-Unaudited-

November 1, 2019

Consolidated Financial Results for the First Half of the Fiscal Year 2020 ending March 31, 2020

[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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General Manager, Investor Relations Department: Suguru Amano TEL: 81 - 3 - 3497 - 7295

The date of payout of dividend: December 2, 2019 (Planned)

1. Consolidated operating results for the first half of the fiscal year 2020 (from April 1, 2019 to September 30, 2019)

(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 half of	millions of yen	%	millions of yen	%	millions of yen	%	millions of yen	%	millions of yen	%	millions of yen	%
Fiscal Year 2020	5,489,699	0.5	222,639	35.3	398,810	11.4	324,317	16.7	289,068	12.0	186,085	(35.4)
Fiscal Year 2019	5,460,924	111.9	164,547	10.7	357,966	14.1	277,901	8.3	258,002	6.4	287,839	4.6

	Basic earnings per share attributable to ITOCHU	Diluted earnings per share attributable to ITOCHU
For the first half of	yen	yen
Fiscal Year 2020	193.04	-
Fiscal Year 2019	166.46	-

Equity in earnings of associates and joint ventures (millions of yen) 1st half of FY 2020: 117,748 [- %] 1st half of FY 2019: (9,697) [- %]
Total comprehensive income (millions of yen) 1st half of FY 2020: 216,455 [(30.1%)] 1st half of FY 2019: 309,814 [+ 6.4%]

(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
September 30, 2019	10,806,391	3,719,762	2,964,384	27.4	1,989.15
March 31, 2019	10,098,703	3,690,116	2,936,908	29.1	1,930.47

(3) Consolidated cash flows information

	Operating activities	Investing activities	Financing activities	Cash and cash equivalents
For the first half of	millions of yen	millions of yen	millions of yen	millions of yen
Fiscal Year 2020	485,759	(127,498)	(296,612)	623,762
Fiscal Year 2019	167,493	53,325	(48,907)	611,693

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 2019	-	37.00	-	46.00	83.00
Fiscal Year 2020	-	42.50			
Fiscal Year 2020 (Planned)			-	42.50	85.00

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

3. Outlook of consolidated operating results for the fiscal year 2020 (from April 1, 2019 to March 31, 2020)

(%: Changes from the previous fiscal year)

	Net profit attributable to ITOCHU		Basic earnings per share attributable to ITOCHU
	millions of yen	%	yen
Fiscal Year 2020	500,000	(0.1)	334.70

(Note) Revisions to the outlook of consolidated operating results announced most recently: None
(Note) Among the repurchase of own shares which was decided at the meeting of the Board of Directors held on June 12, 2019, the effect of the repurchase after October 1, 2019 is not included in the calculation of "Basic earnings per share attributable to ITOCHU".

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 : Yes
(b) Other changes : None
(c) Changes in accounting estimates : None

Note: For more details, please refer to page 8, "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)	1st half of FY 2020	1,584,889,504	Fiscal Year 2019	1,584,889,504
(b) Number of treasury stock:	1st half of FY 2020	94,613,729	Fiscal Year 2019	63,547,182
(c) Average number of common shares outstanding:	1st half of FY 2020	1,497,487,077	1st half of FY 2019	1,549,971,215

Note: Based on the decision at the meeting of the Board of Directors,
ITOCHU repurchased 31,231,900 own shares during six-month period ended September 30, 2019.

[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 107.92 yen = 1 U.S. dollar, the exchange rate prevailing on September 30, 2019. 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 six-month period ended September 30, 2019]

(a) General Economic Situation

For the six-month period ended September 30, 2019, the global economy showed further signs of slowing down. While the U.S. economy slowed down slightly, but continued a stable expansion driven by the improvements in domestic employment and income levels, the Eurozone economy grew at a further sluggish pace due to the persisting uncertainty. In emerging countries, the Chinese economy was stagnated due to the effect of the trade friction. Furthermore, the economic impacts arising from the U.S.-China trade talks and Brexit remained uncertain and continued to cast a shadow over the outlook of the global economy. Under these circumstances, the WTI crude oil price, which was within the US $60-65 range per barrel at the beginning of April 2019, temporarily rose on Middle East tensions, but basically remained on downward trend on the back of concerns over the outlook of the global economy and fell to mid-US $50s level at the end of September 2019.

The Japanese economy remains on the moderate expansion path, primarily driven by the fact that public investment is growing and personal consumption is back on a recovery track due to last-minute demand before the consumption tax hike, while export recovery is delayed. The Japanese yen appreciated against the U.S. dollar from ¥111 at the beginning of April 2019 to around ¥105 in August 2019 mainly due to concern over the trade friction between the U.S. and China. After that, it slightly depreciated against the U.S. dollar to near ¥108 at the end of September 2019. The Nikkei Stock Average, which started at the ¥21,500 level in April 2019, fell to around the ¥20,000 level due to the appreciation of the Japanese yen and a pullback in the U.S. stock prices, but recovered to the ¥21,500-22,000 level at the end of September 2019 after a rise in the U.S. stock prices. The yield on 10-year Japanese government bonds stood at negative 0.07% at the beginning of April 2019 and further dropped to around negative 0.3% at the end of August 2019 as speculation grew on the interest rate cuts by central banks in Europe and the U.S. and remained at a low level, which is negative 0.2%, at the end of September 2019.

(b) Consolidated Operating Results

	Billions of Yen				Millions of U.S. Dollars
	Apr.-Sep. 2019	Apr.-Sep. 2018	Increase (Decrease)	%	Apr.-Sep. 2019
Revenues	5,489.7	5,460.9	28.8	0.5%	50,868
Gross trading profit	883.0	619.6	263.4	42.5%	8,182
Selling, general and administrative expenses	(654.1)	(452.6)	(201.5)	44.5%	(6,061)
Gains on investments	35.0	192.2	(157.3)	(81.8%)	324
Equity in earnings of associates and joint ventures	117.7	(9.7)	127.4	-	1,091
Income tax expense	(74.5)	(80.1)	5.6	(7.0%)	(690)
Net profit	324.3	277.9	46.4	16.7%	3,005
Net profit attributable to ITOCHU	289.1	258.0	31.1	12.0%	2,678
(Reference) Trading income	222.6	164.5	58.1	35.3%	2,063

(i) Revenues (from external customers)

Increased by 0.5%, or 28.8 billion yen, compared with the same period of the previous fiscal year to 5,489.7 billion yen (50,868 million U.S. dollars).

- The 8th Company:
  241.1 billion yen (2,234 million U.S. dollars) due to the conversion of FamilyMart (*) into a consolidated subsidiary in the second quarter of the previous fiscal year.

- Machinery Company:
  Increased by 35.5 billion yen compared with the same period of the previous fiscal year to 560.9 billion yen (5,197 million U.S. dollars), due to the stable performance in automobile-related and ship-related transactions.

- Energy & Chemicals Company:
  Decreased by 192.3 billion yen compared with the same period of the previous fiscal year to 1,375.6 billion yen (12,746 million U.S. dollars), due to the lower sales prices and transaction volume in energy-related companies and chemical-related transactions.

- General Products & Realty Company:
  Decreased by 55.5 billion yen compared with the same period of the previous fiscal year to 402.3 billion yen (3,728 million U.S. dollars), due to the lower transaction volume in domestic logistics-facility-development-projects and the conversion of foreign subsidiaries into investments accounted for by the equity method.

(*) FamilyMart Co., Ltd. changed its corporate name from FamilyMart UNY Holdings Co., Ltd. on September 1, 2019. In this document, descriptions related to the same period of the previous fiscal year are also referred to as “FamilyMart”, which is the current corporate name.

(ii) Gross trading profit

Increased by 42.5%, or 263.4 billion yen, compared with the same period of the previous fiscal year to 883.0 billion yen (8,182 million U.S. dollars).

- The 8th Company:
  233.8 billion yen (2,166 million U.S. dollars) due to the conversion of FamilyMart into a consolidated subsidiary in the second quarter of the previous fiscal year.

- ICT & Financial Business Company:
  Increased by 24.8 billion yen compared with the same period of the previous fiscal year to 108.1 billion yen (1,002 million U.S. dollars), due to the stable performance in ITOCHU Techno-Solutions and the conversion of POCKETCARD into a consolidated subsidiary in the second quarter of the previous fiscal year.

- Metals & Minerals Company:
  Increased by 12.6 billion yen compared with the same period of the previous fiscal year to 56.6 billion yen (525 million U.S. dollars), due to the higher iron ore prices, despite the lower coal prices.

- General Products & Realty Company:
  Decreased by 8.9 billion yen compared with the same period of the previous fiscal year to 79.3 billion yen (735 million U.S. dollars), due to the lower transaction volume in domestic logistics-facility-development-projects and the conversion of foreign subsidiaries into investments accounted for by the equity method, despite the improvement in profitability in North American facility-materials-related companies.

(iii) Selling, general and administrative expenses

Increased by 44.5%, or 201.5 billion yen, compared with the same period of the previous fiscal year to 654.1 billion yen (6,061 million U.S. dollars), due to the effects of the conversion of FamilyMart and POCKET CARD into consolidated subsidiaries in the second quarter of the previous fiscal year.

(iv) Gains on investments

Decreased by 81.8%, or 157.3 billion yen, compared with the same period of the previous fiscal year to 35.0 billion yen (324 million U.S. dollars), due to the absence of the revaluation gain accompanying the conversion of FamilyMart into a consolidated subsidiary in the same period of the previous fiscal year, despite the gains accompanying partial sales of foreign companies in General Products & Realty Company and domestic companies in ICT & Financial Business Company.

(v) Equity in earnings of associates and joint ventures

Increased by 127.4 billion yen, compared with the same period of the previous fiscal year to 117.7 billion yen (1,091 million U.S. dollars).

・ Others, Adjustments & Eliminations: (*)

Increased by 149.5 billion yen compared with the same period of the previous fiscal year to 44.9 billion yen (416 million U.S. dollars), due to the absence of the impairment loss on investment in CITIC Limited in the same period of the previous fiscal year.

・ The 8th Company:

Decreased by 12.1 billion yen compared with the same period of the previous fiscal year to 1.2 billion yen (11 million U.S. dollars), due to the conversion of FamilyMart into a consolidated subsidiary in the second quarter of the previous fiscal year.

・ General Products & Realty Company:

Decreased by 8.4 billion yen compared with the same period of the previous fiscal year to 9.3 billion yen (86 million U.S. dollars), due to the lower equity in earnings in IFL (European pulp-related company) resulting from the lower pulp prices.

(*) "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 15, " 3. (5) Operating Segment Information".

(vi) Income tax expense

Decreased by 7.0%, or 5.6 billion yen, compared with the same period of the previous fiscal year to 74.5 billion yen (690 million U.S. dollars), due to lower tax expenses in FamilyMart and the absence of the increase resulting from the revaluation gain accompanying the conversion of FamilyMart into a consolidated subsidiary in the same period of the previous fiscal year, despite the stable growth in profits.

(vii) Net profit attributable to ITOCHU

Consequently, Net profit attributable to ITOCHU increased by 12.0%, or 31.1 billion yen, compared with the same period of the previous fiscal year to 289.1 billion yen (2,678 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 35.3%, or 58.1 billion yen, compared with the same period of the previous fiscal year to 222.6 billion yen (2,063 million U.S. dollars).

- The 8th Company:
  Increased by 39.5 billion yen compared with the same period of the previous fiscal year, due to the conversion of FamilyMart into a consolidated subsidiary in the second quarter of the previous fiscal year.

- Metals & Minerals Company:
  Increased by 11.9 billion yen compared with the same period of the previous fiscal year to 46.6 billion yen (432 million U.S. dollars), due to the higher iron ore prices, despite the lower coal prices.

- ICT & Financial Business Company:
  Increased by 9.9 billion yen compared with the same period of the previous fiscal year to 25.4 billion yen (235 million U.S. dollars), due to the stable performance in ITOCHU Techno-Solutions and the conversion of POCKET CARD into a consolidated subsidiary in the second quarter of the previous fiscal year.

- General Products & Realty Company:
  Decreased by 5.9 billion yen compared with the same period of the previous fiscal year to 23.5 billion yen (218 million U.S. dollars), due to the lower transaction volume in domestic logistics-facility-development-projects and the conversion of foreign subsidiaries into investments accounted for by the equity method, despite the improvement in profitability in North American facility-materials-related companies.

(2) Qualitative Information of the Consolidated Financial Position

(a) Consolidated Financial Position

	Billions of Yen				Millions of U.S. Dollars
	Sep. 2019	Mar. 2019	Increase (Decrease)	%	Sep. 2019
Total assets	10,806.4	10,098.7	707.7	7.0%	100,133
Interest-bearing debt	2,902.4	2,983.8	(81.5)	(2.7%)	26,893
Net interest-bearing debt	2,271.1	2,406.8	(135.7)	(5.6%)	21,044
Total shareholders' equity	2,964.4	2,936.9	27.5	0.9%	27,468
Ratio of shareholders' equity to total assets	27.4%	29.1%	Decreased 1.7pt		
NET DER (times)	0.77	0.82	Improved 0.05pt		

(i) Total assets

Increased by 7.0%, or 707.7 billion yen, compared with March 31, 2019 to 10,806.4 billion yen (100,133 million U.S. dollars), due to the effects of the application of new accounting standards (IFRS 16 "Leases"), despite the effect accompanying the appreciation of the yen and the decreased trade receivables accompanying the absence of the effect of the last day of the previous fiscal year falling on a weekend.

(ii) Net interest-bearing debt (Interest-bearing debt after deducting Cash and cash equivalents and Time deposits)

Decreased by 5.6%, or 135.7 billion yen, compared with March 31, 2019 to 2,271.1 billion yen (21,044 million U.S. dollars), due to the repayment of borrowings accompanying stable performance in operating revenues and steady collections, and the effect accompanying the appreciation of the yen, despite dividend payments and the repurchase of own shares.

Interest-bearing debt decreased by 2.7%, or 81.5 billion yen, compared with March 31, 2019 to 2,902.4 billion yen (26,893 million U.S. dollars).

(iii) Total shareholders' equity

Increased by 0.9%, or 27.5 billion yen, compared with March 31, 2019 to 2,964.4 billion yen (27,468 million U.S. dollars), due to Net profit attributable to ITOCHU during this fiscal year, despite the effect accompanying the appreciation of the yen, 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 1.7 points compared with March 31, 2019 to 27.4%. NET DER (Net debt-to-shareholders' equity ratio) improved compared with March 31, 2019 to 0.77 times.

(b) Consolidated Cash Flows

	Billions of Yen		Millions of U.S. Dollars
	Apr.-Sep. 2019	Apr.-Sep. 2018	Apr.-Sep. 2019
Cash flows from operating activities	485.8	167.5	4,501
Cash flows from investing activities	(127.5)	53.3	(1,181)
Free cash flows.....	*358.3*	*220.8*	*3,320*
Cash flows from financing activities	(296.6)	(48.9)	(2,749)

(i) Cash flows from operating activities

Recorded a net cash-inflow of 485.8 billion yen (4,501 million U.S. dollars), resulting from the stable performance in operating revenues in The 8th, Metals & Minerals, and Food Companies.

(ii) Cash flows from investing activities

Recorded a net cash-outflow of 127.5 billion yen (1,181 million U.S. dollars), due to the investments and the acquisition of fixed assets in The 8th Company and the acquisition of fixed assets in Metals & Minerals Company.

(iii) Cash flows from financing activities

Recorded a net cash-outflow of 296.6 billion yen (2,749 million U.S. dollars), due to the repayment of borrowings and lease liabilities, dividend payments, and the repurchase of own shares.

"Cash and cash equivalents" as of September 30, 2019 increased by 51.7 billion yen compared with March 31, 2019 to 623.8 billion yen (5,780 million U.S. dollars).

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

IFRS 16 “Leases”

ITOCHU Group has applied IFRS 16 “Leases”, from the six-month period ended September 30, 2019 and recognized the cumulative effects of initially applying the standard as an adjustment to the opening balance of Retained earnings of the six-month period ended September 30, 2019 in accordance with the transitional method provided by the standard.

The standard introduces a single lessee accounting model and in principal requires that right-of-use assets representing the right to use an underlying asset and lease liabilities representing the obligation to make lease payments are recognized in the Consolidated Statement of Financial Position for all leases and that depreciation of the right-of-use assets and interests on the lease liabilities are recognized in the Consolidated Statement of Comprehensive Income. In the Consolidated Statement of Cash Flows, lease payments for the principal portion of lease liabilities are considered cash-outflows from financing activities.

As a result of applying the standard, at the beginning of the six-month period ended September 30, 2019, the opening balance of Assets increased by 1,027.7 billion yen, Liabilities increased by 1,059.5 billion yen and Retained earnings decreased by 26.5 billion yen.

(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 six-month periods ended September 30, 2019 and 2018

	Millions of Yen		Millions of U.S. Dollars
	Apr.-Sep. 2019	Apr.-Sep. 2018	**Apr.-Sep. 2019**
Revenues:			
Revenues from sale of goods	**¥ 4,878,633**	¥ 5,063,654	**$ 45,206**
Revenues from rendering of services and royalties	**611,066**	397,270	**5,662**
Total revenues	**5,489,699**	5,460,924	**50,868**
Cost:			
Cost of sale of goods	**(4,298,286)**	(4,543,636)	**(39,828)**
Cost of rendering of services and royalties	**(308,426)**	(297,669)	**(2,858)**
Total cost	**(4,606,712)**	(4,841,305)	**(42,686)**
Gross trading profit	**882,987**	619,619	**8,182**
Other gains (losses):			
Selling, general and administrative expenses	**(654,095)**	(452,569)	**(6,061)**
Provision for doubtful accounts	**(6,253)**	(2,503)	**(58)**
Gains on investments	**34,977**	192,237	**324**
Gains on property, plant, equipment and intangible assets	**2,149**	162	**20**
Other-net	**6,921**	5,391	**64**
Total other-losses	**(616,301)**	(257,282)	**(5,711)**
Financial income (loss):			
Interest income	**18,908**	19,735	**175**
Dividends received	**27,183**	11,666	**252**
Interest expense	**(31,715)**	(26,075)	**(294)**
Total financial income	**14,376**	5,326	**133**
Equity in earnings of associates and joint ventures	**117,748**	(9,697)	**1,091**
Profit before tax	**398,810**	357,966	**3,695**
Income tax expense	**(74,493)**	(80,065)	**(690)**
Net Profit	**324,317**	277,901	**3,005**
Net profit attributable to ITOCHU	**289,068**	258,002	**2,678**
Net profit attributable to non-controlling interests	**35,249**	19,899	**327**

	Millions of Yen		Millions of U.S. Dollars
	Apr.-Sep. 2019	Apr.-Sep. 2018	**Apr.-Sep. 2019**
Other comprehensive income, net of tax:			
Items that will not be reclassified to profit or loss			
FVTOCI financial assets	**¥ (13,137)**	¥ 12,006	**$ (122)**
Remeasurement of net defined pension liability	**(498)**	537	**(5)**
Other comprehensive income in associates and joint ventures	**(2,380)**	6,660	**(22)**
Items that will be reclassified to profit or loss			
Translation adjustments	**(64,057)**	26,677	**(593)**
Cash flow hedges	**(2,397)**	(2,337)	**(22)**
Other comprehensive income in associates and joint ventures	**(25,393)**	(11,630)	**(235)**
Total other comprehensive income, net of tax	**(107,862)**	31,913	**(999)**
Total comprehensive income	**216,455**	309,814	**2,006**
Total comprehensive income attributable to ITOCHU	**186,085**	287,839	**1,724**
Total comprehensive income attributable to non-controlling interests	**30,370**	21,975	**282**

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 six-month periods ended September 30, 2019 and 2018 were 222,639 million yen (2,063 million U.S. dollars) and 164,547 million yen, respectively.

(2) Consolidated Statement of Financial Position［Condensed］

ITOCHU Corporation and its Subsidiaries

As of September 30, 2019 and March 31, 2019

Assets	Millions of Yen		Millions of U.S. Dollars
	Sep. 2019	Mar. 2019	**Sep. 2019**
Current assets:			
Cash and cash equivalents	**¥ 623,762**	¥ 572,030	**$ 5,780**
Time deposits	**7,499**	5,051	**69**
Trade receivables	**2,070,769**	2,397,608	**19,188**
Other current receivables	**178,001**	168,968	**1,649**
Other current financial assets	**26,562**	43,132	**246**
Inventories	**957,361**	937,183	**8,871**
Advances to suppliers	**96,442**	98,081	**894**
Other current assets	**170,624**	185,767	**1,581**
Total current assets	**4,131,020**	4,407,820	**38,278**
Non-current assets:			
Investments accounted for by the equity method	**1,618,974**	1,559,280	**15,002**
Other investments	**852,367**	857,261	**7,898**
Non-current receivables	**669,377**	618,762	**6,203**
Non-current financial assets other than investments and receivables	**168,299**	270,116	**1,559**
Property, plant and equipment	**2,053,634**	1,077,874	**19,029**
Investment property	**64,324**	32,524	**596**
Goodwill and intangible assets	**1,118,596**	1,127,760	**10,365**
Deferred tax assets	**57,612**	65,609	**534**
Other non-current assets	**72,188**	81,697	**669**
Total non-current assets	**6,675,371**	5,690,883	**61,855**
Total assets	**¥10,806,391**	¥10,098,703	**$100,133**

Liabilities and Equity	Millions of Yen		Millions of U.S. Dollars
	Sep. 2019	Mar. 2019	**Sep. 2019**
Current liabilities:			
Short-term debentures and borrowings	**¥ 660,855**	¥ 650,909	**$ 6,123**
Lease liabilities (short-term)	**261,591**	-	**2,424**
Trade payables	**1,782,630**	1,942,037	**16,518**
Other current payables	**162,180**	234,518	**1,503**
Other current financial liabilities	**23,028**	27,073	**213**
Current tax liabilities	**47,331**	48,014	**439**
Advances from customers	**91,876**	88,480	**851**
Other current liabilities	**325,989**	350,343	**3,021**
Total current liabilities	**3,355,480**	3,341,374	**31,092**
Non-current liabilities:			
Long-term debentures and borrowings	**2,241,497**	2,332,928	**20,770**
Lease liabilities (long-term)	**940,151**	-	**8,711**
Other non-current financial liabilities	**68,401**	215,609	**634**
Non-current liabilities for employee benefits	**125,946**	124,418	**1,167**
Deferred tax liabilities	**218,204**	251,489	**2,022**
Other non-current liabilities	**136,950**	142,769	**1,269**
Total non-current liabilities	**3,731,149**	3,067,213	**34,573**
Total liabilities	**7,086,629**	6,408,587	**65,665**
Equity:			
Common stock:			
Authorized: 3,000,000,000 shares;			
issued: 1,584,889,504 shares	**253,448**	253,448	**2,348**
Capital surplus	**49,387**	49,584	**458**
Retained earnings	**2,801,885**	2,608,243	**25,963**
Other components of equity:			
Translation adjustments	**4,554**	81,037	**42**
FVTOCI financial assets	**33,555**	49,764	**311**
Cash flow hedges	**(11,105)**	433	**(103)**
Total other components of equity	**27,004**	131,234	**250**
Treasury stock	**(167,340)**	(105,601)	**(1,551)**
Total shareholders' equity	**2,964,384**	2,936,908	**27,468**
Non-controlling interests	**755,378**	753,208	**7,000**
Total equity	**3,719,762**	3,690,116	**34,468**
Total liabilities and equity	**¥10,806,391**	¥10,098,703	**$100,133**

Note : "Lease liabilities" are presented independently due to the application of new accounting standards (IFRS 16 “Leases”) and the amounts of "Lease liabilities" as of March 31, 2019 are not reclassified.

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

ITOCHU Corporation and its Subsidiaries

For the six-month periods ended September 30, 2019 and 2018

(Unit: Millions of Yen)

	Shareholders' equity						Non-controlling interests	Total equity
	Common stock	Capital surplus	Retained earnings	Other components of equity	Treasury stock	Total shareholders' equity		
Balance on April 1, 2019	**¥ 253,448**	**¥ 49,584**	**¥ 2,608,243**	**¥ 131,234**	**¥ (105,601)**	**¥ 2,936,908**	**¥ 753,208**	**¥ 3,690,116**
Cumulative effects of the application of new accounting standards			**(26,501)**			**(26,501)**	**(5,295)**	**(31,796)**
Net Profit			**289,068**			**289,068**	**35,249**	**324,317**
Other comprehensive income				**(102,983)**		**(102,983)**	**(4,879)**	**(107,862)**
Total comprehensive income			**289,068**	**(102,983)**		**186,085**	**30,370**	**216,455**
Cash dividends to shareholders			**(70,099)**			**(70,099)**		**(70,099)**
Cash dividends to non-controlling interests							**(15,492)**	**(15,492)**
Net change in acquisition (disposition) of treasury stock					**(61,739)**	**(61,739)**		**(61,739)**
Net change in sale (purchase) of subsidiary shares to (from) non-controlling interests		**(197)**		**(73)**		**(270)**	**(7,413)**	**(7,683)**
Transfer to Retained earnings			**1,174**	**(1,174)**		**-**		**-**
Balance on September 30, 2019	**253,448**	**49,387**	**2,801,885**	**27,004**	**(167,340)**	**2,964,384**	**755,378**	**3,719,762**

(Unit: Millions of Yen)

	Shareholders' equity						Non-controlling interests	Total equity
	Common stock	Capital surplus	Retained earnings	Other components of equity	Treasury stock	Total shareholders' equity		
Balance on April 1, 2018	¥ 253,448	¥ 160,271	¥ 2,324,766	¥ 81,206	¥ (150,208)	¥ 2,669,483	¥ 314,868	¥ 2,984,351
Cumulative effects of the application of new accounting standards			(14,097)			(14,097)	5	(14,092)
Net Profit			258,002			258,002	19,899	277,901
Other comprehensive income				29,837		29,837	2,076	31,913
Total comprehensive income			258,002	29,837		287,839	21,975	309,814
Cash dividends to shareholders			(58,995)			(58,995)		(58,995)
Cash dividends to non-controlling interests							(7,462)	(7,462)
Net change in acquisition (disposition) of treasury stock					(510)	(510)		(510)
Net change in sale (purchase) of subsidiary shares to (from) non-controlling interests		(1,489)		(13)		(1,502)	412,982	411,480
Transfer to Retained earnings			(80,925)	80,925		-		-
Balance on September 30, 2018	253,448	158,782	2,428,751	191,955	(150,718)	2,882,218	742,368	3,624,586

(Unit: Millions of U.S. Dollars)

	Shareholders' equity						Non-controlling interests	Total equity
	Common stock	Capital surplus	Retained earnings	Other components of equity	Treasury stock	Total shareholders' equity		
Balance on April 1, 2019	**$ 2,348**	**$ 460**	**$ 24,169**	**$ 1,216**	**$ (979)**	**$ 27,214**	**$ 6,979**	**$ 34,193**
Cumulative effects of the application of new accounting standards			**(246)**			**(246)**	**(49)**	**(295)**
Net Profit			**2,678**			**2,678**	**327**	**3,005**
Other comprehensive income				**(954)**		**(954)**	**(45)**	**(999)**
Total comprehensive income			**2,678**	**(954)**		**1,724**	**282**	**2,006**
Cash dividends to shareholders			**(649)**			**(649)**		**(649)**
Cash dividends to non-controlling interests							**(144)**	**(144)**
Net change in acquisition (disposition) of treasury stock					**(572)**	**(572)**		**(572)**
Net change in sale (purchase) of subsidiary shares to (from) non-controlling interests		**(2)**		**(1)**		**(3)**	**(68)**	**(71)**
Transfer to Retained earnings			**11**	**(11)**		**-**		**-**
Balance on September 30, 2019	**2,348**	**458**	**25,963**	**250**	**(1,551)**	**27,468**	**7,000**	**34,468**

Note : As the preliminary accounting treatment for the conversion of FamilyMart into a consolidated subsidiary in the second quarter of the previous fiscal year was finalized at the end of the previous fiscal year, the amounts under "Non-controlling interests" for the six-month period ended September 30, 2018 are presented post retroactive adjustments.

(4) Consolidated Statement of Cash Flows [Condensed]

ITOCHU Corporation and its Subsidiaries

For the six-month periods ended September 30, 2019 and 2018

	Millions of Yen		Millions of U.S. Dollars
	Apr.-Sep. 2019	Apr.-Sep. 2018	**Apr.-Sep. 2019**
Cash flows from operating activities:			
Net profit	**¥ 324,317**	¥ 277,901	**$ 3,005**
Adjustments to reconcile net profit to net cash provided by operating activities			
Depreciation and amortization	**202,122**	62,980	**1,873**
(Gains) losses on investments	**(34,977)**	(192,237)	**(324)**
(Gains) losses on property, plant, equipment and intangible assets	**(2,149)**	(162)	**(20)**
Financial (income) loss	**(14,376)**	(5,326)	**(133)**
Equity in earnings of associates and joint ventures	**(117,748)**	9,697	**(1,091)**
Income tax expense	**74,493**	80,065	**690**
Provision for doubtful accounts and other provisions	**5,232**	1,953	**48**
Changes in assets and liabilities, other-net	**34,566**	(41,811)	**320**
Proceeds from interest	**18,857**	17,990	**175**
Proceeds from dividends	**81,192**	59,478	**752**
Payments for interest	**(34,902)**	(27,264)	**(323)**
Payments for income taxes	**(50,868)**	(75,771)	**(471)**
Net cash provided by (used in) operating activities	**485,759**	167,493	**4,501**
Cash flows from investing activities:			
Net change in investments accounted for by the equity method	**(10,308)**	(102,750)	**(96)**
Net change in other investments	**(43,738)**	173,046	**(405)**
Net change in loans receivable	**9,702**	13,151	**90**
Net change in property, plant, equipment and intangible assets	**(80,662)**	(44,444)	**(747)**
Net change in time deposits	**(2,492)**	14,322	**(23)**
Net cash provided by (used in) investing activities	**(127,498)**	53,325	**(1,181)**
Cash flows from financing activities:			
Net change in debentures and loans payable	**(15,475)**	29,677	**(143)**
Repayments of lease liabilities	**(133,616)**	-	**(1,238)**
Cash dividends	**(70,099)**	(58,995)	**(650)**
Net change in treasury stock	**(62,001)**	(681)	**(575)**
Other	**(15,421)**	(18,908)	**(143)**
Net cash provided by (used in) financing activities	**(296,612)**	(48,907)	**(2,749)**
Net change in cash and cash equivalents	**61,649**	171,911	**571**
Cash and cash equivalents at the beginning of the period	**572,030**	432,140	**5,301**
Effect of exchange rate changes on cash and cash equivalents	**(9,917)**	7,642	**(92)**
Cash and cash equivalents at the end of the period	**¥ 623,762**	¥ 611,693	**$ 5,780**

Note : "Repayments of lease liabilities" in Cash flows from financing activities is presented independently due to the application of new accounting standards (IFRS 16 “Leases”) and the amount of "Repayments of lease liabilities" for the six-month period ended September 30, 2018 is not reclassified.

(5) Operating Segment Information

ITOCHU Corporation and its Subsidiaries
For the six-month periods ended September 30, 2019 and 2018

Information concerning operations in different operating segments for the six-month periods ended September 30, 2019 and 2018 is as follows:

For the six-month period ended September 30, 2019 (April 1, 2019 -September 30, 2019)

Millions of Yen

	Textile	Machinery	Metals & Minerals	Energy & Chemicals	Food	General Products & Realty	ICT & Financial Business	The 8th	Others, Adjustments & Eliminations	Consolidated total
Revenues:										
Revenues from external customers	**¥ 275,626**	**¥ 560,866**	**¥ 335,944**	**¥ 1,375,606**	**¥ 1,895,052**	**¥ 402,290**	**¥ 336,977**	**¥ 241,114**	**¥ 66,224**	**¥ 5,489,699**
Intersegment revenues	**7**	**17**	**-**	**17,782**	**3,839**	**12,172**	**6,470**	**24,295**	**(64,582)**	**-**
Total revenues	**275,633**	**560,883**	**335,944**	**1,393,388**	**1,898,891**	**414,462**	**343,447**	**265,409**	**1,642**	**5,489,699**
Gross trading profit	**57,591**	**96,865**	**56,640**	**111,692**	**138,253**	**79,307**	**108,139**	**233,777**	**723**	**882,987**
Trading income	**12,024**	**16,091**	**46,566**	**34,889**	**26,956**	**23,482**	**25,357**	**39,538**	**(2,264)**	**222,639**
Net profit attributable to ITOCHU	**15,018**	**28,751**	**61,305**	**22,046**	**19,620**	**45,714**	**31,992**	**21,376**	**43,246**	**289,068**
[Equity in earnings of associates and joint ventures]	**[4,220]**	**[14,741]**	**[12,120]**	**[4,756]**	**[3,759]**	**[9,256]**	**[22,844]**	**[1,168]**	**[44,884]**	**[117,748]**
Total assets on September 30, 2019	**516,056**	**1,201,347**	**812,210**	**1,321,309**	**1,632,957**	**1,030,370**	**1,133,491**	**2,272,429**	**886,222**	**10,806,391**

For the six-month period ended September 30, 2018 (April 1, 2018 -September 30, 2018)

Millions of Yen

	Textile	Machinery	Metals & Minerals	Energy & Chemicals	Food	General Products & Realty	ICT & Financial Business	The 8th	Others, Adjustments & Eliminations	Consolidated total
Revenues:										
Revenues from external customers	¥ 292,689	¥ 525,377	¥ 328,271	¥ 1,567,902	¥ 1,930,697	¥ 457,809	¥ 315,658	¥ -	¥ 42,521	¥ 5,460,924
Intersegment revenues	4	61	-	16,670	223	12,952	3,257	-	(33,167)	-
Total revenues	292,693	525,438	328,271	1,584,572	1,930,920	470,761	318,915	-	9,354	5,460,924
Gross trading profit	56,514	91,666	43,999	109,460	140,754	88,171	83,387	-	5,668	619,619
Trading income	9,932	11,231	34,716	32,779	29,238	29,338	15,492	(2)	1,823	164,547
Net profit attributable to ITOCHU	15,584	26,915	39,087	22,418	19,733	38,929	37,000	158,328	(99,992)	258,002
[Equity in earnings of associates and joint ventures]	[4,031]	[13,334]	[10,816]	[6,375]	[5,181]	[17,658]	[24,311]	[13,229]	[(104,632)]	[(9,697)]
Total assets on September 30, 2018	492,040	1,281,440	865,731	1,398,613	1,744,754	1,003,845	1,022,120	2,192,133	802,842	10,803,518
Total assets on March 31, 2019	527,204	1,180,268	844,399	1,288,711	1,640,440	980,618	1,093,255	1,691,617	852,191	10,098,703

For the six-month period ended September 30, 2019 (April 1, 2019 -September 30, 2019)

Millions of U.S. Dollars

	Textile	Machinery	Metals & Minerals	Energy & Chemicals	Food	General Products & Realty	ICT & Financial Business	The 8th	Others, Adjustments & Eliminations	Consolidated total
Revenues:										
Revenues from external customers	**$ 2,554**	**$ 5,197**	**$ 3,113**	**$ 12,746**	**$ 17,560**	**$ 3,728**	**$ 3,122**	**$ 2,234**	**$ 614**	**$ 50,868**
Intersegment revenues	**0**	**0**	**-**	**165**	**35**	**113**	**61**	**225**	**(599)**	**-**
Total revenues	**2,554**	**5,197**	**3,113**	**12,911**	**17,595**	**3,841**	**3,183**	**2,459**	**15**	**50,868**
Gross trading profit	**534**	**897**	**525**	**1,035**	**1,281**	**735**	**1,002**	**2,166**	**7**	**8,182**
Trading income	**111**	**149**	**432**	**323**	**250**	**218**	**235**	**366**	**(21)**	**2,063**
Net profit attributable to ITOCHU	**139**	**266**	**568**	**204**	**182**	**424**	**296**	**198**	**401**	**2,678**
[Equity in earnings of associates and joint ventures]	**[39]**	**[136]**	**[112]**	**[44]**	**[35]**	**[86]**	**[212]**	**[11]**	**[416]**	**[1,091]**
Total assets on September 30, 2019	**4,782**	**11,132**	**7,526**	**12,243**	**15,131**	**9,547**	**10,503**	**21,057**	**8,212**	**100,133**

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.
Note 4 : On July 1, 2019, ITOCHU established The 8th Company and changed its organizational structure from seven division companies to eight division companies. The amounts under "For the six-month period ended September 30, 2018" and "Total assets on March 31, 2019" are presented post reclassification.
Note 5 : As the preliminary accounting treatment for the conversion of FamilyMart into a consolidated subsidiary in the second quarter of the previous fiscal year was finalized at the end of the previous fiscal year, the amounts under "Total assets on September 30, 2018" in "The 8th" Company and "Consolidated total" are presented post retroactive adjustments.

(6) Assumption for Going Concern: None