

3. Outlook of consolidated operating results for the fiscal year 2019 (from April 1, 2018 to March 31, 2019)

(%: Changes from the previous fiscal year)

	Net profit attributable to ITOCHU		Basic earnings per share attributable to ITOCHU
	millions of yen	%	yen
Fiscal Year 2019	500,000	24.9	323.44

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

(Note) The effect of the repurchase of own shares decided at the meeting of the Board of Directors held on February 5, 2019 is not included in the calculation of "Basic earnings per share attributable to ITOCHU".

For more details of the repurchase of own shares, please refer to page 18, "3. (7) Material Subsequent Events".

4. Other information

(1) Changes in significant subsidiaries accompanied by changes in the consolidation scope: Yes

New company : 1 (FamilyMart UNY Holdings Co.,Ltd.)

Excluded company : 1 (CIECO Exploration and Production (UK) Limited)

Note: For more details, please refer to page 9, "2. (1) Changes in significant subsidiaries accompanied by changes in the consolidation scope".

(2) Changes in accounting policies and accounting estimates

(a) Changes in accounting policies required by IFRS : Yes

(b) Other changes : None

(c) Changes in accounting estimates : None

Note: For more details, please refer to page 10, "2. (2) Changes in accounting policies and accounting estimates".

(3) Number of common shares issued

(a) Number of common shares outstanding: (including the number of treasury stock)	3rd quarter of FY 2019	1,584,889,504	Fiscal Year 2018	1,662,889,504
(b) Number of treasury stock:	3rd quarter of FY 2019	49,101,756	Fiscal Year 2018	112,725,195
(c) Average number of common shares outstanding:	3rd quarter of FY 2019	1,549,063,219	3rd quarter of FY 2018	1,552,625,361

Note: 78,000,000 shares of treasury stock were cancelled on October 19, 2018.

Note: ITOCHU repurchased 14,148,500 own shares from December 5, 2018 to December 31, 2018.
Further, ITOCHU repurchased 948,700 own shares after December 31, 2018 (from January 1, 2019 to January 4, 2019).
For more details, please refer to page 18, "3. (7) Material Subsequent Events".

[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. This document is unaudited by certificated public accountants or audit firms.

*3. Data and projections contained in these materials are based on the information available at the time of publication, and various factors 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 practice undue reliance on forward-looking statements, and further, that ITOCHU Corporation has no obligation to update any forward-looking statements as a result of new information, future events or other developments.

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

*5. 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 111.00 yen = 1 U.S. dollar, the exchange rate prevailing on December 31, 2018. 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.

*6. "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, 2018]

(a) General Economic Situation

For the nine-month period ended December 31, 2018, the global economy partly showed signs of slowdown. While the U.S. economy continued a stable expansion due to the improvements in domestic employment and income levels, the Eurozone economy grew at a sluggish pace due to strengthen environmental regulations for automobiles, and for as emerging countries, personal consumption and exports was stagnated in China. Furthermore, due to trade conflicts between the U.S and China, concerns over the U.S. interest rate hike and the progress of Brexit talks which is not going smoothly, uncertainty over the outlook for the global economy is growing. The WTI crude oil price, although it rose from the US$60-65 range at the beginning of April to the mid-US$70s level in early October due to the uncertainty on Iran's oil supply resulting from the U.S. withdrawal from Iran Nuclear Deal, dropped to the mid-US $40s level toward the end of December due to growing concerns over the global economy.

The Japanese economy has started recovering, despite it stagnated primarily in personal consumption and exports during the summer stemming from natural disasters such as typhoons, earthquakes, etc., after recovery from a temporary standstill in the beginning of the year. The yen depreciated against the U.S. dollar from the ¥106 level at the beginning of April to the ¥114 level in early October on the back of the rise in the U.S. long-term interest rate. However it appreciated against the U.S. dollar to the ¥110 level due to the turn to decline in the U.S. long-term interest rate at the end of the December. The Nikkei Stock Average rose to the ¥24,000 level in late September from the ¥21,000 - ¥21,500 level at the beginning of April resulting from the rise in the U.S. stock market and the depreciation of the yen. However it dropped to the ¥20,000 level at the end of December due to the turn to decline in the U.S. stock market. The yield on 10-year Japanese government bonds rose to 0.15% in early October from 0.04% at the beginning of April, but dropped to 0.01% at the end of December due to the appreciation of the yen and economic concerns.

(b) Consolidated Operating Results

	Billions of Yen				Millions of U.S. Dollars
	Apr.-Dec. 2018	Apr.-Dec. 2017	Increase (Decrease)	%	Apr.-Dec. 2018
Revenues	8,626.8	4,019.8	4,607.0	114.6%	77,719
Gross trading profit	1,108.2	891.6	216.6	24.3%	9,983
Selling, general and administrative expenses	(831.4)	(657.3)	(174.2)	26.5%	(7,490)
Gains on investments	215.7	42.0	173.7	413.5%	1,943
Equity in earnings of associates and joint ventures	48.7	170.2	(121.5)	(71.4%)	439
Income tax expense	(118.6)	(78.7)	(39.9)	50.7%	(1,068)
Net profit attributable to ITOCHU	397.6	357.1	40.4	11.3%	3,582
(Reference) Trading income	271.0	231.6	39.4	17.0%	2,442

(i) Revenues (from external customers)

Increased by 114.6%, or 4,607.0 billion yen, compared with the same period of the previous fiscal year to 8,626.8 billion yen (77,719 million U.S. dollars). The result includes the effects of the application of new accounting Standards (IFRS 15), 3,899.9 billion yen.

・ Food Company:
Increased by 2,349.6 billion yen compared with the same period of the previous fiscal year to 3,226.4 billion yen (29,067 million U.S. dollars), due to the effects of the application of new accounting standards and the conversion of FamilyMart UNY Holdings into a consolidated subsidiary.

・ Energy & Chemicals Company:
Increased by 1,246.5 billion yen compared with the same period of the previous fiscal year to 2,407.9 billion yen (21,693 million U.S. dollars), due to the effects of the application of new accounting standards and the higher sales prices in energy-related companies.

・ Metals & Minerals Company:
Increased by 338.2 billion yen compared with the same period of the previous fiscal year to 501.4 billion yen (4,517 million U.S. dollars), mainly due to the effects of the application of new accounting standards.

・ Machinery Company:
Increased by 311.5 billion yen compared with the same period of the previous fiscal year to 813.0 billion yen (7,324 million U.S. dollars), due to the effects of the application of new accounting standards and the conversion of YANASE into a consolidated subsidiary in the second quarter of the previous fiscal year.

(ii) Gross trading profit

Increased by 24.3%, or 216.6 billion yen, compared with the same period of the previous fiscal year to 1,108.2 billion yen (9,983 million U.S. dollars).

・ Food Company:
Increased by 168.3 billion yen compared with the same period of the previous fiscal year to 384.1 billion yen (3,460 million U.S. dollars), due to the conversion of FamilyMart UNY Holdings into a consolidated subsidiary, despite the lower sales prices in packaged foods in fresh-food-related companies.

・ Machinery Company:
Increased by 21.2 billion yen compared with the same period of the previous fiscal year to 143.6 billion yen (1,294 million U.S. dollars), due to the conversion of YANASE into a consolidated subsidiary in the second quarter of the previous fiscal year and the stable performance in automobile-related transactions.

・ ICT & Financial Business Company:
Increased by 13.7 billion yen compared with the same period of the previous fiscal year to 138.2 billion yen (1,245 million U.S. dollars), due to the higher transaction volume in domestic ICT-related companies and the conversion of a domestic finance-related company into a consolidated subsidiary.

・ Energy & Chemicals Company:
Increased by 13.5 billion yen compared with the same period of the previous fiscal year to 165.1 billion yen (1,487 million U.S. dollars), due to the higher production volume of crude oil, the improvement in profitability in self-developed crude oil transactions accompanying the rise in oil prices, and the stable performance in chemical-related transactions.

(iii) Selling, general and administrative expenses

Increased by 26.5%, or 174.2 billion yen, compared with the same period of the previous fiscal year to 831.4 billion yen (7,490 million U.S. dollars), due to the effects of the conversion of FamilyMart UNY Holdings into a consolidated subsidiary and the conversion of YANASE into a consolidated subsidiary in the second quarter of the previous fiscal year.

(iv) Gains on investments

Increased by 413.5%, or 173.7 billion yen, compared with the same period of the previous fiscal year to 215.7 billion yen (1,943 million U.S. dollars), due to the revaluation gain accompanying the conversion of FamilyMart UNY Holdings into a consolidated subsidiary and the gain on sales of a North Sea oil fields development company, despite the absence of the gain accompanying the partial sales of a Chinese fresh-food-related company in the same period of the previous fiscal year.

(v) Equity in earnings of associates and joint ventures

Decreased by 71.4%, or 121.5 billion yen, compared with the same period of the previous fiscal year to 48.7 billion yen (439 million U.S. dollars).

- Others, Adjustments & Eliminations: (*)

  Decreased by 146.1 billion yen compared with the same period of the previous fiscal year to 91.0 billion yen (losses) (820 million U.S. dollars), due to the impairment loss on investment in CITIC Limited.

- Food Company:

  Decreased by 7.7 billion yen compared with the same period of the previous fiscal year to 24.3 billion yen (219 million U.S. dollars), due to the conversion of FamilyMart UNY Holdings into a consolidated subsidiary.

- General Product & Realty Company:

  Increased by 12.9 billion yen compared with the same period of the previous fiscal year to 25.7 billion yen (232 million U.S. dollars), due to the favorable performance in foreign pulp-related companies resulting from the higher pulp prices.

- Energy & Chemicals Company:

  Increased by 7.8 billion yen compared with the same period of the previous fiscal year to 10.4 billion yen (93 million U.S. dollars), due to the higher production volume of crude oil and the rise in oil prices in an Eastern Siberia oil-exploration-related company, the increase in shares of the company, and the higher equity in earnings of petrochemical-related companies.

(*) "Others, Adjustments & Eliminations" includes gains and losses which do not belong to any operating segment and internal eliminations between operating segments. For more details, please refer to page 17, " 3. (5) Operating Segment Information".

(vi) Income tax expense

Increased by 50.7%, or 39.9 billion yen, compared with the same period of the previous fiscal year to 118.6 billion yen (1,068 million U.S. dollars), due to the increase resulting from the revaluation gain accompanying the conversion of FamilyMart UNY Holdings into a consolidated subsidiary and the absence of the positive effects of the U.S. tax reform, despite the decrease in finance-related companies.

(vii) Net profit attributable to ITOCHU

Consequently, Net profit attributable to ITOCHU increased by 11.3%, or 40.4 billion yen, compared with the same period of the previous fiscal year to 397.6 billion yen (3,582 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 17.0%, or 39.4 billion yen, compared with the same period of the previous fiscal year to 271.0 billion yen (2,442 million U.S. dollars).

- Food Company:
  Increased by 14.7 billion yen compared with the same period of the previous fiscal year to 65.0 billion yen (585 million U.S. dollars), due to the conversion of FamilyMart UNY Holdings into a consolidated subsidiary, despite the lower sales prices in packaged foods in fresh-food-related companies.

- Energy & Chemicals Company:
  Increased by 14.4 billion yen compared with the same period of the previous fiscal year to 49.5 billion yen (446 million U.S. dollars), due to the higher production volume of crude oil, the improvement in profitability in self-developed crude oil transactions accompanying the rise in oil prices, and the stable performance in chemical-related transactions.

- General Product & Realty Company:
  Increased by 8.2 billion yen compared with the same period of the previous fiscal year to 34.8 billion yen (314 million U.S. dollars), due to the higher transaction volume in domestic logistics-facility-development-projects.

(2) Qualitative Information of the Consolidated Financial Position

(a) Consolidated Financial Position

	Billions of Yen				Millions of U.S. Dollars
	Dec. 2018	Mar. 2018	Increase (Decrease)	%	Dec. 2018
Total assets	10,833.2	8,663.9	2,169.3	25.0%	97,596
Interest-bearing debt	3,354.3	2,779.5	574.8	20.7%	30,219
Net interest-bearing debt	2,753.8	2,320.4	433.4	18.7%	24,809
Total shareholders' equity	2,871.1	2,669.5	201.6	7.6%	25,865
Ratio of shareholders' equity to total assets	26.5%	30.8%	Decreased 4.3pt		
NET DER (times)	0.96	0.87	Increased 0.09pt		

(i) Total assets

Increased by 25.0%, or 2,169.3 billion yen, compared with March 31, 2018 to 10,833.2 billion yen (97,596 million U.S. dollars), due to the conversion of FamilyMart UNY Holdings and a domestic finance-related company into consolidated subsidiaries, the acquisition of a Latin American automobile-related subsidiary, and the increased trade receivables accompanying the seasonal factors in food-distribution-related companies.

(ii) Interest-bearing debt

Increased by 20.7%, or 574.8 billion yen, compared with March 31, 2018 to 3,354.3 billion yen (30,219 million U.S. dollars), due to the conversion of FamilyMart UNY Holdings and a domestic finance-related company into consolidated subsidiaries, and the effect of the depreciation of the yen. Net interest-bearing debt (Interest-bearing debt after deducting Cash and cash equivalents and Time deposits) increased by 18.7%, or 433.4 billion yen, compared with March 31, 2018 to 2,753.8 billion yen (24,809 million U.S. dollars).

(iii) Total shareholders' equity

Increased by 7.6%, or 201.6 billion yen, compared with March 31, 2018 to 2,871.1 billion yen (25,865 million U.S. dollars), due to Net profit attributable to ITOCHU during this fiscal year, despite the decrease due to dividend payments and the repurchase of own shares.

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

Ratio of shareholders' equity to total assets decreased by 4.3 points compared with March 31, 2018 to 26.5%. NET DER (Net debt-to-shareholders' equity ratio) slightly increased compared with March 31, 2018 to 0.96 times.

(b) Consolidated Cash Flows

	Billions of Yen		Millions of U.S. Dollars
	Apr.-Dec. 2018	Apr.-Dec. 2017	Apr.-Dec. 2018
Cash flows from operating activities	203.8	210.0	1,836
Cash flows from investing activities	69.3	(99.2)	625
Free cash flows.....	*273.2*	*110.8*	*2,461*
Cash flows from financing activities	(96.9)	(255.2)	(873)

(i) Cash flows from operating activities

Recorded a net cash-inflow of 203.8 billion yen (1,836 million U.S. dollars), resulting from the stable performance in operating revenues in the Food, Metals & Minerals, ICT and Energy sectors.

(ii) Cash flows from investing activities

Recorded a net cash-inflow of 69.3 billion yen (625 million U.S. dollars), due to the increase in cash resulting from the conversion of FamilyMart UNY Holdings into a consolidated subsidiary, despite the acquisition of fixed assets mainly in the Food, Metals & Minerals and Energy sectors.

(iii) Cash flows from financing activities

Recorded a net cash-outflow of 96.9 billion yen (873 million U.S. dollars), due to dividend payments and the repurchase of own shares, despite the increase in borrowings.

"Cash and cash equivalents" as of December 31, 2018 increased by 154.8 billion yen compared with March 31, 2018 to 586.9 billion yen (5,287 million U.S. dollars).

2. Summary Information (Notes)

(1) Changes in significant subsidiaries accompanied by changes in the consolidation scope:

ITOCHU RETAIL INVESTMENT, LLC, a wholly-owned subsidiary of ITOCHU, acquired the common shares of FamilyMart UNY Holdings Co.,Ltd. by way of tender offer from July 17, 2018 to August 16, 2018. As a result of the tender offer, FamilyMart UNY Holdings Co.,Ltd. became a significant subsidiary of ITOCHU.

ITOCHU transferred 100% of the shares of CIECO Exploration and Production (UK) Limited (hereinafter "CIECO UK") , a subsidiary of ITOCHU, on November 19, 2018, after CIECO UK became a significant subsidiary due to an increase in capital for the purpose of settling existing debt prior to the share transfer. Consequently, CIECO UK is no longer a subsidiary of ITOCHU.

(2) Changes in accounting policies and accounting estimates:

(a) Changes in accounting policies required by IFRS:

IFRS 9 "Financial Instruments (revised July 2014)"

ITOCHU Group previously applied IFRS 9 "Financial Instruments (revised November 2013)". From the nine-month period ended December 31, 2018, ITOCHU Group has applied IFRS 9 "Financial Instruments (revised July 2014)". ITOCHU Group recognized the cumulative effects of initially applying the standard as an adjustment to the opening balance of retained earnings of the nine-month period ended December 31, 2018 in accordance with the transitional method provided by the standard.

The standard revised the provisions related to classification and measurement of financial assets and to impairment of financial assets. For financial assets measured at amortized cost and debt instrument assets for which changes in fair value after acquisition are recorded in other comprehensive income, the standard requires a loss allowance for expected credit losses on a financial asset to be recognized in profit and loss.

As a result of applying the standard, at the beginning of the nine-month period ended December 31, 2018, the opening balance of Retained earnings decreased by 13.8 billion yen.

IFRS 15 "Revenue from Contracts with Customers"

ITOCHU Group has applied IFRS 15 "Revenue from Contracts with Customers", from the nine-month period ended December 31, 2018. ITOCHU Group recognized the cumulative effects of initially applying the standard as an adjustment to the opening balance of retained earnings of the nine-month period ended December 31, 2018 in accordance with the transitional method provided by the standard.

The standard is based on the principle that revenue should be recognized at the time when control of goods or services is transferred to a customer, and provides a five-step model with requirements at each step for revenue-recognition. The application of the standard resulted in a decrease in the opening balance of Retained earnings of the nine-month period ended December 31, 2018, the amount of which is immaterial.

In addition, the standard also revised the provision for gross/net presentation of revenue. The previous accounting standard provides that revenue from transaction which involves no significant risks and no economical exposures related to transferring goods or services to a customer should be presented on a net basis. The new standard requires that if an entity obtains control of goods or services before transferring goods or services to a customer, the entity presents revenue on a gross basis with transaction amounts. In accordance with the standard, the transactions wherein ITOCHU Group obtains control of goods or services before transferring goods or services to a customer are now presented on a gross basis, even if ITOCHU Group is exposed to limited risks related to transferring goods or services in the transaction.

As a result of applying the standard, Revenues and Cost increased by 3,899.9 billion yen respectively, for the nine-month period ended December 31, 2018.

(b) Other changes: None

(c) Changes in accounting estimates: None

3. 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, 2018 and 2017

	Millions of Yen		Millions of U.S. Dollars
	Apr.-Dec. 2018	Apr.-Dec. 2017	**Apr.-Dec. 2018**
Revenues:			
Revenues from sale of goods	**¥ 7,912,547**	¥ 3,433,066	**$ 71,284**
Revenues from rendering of services and royalties	**714,287**	586,736	**6,435**
Total revenues	**8,626,834**	4,019,802	**77,719**
Cost:			
Cost of sale of goods	**(7,066,468)**	(2,682,872)	**(63,662)**
Cost of rendering of services and royalties	**(452,204)**	(445,338)	**(4,074)**
Total cost	**(7,518,672)**	(3,128,210)	**(67,736)**
Gross trading profit	**1,108,162**	891,592	**9,983**
Other gains (losses):			
Selling, general and administrative expenses	**(831,436)**	(657,285)	**(7,490)**
Provision for doubtful accounts	**(5,691)**	(2,663)	**(51)**
Gains on investments	**215,696**	42,008	**1,943**
Gains on property, plant, equipment and intangible assets	**649**	5,071	**6**
Other-net	**5,041**	(989)	**45**
Total other-losses	**(615,741)**	(613,858)	**(5,547)**
Financial income (loss):			
Interest income	**30,483**	25,523	**275**
Dividends received	**18,510**	15,178	**167**
Interest expense	**(40,004)**	(29,590)	**(361)**
Total financial income	**8,989**	11,111	**81**
Equity in earnings of associates and joint ventures	**48,692**	170,200	**439**
Profit before tax	**550,102**	459,045	**4,956**
Income tax expense	**(118,566)**	(78,668)	**(1,068)**
Net Profit	**431,536**	380,377	**3,888**
Net profit attributable to ITOCHU	**397,551**	357,132	**3,582**
Net profit attributable to non-controlling interests	**33,985**	23,245	**306**

	Millions of Yen		Millions of U.S. Dollars
	Apr.-Dec. 2018	Apr.-Dec. 2017	**Apr.-Dec. 2018**
Other comprehensive income, net of tax:			
Items that will not be reclassified to profit or loss			
FVTOCI financial assets	**¥ 8,572**	¥ 41,340	**$ 77**
Remeasurement of net defined pension liability	**262**	(291)	**2**
Other comprehensive income in associates and joint ventures	**5,257**	7,315	**47**
Items that will be reclassified to profit or loss			
Translation adjustments	**(11,947)**	28,790	**(107)**
Cash flow hedges	**(3,673)**	(1,278)	**(33)**
Other comprehensive income in associates and joint ventures	**(35,720)**	32,646	**(322)**
Total other comprehensive income, net of tax	**(37,249)**	108,522	**(336)**
Total comprehensive income	**394,287**	488,899	**3,552**
Total comprehensive income attributable to ITOCHU	**361,637**	462,527	**3,258**
Total comprehensive income attributable to non-controlling interests	**32,650**	26,372	**294**

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, 2018 and 2017 were 271,035 million yen (2,442 million U.S. dollars) and 231,644 million yen, respectively.

(2) Consolidated Statement of Financial Position［Condensed］

ITOCHU Corporation and its Subsidiaries

As of December 31, 2018 and March 31, 2018

Assets	Millions of Yen		Millions of U.S. Dollars
	Dec. 2018	Mar. 2018	**Dec. 2018**
Current assets:			
Cash and cash equivalents	**¥ 586,894**	¥ 432,140	**$ 5,287**
Time deposits	**13,655**	26,915	**123**
Trade receivables	**2,505,545**	2,183,349	**22,573**
Other current receivables	**168,997**	84,146	**1,523**
Other current financial assets	**54,719**	34,329	**493**
Inventories	**1,037,180**	870,352	**9,344**
Advances to suppliers	**102,032**	179,760	**919**
Other current assets	**179,090**	112,370	**1,613**
Assets held for sale	**482,529**	-	**4,347**
Total current assets	**5,130,641**	3,923,361	**46,222**
Non-current assets:			
Investments accounted for by the equity method	**1,560,298**	1,844,871	**14,057**
Other investments	**842,220**	816,510	**7,587**
Non-current receivables	**627,789**	617,719	**5,656**
Non-current financial assets other than investments and receivables	**272,174**	82,379	**2,452**
Property, plant and equipment	**1,092,401**	813,294	**9,841**
Investment property	**30,143**	19,134	**272**
Goodwill and intangible assets	**1,129,265**	362,571	**10,174**
Deferred tax assets	**66,612**	62,259	**600**
Other non-current assets	**81,649**	121,839	**735**
Total non-current assets	**5,702,551**	4,740,576	**51,374**
Total assets	**¥ 10,833,192**	¥ 8,663,937	**$ 97,596**

Liabilities and Equity	Millions of Yen		Millions of U.S. Dollars
	Dec. 2018	Mar. 2018	**Dec. 2018**
Current liabilities:			
Short-term debentures and borrowings	**¥ 778,110**	¥ 526,867	**$ 7,010**
Trade payables	**2,103,766**	1,825,859	**18,953**
Other current payables	**208,813**	79,200	**1,881**
Other current financial liabilities	**39,340**	26,791	**354**
Current tax liabilities	**35,907**	53,241	**324**
Advances from customers	**94,141**	157,167	**848**
Other current liabilities	**345,901**	319,777	**3,116**
Liabilities held for sale	**267,700**	-	**2,412**
Total current liabilities	**3,873,678**	2,988,902	**34,898**
Non-current liabilities:			
Long-term debentures and borrowings	**2,576,207**	2,252,606	**23,209**
Other non-current financial liabilities	**223,276**	114,627	**2,012**
Non-current liabilities for employee benefits	**119,149**	97,955	**1,073**
Deferred tax liabilities	**264,908**	129,579	**2,387**
Other non-current liabilities	**137,805**	95,917	**1,241**
Total non-current liabilities	**3,321,345**	2,690,684	**29,922**
Total liabilities	**7,195,023**	5,679,586	**64,820**
Equity:			
Common stock:			
Authorized: 3,000,000,000 shares;			
issued: 1,584,889,504 shares	**253,448**	253,448	**2,283**
Capital surplus	**56,494**	160,271	**509**
Retained earnings	**2,511,228**	2,324,766	**22,624**
Other components of equity:			
Translation adjustments	**86,807**	136,729	**782**
FVTOCI financial assets	**33,826**	(61,484)	**305**
Cash flow hedges	**4,148**	5,961	**37**
Total other components of equity	**124,781**	81,206	**1,124**
Treasury stock	**(74,899)**	(150,208)	**(675)**
Total shareholders' equity	**2,871,052**	2,669,483	**25,865**
Non-controlling interests	**767,117**	314,868	**6,911**
Total equity	**3,638,169**	2,984,351	**32,776**
Total liabilities and equity	**¥ 10,833,192**	¥ 8,663,937	**$ 97,596**

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

ITOCHU Corporation and its Subsidiaries

For the nine-month periods ended December 31, 2018 and 2017

	Millions of Yen		Millions of U.S. Dollars
	Apr.-Dec. 2018	Apr.-Dec. 2017	**Apr.-Dec. 2018**
Common stock:			
Balance at the beginning of the period	**¥ 253,448**	¥ 253,448	**$ 2,283**
Balance at the end of the period	**¥ 253,448**	¥ 253,448	**$ 2,283**
Capital surplus:			
Balance at the beginning of the period	**¥ 160,271**	¥ 162,038	**$ 1,444**
Net change in sale (purchase) of subsidiary shares to (from) non-controlling interests	**286**	(2,804)	**3**
Cancellation of treasury stock	**(104,063)**	-	**(938)**
Balance at the end of the period	**¥ 56,494**	¥ 159,234	**$ 509**
Retained earnings:			
Balance at the beginning of the period	**¥ 2,324,766**	¥ 2,020,018	**$ 20,944**
Cumulative effects of the application of new accounting standards	**(14,097)**	-	**(127)**
Net profit attributable to ITOCHU	**397,551**	357,132	**3,582**
Transfer from other components of equity	**(80,555)**	(7,147)	**(726)**
Cash dividends	**(116,437)**	(92,845)	**(1,049)**
Balance at the end of the period	**¥ 2,511,228**	¥ 2,277,158	**$ 22,624**
Other components of equity:			
Balance at the beginning of the period	**¥ 81,206**	¥ 88,729	**$ 732**
Other comprehensive income attributable to ITOCHU	**(35,914)**	105,395	**(324)**
Transfer to retained earnings	**80,555**	7,147	**726**
Net change in sale (purchase) of subsidiary shares to (from) non-controlling interests	**(1,066)**	100	**(10)**
Balance at the end of the period	**¥ 124,781**	¥ 201,371	**$ 1,124**
Treasury stock:			
Balance at the beginning of the period	**¥ (150,208)**	¥ (122,340)	**$ (1,353)**
Net change in treasury stock	**(28,754)**	(27,859)	**(260)**
Cancellation of treasury stock	**104,063**	-	**938**
Balance at the end of the period	**¥ (74,899)**	¥ (150,199)	**$ (675)**
Total shareholders' equity	**¥ 2,871,052**	¥ 2,741,012	**$ 25,865**
Non-controlling interests:			
Balance at the beginning of the period	**¥ 314,868**	¥ 260,918	**$ 2,837**
Cumulative effects of the application of new accounting standards	**5**	-	**0**
Net profit attributable to non-controlling interests	**33,985**	23,245	**306**
Other comprehensive income attributable to non-controlling interests	**(1,335)**	3,127	**(12)**
Cash dividends to non-controlling interests	**(20,536)**	(10,640)	**(185)**
Net change in sale (purchase) of subsidiary shares to (from) non-controlling interests	**440,130**	41,478	**3,965**
Balance at the end of the period	**¥ 767,117**	¥ 318,128	**$ 6,911**
Total equity	**¥ 3,638,169**	¥ 3,059,140	**$ 32,776**

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

ITOCHU Corporation and its Subsidiaries

For the nine-month periods ended December 31, 2018 and 2017

	Millions of Yen		Millions of U.S. Dollars
	Apr.-Dec. 2018	Apr.-Dec. 2017	**Apr.-Dec. 2018**
Cash flows from operating activities:			
Net profit	**¥ 431,536**	¥ 380,377	**$ 3,888**
Adjustments to reconcile net profit to net cash provided by operating activities			
Depreciation and amortization	**108,614**	84,264	**979**
(Gains) losses on investments	**(215,696)**	(42,008)	**(1,943)**
(Gains) losses on property, plant, equipment and intangible assets	**(649)**	(5,071)	**(6)**
Financial (income) loss	**(8,989)**	(11,111)	**(81)**
Equity in earnings of associates and joint ventures	**(48,692)**	(170,200)	**(439)**
Income tax expense	**118,566**	78,668	**1,068**
Provision for doubtful accounts and other provisions	**5,141**	13,229	**46**
Changes in assets and liabilities, other-net	**(154,326)**	(115,261)	**(1,390)**
Proceeds from interest	**25,984**	22,948	**234**
Proceeds from dividends	**86,720**	74,601	**781**
Payments for interest	**(34,760)**	(25,298)	**(313)**
Payments for income taxes	**(109,614)**	(75,110)	**(988)**
Net cash provided by (used in) operating activities	**203,835**	210,028	**1,836**
Cash flows from investing activities:			
Net change in investments accounted for by the equity method	**(103,038)**	(85,141)	**(928)**
Net change in other investments	**211,929**	18,508	**1,909**
Net change in loans receivable	**16,459**	19,826	**148**
Net change in property, plant, equipment and intangible assets	**(69,727)**	(54,570)	**(628)**
Net change in time deposits	**13,705**	2,175	**124**
Net cash provided by (used in) investing activities	**69,328**	(99,202)	**625**
Cash flows from financing activities:			
Net change in debentures and loans payable	**55,569**	(125,005)	**501**
Cash dividends	**(116,437)**	(92,845)	**(1,049)**
Net change in treasury stock	**(28,938)**	(27,886)	**(261)**
Other	**(7,080)**	(9,457)	**(64)**
Net cash provided by (used in) financing activities	**(96,886)**	(255,193)	**(873)**
Net change in cash and cash equivalents	**176,277**	(144,367)	**1,588**
Cash and cash equivalents at the beginning of the period	**432,140**	605,589	**3,893**
Effect of exchange rate changes on cash and cash equivalents	**1,012**	5,474	**9**
Cash and cash equivalents included in assets held for sale	**(22,535)**	-	**(203)**
Cash and cash equivalents at the end of the period	**¥ 586,894**	¥ 466,696	**$ 5,287**

(Note) From the forth quarter of the previous fiscal year, "Provision for doubtful accounts and other provisions" reflects the changes of other provisions in addition to "Provision for doubtful accounts" which was previously disclosed. Accompanying this change, the amounts for the same period of the previous fiscal year has been reclassified in the same way.

(5) Operating Segment Information

ITOCHU Corporation and its Subsidiaries
For the nine-month periods ended December 31, 2018 and 2017

Information concerning operations in different operating segments for the nine-month periods ended December 31, 2018 and 2017 is as follows:

For the nine-month period ended December 31, 2018 (April 1, 2018 -December 31, 2018)

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	**¥ 446,800**	**¥ 812,987**	**¥ 501,398**	**¥ 2,407,949**	**¥ 3,226,434**	**¥ 670,862**	**¥ 496,955**	**¥ 63,449**	**¥ 8,626,834**
Intersegment revenues	**36**	**5,094**	**-**	**25,737**	**354**	**19,133**	**6,656**	**(57,010)**	**-**
Total revenues	**446,836**	**818,081**	**501,398**	**2,433,686**	**3,226,788**	**689,995**	**503,611**	**6,439**	**8,626,834**
Gross trading profit	**88,567**	**143,632**	**64,468**	**165,128**	**384,063**	**123,298**	**138,168**	**838**	**1,108,162**
Trading income	**18,021**	**22,981**	**50,338**	**49,543**	**64,955**	**34,823**	**28,562**	**1,812**	**271,035**
Net profit attributable to ITOCHU	**24,275**	**47,461**	**58,650**	**56,564**	**194,779**	**51,807**	**50,579**	**(86,564)**	**397,551**
[Equity in earnings of associates and joint ventures]	**[6,600]**	**[23,503]**	**[15,857]**	**[10,360]**	**[24,292]**	**[25,696]**	**[33,369]**	**[(90,985)]**	**[48,692]**
Total assets at December 31, 2018	**503,924**	**1,283,638**	**856,816**	**1,404,489**	**3,787,198**	**1,008,097**	**1,033,231**	**955,799**	**10,833,192**

For the nine-month period ended December 31, 2017 (April 1, 2017 -December 31, 2017)

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	¥ 390,341	¥ 501,482	¥ 163,167	¥ 1,161,420	¥ 876,877	¥ 425,335	¥ 488,122	¥ 13,058	¥ 4,019,802
Intersegment revenues	30	17	-	870	349	9,698	5,089	(16,053)	-
Total revenues	390,371	501,499	163,167	1,162,290	877,226	435,033	493,211	(2,995)	4,019,802
Gross trading profit	95,727	122,432	66,079	151,649	215,743	110,649	124,514	4,799	891,592
Trading income	16,206	26,513	52,717	35,123	50,286	26,673	26,420	(2,294)	231,644
Net profit attributable to ITOCHU	21,998	37,376	57,098	23,789	83,829	41,490	36,029	55,523	357,132
[Equity in earnings of associates and joint ventures]	[5,699]	[18,798]	[15,715]	[2,520]	[32,025]	[12,818]	[27,520]	[55,105]	[170,200]
Total assets at December 31, 2017	512,462	1,220,431	940,158	1,351,768	2,072,339	971,672	738,740	1,168,338	8,975,908
Total assets at March 31, 2018	474,856	1,218,556	850,295	1,355,712	1,962,169	978,777	766,159	1,057,413	8,663,937

For the nine-month period ended December 31, 2018 (April 1, 2018 -December 31, 2018)

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	**$ 4,026**	**$ 7,324**	**$ 4,517**	**$ 21,693**	**$ 29,067**	**$ 6,044**	**$ 4,477**	**$ 571**	**$ 77,719**
Intersegment revenues	**0**	**46**	**-**	**232**	**3**	**172**	**60**	**(513)**	**-**
Total revenues	**4,026**	**7,370**	**4,517**	**21,925**	**29,070**	**6,216**	**4,537**	**58**	**77,719**
Gross trading profit	**798**	**1,294**	**581**	**1,487**	**3,460**	**1,111**	**1,245**	**7**	**9,983**
Trading income	**163**	**207**	**454**	**446**	**585**	**314**	**257**	**16**	**2,442**
Net profit attributable to ITOCHU	**219**	**427**	**528**	**510**	**1,755**	**467**	**456**	**(780)**	**3,582**
[Equity in earnings of associates and joint ventures]	**[59]**	**[212]**	**[143]**	**[93]**	**[219]**	**[232]**	**[301]**	**[(820)]**	**[439]**
Total assets at December 31, 2018	**4,540**	**11,564**	**7,719**	**12,653**	**34,119**	**9,082**	**9,308**	**8,611**	**97,596**

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 do not belong to any operating segment and internal eliminations between operating segments. The investments in CITIC Limited and C.P. Pokphand Co. Ltd. and the profits and losses from them are included in this segment.

(6) Assumption for Going Concern: None

(7) Material Subsequent Events

Transfer of shares of UNY CO., LTD. and collection of loans receivable by FamilyMart UNY Holdings

(a) Overview of transaction

FamilyMart UNY Holdings Co., Ltd. ("FamilyMart UNY"), a subsidiary of ITOCHU, decided at the meeting of the Board of Directors held on October 11, 2018 to transfer all shares of UNY CO., LTD., held by FamilyMart UNY, to Don Quijote Holdings Co., Ltd., and the transfer was completed on January 4, 2019. In conjunction with this transfer, FamilyMart UNY received repayment of loans receivable made by UNY CO., LTD. and its subsidiaries.

(b) Transfer price of the shares and ownership proportion before and after the share transfer

1. Transfer price : ¥28,200 million
2. Share of voting rights before the transfer : 60.0%
3. Share of voting rights after the transfer : - % (Note)

(Note) Due to the transfer of shares, FamilyMart UNY lost control over UNY CO., LTD. and its subsidiaries.

(c) Collection of loans receivable from UNY CO., LTD. and its subsidiaries

In conjunction with this share transfer, FamilyMart UNY received repayment of loans receivable of ¥160,860 million from UNY CO., LTD. and its subsidiaries on January 4, 2019.

The result of Repurchase of Own Shares

ITOCHU decided at the meeting of the Board of Directors held on December 4, 2018 to repurchase own shares in accordance with Article 156 of the Companies Act of Japan, as applied pursuant to Paragraph 3, Article 165 of the Companies Act of Japan and executed as follows:

Details of the Repurchase after December 31, 2018

1. Total number of shares repurchased : 948,700 shares
2. Total amount of shares repurchased : ¥1,749 million
3. Period : From January 1, 2019 to January 4, 2019

Accumulated total of the repurchase pursuant to the above resolution is as follows and the repurchase has been completed on January 4, 2019.

1. Total number of shares repurchased : 15,097,200 shares
2. Total amount of shares repurchased : ¥30,000 million
3. Period : From December 5, 2018 to January 4, 2019

The resolution regarding Repurchase of Own Shares

ITOCHU decided at the meeting of the Board of Directors held on February 5, 2019 to repurchase own shares in accordance with Article 156 of the Companies Act of Japan, as applied pursuant to Paragraph 3, Article 165 of the Companies Act of Japan.

(a) Reason for Repurchasing Own Shares

ITOCHU will repurchase the own shares to execute the flexible capital strategy based on the Medium to Long Term Shareholders Return Policy announced on October 1, 2018.

(b) Details of the Repurchase

1. Type of shares to be repurchased : Common stock of ITOCHU
2. Total number of shares to be repurchased : 55,000,000 shares (maximum)
   (Proportion of the total number of shares issued excluding treasury stock : approximately 3.6%)
3. Total amount of shares repurchased : ¥100,000 million (maximum)
4. Period : From February 6, 2019 to June 30, 2019
5. Methods of repurchase : Purchase on the Tokyo Stock Exchange

Conversion of Subsidiaries into Wholly Owned Subsidiaries via Simplified Share Exchanges

ITOCHU decided at the meeting of the Board of Directors held on February 5, 2019 to conduct share exchanges in which its four consolidated subsidiaries, NIPPON ACCESS, INC., ITOCHU LOGISTICS CORP., Leilian Co., Ltd. and ITOCHU PROPERTY DEVELOPMENT, LTD. (these four companies are collectively referred to as the "Target Companies"), will become wholly owned subsidiaries of ITOCHU with the effective date of March 11, 2019 and ITOCHU has concluded the share exchange agreement with each of the Target Companies.

For more details, please refer to "Announcement Regarding Conversion of Subsidiaries into Wholly Owned Subsidiaries via Simplified Share Exchanges", which ITOCHU released on February 5, 2019.