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Stock Code: 8001

To Those Shareholders with Voting Rights

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

NOTICE OF THE 96TH ORDINARY GENERAL MEETING OF SHAREHOLDERS

We are pleased to announce the 96th Ordinary General Meeting of Shareholders of ITOCHU Corporation to be held as described below.

We appear currently to be in a critical stage in which the spread of the new coronavirus has yet to be completely contained. After careful consideration based on the current stage, we have judged that it is unfortunately necessary to significantly reduce the size of this Ordinary General Meeting of Shareholders.

Therefore, we will hold the meeting at our Osaka Headquarters, **only with ITOCHU Corporation's officers, and without the attendance of shareholders.** We ask for your understanding and cooperation in this matter.

We therefore ask all shareholders to refrain from attending this Ordinary General Meeting of Shareholders in person. Please read the attached REFERENCE DOCUMENTS OF THE GENERAL MEETING OF SHAREHOLDERS and exercise your voting rights in writing or via the Internet or other means so that it will reach us by 5 p.m., Thursday, June 18, 2020. (Please refer to "Information on Exercise of Voting Rights" on page 3.)

1. Date: 10 a.m., Friday, June 19, 2020

2. Place: Seminar Room (21F), Osaka Headquarters of ITOCHU Corporation
1-3, Umeda 3-chome, Kita-ku, Osaka

3. Objectives of the Meeting:

Reports:

1. The Business Report, the Consolidated Financial Statements and the report of the audit of the Consolidated Financial Statements by the Independent Auditor and Audit & Supervisory Board for the 96th Fiscal Term (from April 1, 2019 to March 31, 2020) will be reported at the meeting.
2. The Non-Consolidated Financial Statements for the 96th Fiscal Term (from April 1, 2019 to March 31, 2020) will be reported at the meeting.

Agenda:

Proposal No. 1: Appropriation of Surplus

Proposal No. 2: Election of Ten (10) Directors

Proposal No. 3: Election of One (1) Audit & Supervisory Board Member

*Other matters relating to ordinary general meetings of shareholders

(1) In the event that a shareholder provides no indication of approval or disapproval with regard to the proposals, the shareholder shall be considered to have expressed approval, which shall be handled accordingly.

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

- This Notice of Meeting does not include complete Consolidated Financial Statements and Non-Consolidated Financial Statements audited by audit & supervisory board members and Independent Auditor in preparing the respective reports of audit. The Notes to Consolidated Financial Statements, the Notes to Non-Consolidated Financial Statements, also the Consolidated Statements of Cash Flows and the Operating Segment Information as reference materials are provided on ITOCHU Corporation's website (https://www.itochu.co.jp/en/ir/shareholder/general_meeting/), pursuant to the provisions of applicable laws and regulations as well as Article 16 of ITOCHU Corporation's Articles of Incorporation.
- If circumstances are generated whereby revisions should be made to the content of the Business Report, the Consolidated Financial Statements, the Non-Consolidated Financial Statements and the REFERENCE DOCUMENTS OF THE GENERAL MEETING OF SHAREHOLDERS, such notification shall be published on ITOCHU Corporation's website (https://www.itochu.co.jp/en/ir/shareholder/general_meeting/).

Information on Exercise of Voting Rights

If you have exercised your voting rights both in writing (by mail) and via the Internet or other means, the last one to arrive at ITOCHU Corporation shall be deemed effective. Also, if you have exercised your voting rights multiple times via the Internet or other means, the last one shall be deemed effective.

Exercise of Voting Rights via the Internet

<Scanning QR code "smart vote">

You can simply login to the website for the exercise of voting rights without entering your voting rights exercise code and password.

1. Please scan the QR code located on the bottom right of the Exercise Voting Rights Form.
   * "QR code" is a registered trademark of DENSO WAVE INCORPORATED.

2. Indicate your approval or disapproval by following the instructions on the screen.
   Note that you can exercise your voting rights only once by using "smart vote"
   If you want to change your votes after exercising your voting rights, please access the PC site, log in with the voting rights exercise code and password on the Exercise Voting Rights Form, and exercise your voting rights again. It is possible to access the PC site by re-reading the QR code.

<Entering voting rights exercise code and password>

[Website for the exercise of voting rights] https://www.web54.net (This website is available in Japanese only.)

1. Please access the website for the exercise of voting rights

2. Enter your voting rights exercise code printed on the Exercise Voting Rights Form.

3. Enter your password printed on the Exercise Voting Rights Form.

4. Indicate your approval or disapproval by following the instructions on the screen.

If you are unclear as to the operation of your PC, smart phone, and mobile phone regarding the exercise of voting rights via the Internet, please contact the following number.

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

Institutional investors may use the "Voting Rights Electronic Exercise Platform" operated by ICJ Co., Ltd.

REFERENCE DOCUMENTS OF THE GENERAL MEETING OF SHAREHOLDERS

Proposals and references

Proposal No. 1: Appropriation of Surplus

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

Term-end Dividends

In line with the Medium- to Long-Term Shareholder Returns Policy, we seek the enhancement of shareholder returns through further increases in dividend amount and payout ratio, and active and continuous share buybacks. For the FY2020 shareholder dividend (including an interim dividend of ¥42.5), we plan to pay ¥85 per share, which is the record high in ITOCHU Corporation, and propose to pay a term-end dividend of ¥42.5 for the current term.

(1) Type of the dividend assets
Cash

(2) Allocation of dividend assets to be paid to shareholders and total dividend amount:
¥42.5 per share of common stock Total ¥63,437,618,710

(3) Date on which the appropriation of surplus goes into effect:
June 22, 2020

Proposal No. 2: Election of Ten (10) Directors

At the conclusion of this 96th Ordinary General Meeting of Shareholders, the terms of office of the ten (10) current directors will expire: Masahiro Okafuji, Yoshihisa Suzuki, Tomofumi Yoshida, Yuji Fukuda, Fumihiko Kobayashi, Tsuyoshi Hachimura, Atsuko Muraki, Harufumi Mochizuki, Masatoshi Kawana and Makiko Nakamori. Accordingly, we hereby propose to elect ten (10) directors. The candidates for the new directors are as follows:

Of the ten (10) candidates, four (4) are candidates for outside directors.

(For independence criteria for outside directors of ITOCHU Corporation, please refer to pages 19 to 20.)

No.	Name	Current position and responsibility in ITOCHU Corporation	Number of Attendance at Meetings of the Board of Directors	Number of years in office	Governance and Remuneration Committee	Nomination Committee
1	Masahiro Okafuji Reelection Male	Chairman & Chief Executive Officer	15/15 (100%)	16 years	○	○
2	Yoshihisa Suzuki Reelection Male	President & Chief Operating Officer; Chief Digital & Information Officer	15/15 (100%)	4 years	○	○
3	Tomofumi Yoshida Reelection Male	Member of the Board, Executive Vice President President, General Products & Realty Company	15/15 (100%)	5 years and 9 months	–	–
4	Yuji Fukuda Reelection Male	Member of the Board, Executive Vice President CEO for East Asia Bloc; CEO for Asia & Oceania Bloc; Executive Advisory Officer for CP & CITIC Operations	11/11 (100%) (since his appointment)	4 years and 9 months	–	–
5	Fumihiko Kobayashi Reelection Male	Member of the Board, Senior Managing Executive Officer Chief Administrative Officer	15/15 (100%)	5 years	–	○
6	Tsuyoshi Hachimura Reelection Male	Member of the Board, Senior Managing Executive Officer Chief Financial Officer	15/15 (100%)	5 years	–	–
7	Atsuko Muraki Reelection Outside Independent Female	Member of the Board	15/15 (100%)	4 years	–	◎
8	Harufumi Mochizuki Reelection Outside Independent Male	Member of the Board	15/15 (100%)	3 years	○	○
9	Masatoshi Kawana Reelection Outside Independent Male	Member of the Board	15/15 (100%)	2 years	◎	–
10	Makiko Nakamori Reelection Outside Independent Female	Member of the Board	11/11 (100%) (since her appointment)	1 year	○	–

Notes: 1. The number of years in office as a director is counted as of the date of the conclusion of this Ordinary General Meeting of Shareholders.

2. The figures for Mr. Tomofumi Yoshida and Mr. Yuji Fukuda include the number of years in office as a director in the past.

3. The above list shows the persons (intended) to compose the respective advisory committees after this Ordinary General Meeting of Shareholders.
4. The outside directors are listed in order of their appointment as director of ITOCHU Corporation.
5. In addition to the years of service as a director stated above, Mr. Harufumi Mochizuki served as an outside audit & supervisory board member of ITOCHU Corporation from June 2014 to June 2017.

◎: Chair

○: Member

Policy and Process for Appointing Candidates for Directors

In order to effectively supervise management and decide important business matters as the Board of Directors of a general trading company with broad range of business, ITOCHU Corporation's Board of Directors consists of, in principle, the Chairman, President, officers in charge of headquarters administrative functions, one appropriate Division Company president as an (internal) director, and such several outside directors that the percentage of outside directors in our Board of Directors is one-third or more to improve supervisory function of the Board of Directors. In nominating outside directors, ITOCHU Corporation prioritizes candidates with higher independence, based on the criteria for "independent directors" prescribed by the Tokyo Stock Exchange, Inc. and ITOCHU Corporation's "Independence Criteria for Outside Directors and Outside Audit & Supervisory Board Members," who with his or her experience and knowledge in the relevant category, are expected to contribute to the management of ITOCHU Corporation. Proposal on candidates for directors is created by Chairman & Chief Executive Officer taking into consideration diversity such as knowledge, experience, gender and international experience, and submitted to the Nomination Committee for further deliberation before the Board of Directors finally nominates the candidates for election at the General Meeting of Shareholders.

No.	Name	Brief personal history (Important concurrent occupations or positions)
1 Reelection	Masahiro Okafuji (December 12, 1949) Number of Attendance at Meetings of the Board of Directors: 15/15 (100%) Number of ITOCHU Corporation's shares held (of which, number of shares to be provided under the stock remuneration plan): 244,317 shares (72,722 shares)	April 1974 Joined ITOCHU Corporation June 2002 Executive Officer April 2004 Managing Executive Officer June 2004 Managing Director April 2006 Senior Managing Director April 2009 Executive Vice President April 2010 President & Chief Executive Officer April 2018 Chairman & Chief Executive Officer (current position) (Important concurrent occupations or positions) Outside Director, NISSIN FOODS HOLDINGS CO., LTD. <u>Reason for the nomination of the candidate for director</u> Since joining ITOCHU Corporation, Mr. Masahiro Okafuji has primarily engaged in textile-related business including brand marketing business. After serving in key positions including President of the Textile Company, he assumed the position of President & Chief Executive Officer of ITOCHU Corporation in April 2010. Since then, he has thoroughly pursued outstanding commitment-based management and a hands-on approach, and has significantly increased corporate value through excellent management skills and leadership. He assumed the position of Chairman & Chief Executive Officer of ITOCHU Corporation in April 2018. As he possesses a track record as the top executive of ITOCHU Corporation and outstanding knowledge of general trading company management overall and global operational management, we propose him as a candidate for director.
2 Reelection	Yoshihisa Suzuki (June 21, 1955) Number of Attendance at Meetings of the Board of Directors: 15/15 (100%) Number of ITOCHU Corporation's shares held (of which, number of shares to be provided under the stock remuneration plan): 109,683 shares (39,999 shares)	April 1979 Joined ITOCHU Corporation June 2003 Executive Officer April 2006 Managing Executive Officer April 2011 Adviser June 2011 Executive Vice President, JAMCO Corporation June 2012 Chief Executive Officer, JAMCO Corporation April 2016 Senior Managing Executive Officer of ITOCHU Corporation President, ICT & Financial Business Company June 2016 Member of the Board, Senior Managing Executive Officer April 2018 President & Chief Operating Officer (current position) April 2020 President & Chief Operating Officer; Chief Digital & Information Officer (current position) <u>Reason for the nomination of the candidate for director</u> Since joining ITOCHU Corporation, Mr. Yoshihisa Suzuki has primarily engaged in aviation-related business. After serving in key positions including President & CEO of ITOCHU International Inc., Chief Executive Officer of JAMCO Corporation and President of ICT & Financial Business Company, he assumed the position of President & Chief Operating Officer of ITOCHU Corporation in April 2018. He has strongly promoted management for sustainable growth through such initiatives as reinvention of business and smart management, demonstrating excellent management skills. Since April 2020, he has concurrently served as Chief Digital & Information Officer, promoting the development of promising businesses and new domains. As he possesses abundant work experience in ITOCHU Corporation and outstanding knowledge of general trading company management overall and global operational management, we propose him as a candidate for director.

No.	Name	Brief personal history (Important concurrent occupations or positions)
3 Reelection	Tomofumi Yoshida (September 5, 1956) Number of Attendance at Meetings of the Board of Directors: 15/15 (100%) Number of ITOCHU Corporation's shares held (of which, number of shares to be provided under the stock remuneration plan): 79,618 shares (12,468 shares)	April 1979 Joined ITOCHU Corporation April 2007 Executive Officer April 2010 Managing Executive Officer April 2012 President, ICT, General Products & Realty Company June 2012 Member of the Board, Managing Executive Officer April 2014 Member of the Board, Senior Managing Executive Officer April 2016 Senior Managing Executive Officer President & CEO, ITOCHU International Inc. April 2018 President, General Products & Realty Company (current position) June 2018 Member of the Board, Senior Managing Executive Officer April 2019 Member of the Board, Executive Vice President (current position) <u>Reason for the nomination of the candidate for director</u> Since joining ITOCHU Corporation, Mr. Tomofumi Yoshida has primarily engaged in general merchandise-related business such as paper pulp business, and served as Chief Operating Officer of Forest Products & General Merchandise Division and President of ICT, General Products & Realty Company. In April 2016, he assumed the position of President & CEO of ITOCHU International Inc. and promoted new business cultivation and business improvements. Since April 2018, as President of General Products & Realty Company, he has overseen the management and business activities of ITOCHU Corporation's general merchandise, construction and logistics overall, has promoted new business cultivation and business improvements, and has demonstrated excellent management skills. As he possesses abundant work experience in ITOCHU Corporation and outstanding knowledge of general trading company management overall and global operational management, we propose him as a candidate for director.
4 Reelection	Yuji Fukuda (January 21, 1957) Number of Attendance at Meetings of the Board of Directors (since his appointment): 11/11 (100%) Number of ITOCHU Corporation's shares held: 44,200 shares	April 1979 Joined ITOCHU Corporation June 2006 Executive Officer April 2009 Managing Executive Officer April 2012 President, Energy & Chemicals Company June 2012 Member of the Board, Managing Executive Officer April 2015 Member of the Board, Senior Managing Executive Officer April 2016 Senior Managing Executive Officer CEO for Asia & Oceania Bloc; President & CEO, ITOCHU Singapore Pte, Ltd.; Executive Advisory Officer for CP & CITIC Operations April 2019 Executive Vice President (current position) CEO for East Asia Bloc (current position); CEO for Asia & Oceania Bloc (current position); Executive Advisory Officer for CP & CITIC Operations (current position) June 2019 Member of the Board (current position) <u>Reason for the nomination of the candidate for director</u> Since joining ITOCHU Corporation, Mr. Yuji Fukuda has primarily engaged in chemicals-related business, and served as Chief Operating Officer of Chemicals Division and President of Energy & Chemicals Company. In April 2016, he was appointed to oversee the management and business activities of ITOCHU Corporation's Asia & Oceania Bloc overall in the concurrent roles of CEO for Asia & Oceania Bloc and Executive Advisory Officer for CP & CITIC Operations, has promoted new business cultivation and business improvements, and has demonstrated excellent management skills. In April 2019, he assumed the position of CEO for East Asia Bloc. As he possesses abundant work experience in ITOCHU Corporation and outstanding knowledge of general trading company management overall, and he has been engaged in global operational management as the top senior manager at major overseas business sites, we propose him as a candidate for director.

No.	Name	Brief personal history (Important concurrent occupations or positions)
5 Reelection	Fumihiko Kobayashi (June 21, 1957) Number of Attendance at Meetings of the Board of Directors: 15/15 (100%) Number of ITOCHU Corporation's shares held (of which, number of shares to be provided under the stock remuneration plan): 110,645 shares (27,665 shares)	April 1980 Joined ITOCHU Corporation April 2010 Executive Officer April 2013 Managing Executive Officer April 2015 Chief Administrative Officer June 2015 Member of the Board, Managing Executive Officer April 2017 Member of the Board, Senior Managing Executive Officer (current position) April 2018 Chief Administrative & Information Officer April 2019 Chief Administrative Officer (current position) Reason for the nomination of the candidate for director Since joining ITOCHU Corporation, Mr. Fumihiko Kobayashi has primarily engaged in human resources-related operations, and served as General Manager of Human Resources & General Affairs Division. Since April 2015, he has implemented unique work style reforms, health management of ITOCHU Corporation, and other areas as Chief Administrative Officer. Furthermore, as the chief officer for compliance, he has overseen the construction and operation of legal affairs and compliance systems, has promoted the strengthening of sustainability management, and has demonstrated excellent management skills. Since April 2020, he has been responsible for expanding ITOCHU's corporate brand. As he possesses abundant work experience in ITOCHU Corporation and outstanding knowledge of general trading company management overall and global operational management, we propose him as a candidate for director.
6 Reelection	Tsuyoshi Hachimura (July 6, 1957) Number of Attendance at Meetings of the Board of Directors: 15/15 (100%) Number of ITOCHU Corporation's shares held (of which, number of shares to be provided under the stock remuneration plan): 102,532 shares (24,932 shares)	October 1991 Joined ITOCHU Corporation April 2012 Executive Officer April 2015 Managing Executive Officer Chief Financial Officer (current position) June 2015 Member of the Board, Managing Executive Officer April 2018 Member of the Board, Senior Managing Executive Officer (current position) Reason for the nomination of the candidate for director Since joining ITOCHU Corporation, Mr. Tsuyoshi Hachimura has primarily engaged in metals-related business, demonstrating excellent management skills while serving as Chief Executive Officer of ITOCHU Minerals & Energy of Australia Pty Ltd (IMEA), a group company of ITOCHU Corporation in Australia. He also served as CAO of ITOCHU International Inc. and as General Manager of the Finance Division of ITOCHU Corporation. Since April 2015, he has worked toward the improvement and operation of financial strategy, managerial administration, risk management, and internal control as Chief Financial Officer. He has further served for many years as the chair of key committees within ITOCHU Corporation. As he possesses abundant work experience in ITOCHU Corporation and outstanding knowledge of general trading company management overall and global operational management, we propose him as a candidate for director.

No.	Name	Brief personal history (Important concurrent occupations or positions)
7 Reelection Outside Independent	Atsuko Muraki (December 28, 1955) Number of Attendance at Meetings of the Board of Directors: 15/15 (100%) Number of ITOCHU Corporation's shares held: 2,300 shares	April 1978 Joined Ministry of Labour October 2005 Counsellor for Policy Evaluation, Minister's Secretariat, Ministry of Health, Labour and Welfare September 2006 Deputy Director-General, Equal Employment, Children and Families Bureau, Ministry of Health, Labour and Welfare July 2008 Director-General, Equal Employment, Children and Families Bureau, Ministry of Health, Labour and Welfare September 2010 Director-General for Policies on Cohesive Society, Cabinet Office September 2012 Director-General, Social Welfare and War Victims' Relief Bureau, Ministry of Health, Labour and Welfare July 2013 Vice-Minister of Health, Labour and Welfare, Ministry of Health, Labour and Welfare October 2015 Retired from Ministry of Health, Labour and Welfare June 2016 Outside Member of the Board of ITOCHU Corporation (current position) April 2017 Guest Professor, Tsuda University (current position) June 2017 Outside Audit & Supervisory Board Member, Sompo Holdings, Inc. June 2018 Outside Director, Sumitomo Chemical Company, Limited (current position) June 2019 Outside Director, Sompo Holdings, Inc. (current position) (Important concurrent occupations or positions) Outside Director, Sumitomo Chemical Company, Limited Outside Director, Sompo Holdings, Inc. <u>Reason for the nomination of the candidate for outside director</u> Ms. Atsuko Muraki has served important positions at the Ministry of Health, Labour and Welfare (and the former Ministry of Labour). On the basis of her wealth of experience and high-level knowledge she accumulated as a government official, she provides appropriate advice on the management of ITOCHU Corporation from a broad perspective and performs proper supervision of ITOCHU Corporation's business execution. While she does not have experience with direct involvement in corporate management other than as an outside director of ITOCHU Corporation and as an outside director and outside audit & supervisory board member for other companies, we have determined that we can continue to leverage her high-level knowledge in the management of ITOCHU Corporation as before, and propose her as a candidate for outside director. <u>Special notes concerning the candidate for outside director</u> Ms. Atsuko Muraki is currently an outside director of ITOCHU Corporation, and she will have served in that capacity for four (4) years at the conclusion of this 96th Ordinary General Meeting of Shareholders. She fulfills the criteria for independent directors prescribed by the Tokyo Stock Exchange, Inc. and ITOCHU Corporation's "Independence Criteria for Outside Directors and Outside Audit & Supervisory Board Members" (please refer to pages 19 to 20) and is registered as an independent director at Tokyo Stock Exchange, Inc.

No.	Name	Brief personal history (Important concurrent occupations or positions)
8 Reelection Outside Independent	Harufumi Mochizuki (July 26, 1949) Number of Attendance at Meetings of the Board of Directors: 15/15 (100%) Number of ITOCHU Corporation's shares held: 4,000 shares	April 1973 Joined Ministry of International Trade and Industry July 1998 Deputy Director-General for Economic Structural Reform, Ministry of International Trade and Industry January 2001 Director-General for Nuclear and Industrial Safety Policy, Nuclear and Industrial Safety Agency July 2002 Director-General for Commerce and Distribution Policy, Ministry of Economy, Trade and Industry July 2003 Director-General, Small and Medium Enterprise Agency July 2006 Director-General, Agency for Natural Resources and Energy July 2008 Vice-Minister of Economy, Trade and Industry July 2010 Retired from Ministry of Economy, Trade and Industry August 2010 Special Advisor to the Cabinet (to September 2011) June 2012 Outside Director, Hitachi, Ltd. (current position) June 2013 President & CEO, Tokyo Small and Medium Business Investment & Consultation CO., LTD. (current position) June 2014 Outside Audit & Supervisory Board Member of ITOCHU Corporation June 2017 Retired as Outside Audit & Supervisory Board Member June 2017 Outside Member of the Board (current position) (Important concurrent occupations or positions) Outside Director, Hitachi, Ltd. President & CEO, Tokyo Small and Medium Business Investment & Consultation CO., LTD. <u>Reason for the nomination of the candidate for outside director</u> Mr. Harufumi Mochizuki has served important positions at the Ministry of Economy, Trade and Industry (and the former Ministry of International Trade and Industry). On the basis of his wealth of experience and high-level knowledge he accumulated as a government official, he provides appropriate advice on the management of ITOCHU Corporation from a broad perspective and performs proper supervision of ITOCHU Corporation's business execution. Based on his experience as a corporate executive at other entities where he concurrently serves, we have determined that he is able to leverage his high-level knowledge in the management of ITOCHU Corporation, and propose him as a candidate for outside director. <u>Special notes concerning the candidate for outside director</u> Mr. Harufumi Mochizuki is currently an outside director of ITOCHU Corporation, and at the conclusion of this 96th Ordinary General Meeting of Shareholders, he will have served in that capacity for three (3) years. He fulfills the criteria for independent directors prescribed by the Tokyo Stock Exchange, Inc. and ITOCHU Corporation's "Independence Criteria for Outside Directors and Outside Audit & Supervisory Board Members" (please refer to pages 19 to 20) and is registered as an independent director at Tokyo Stock Exchange, Inc. Although he is currently engaged in business execution of Tokyo Small and Medium Business Investment & Consultation CO., LTD. as President & CEO of the company, there is no business relationship between the company and ITOCHU Corporation in the most recent fiscal year.

No.	Name	Brief personal history (Important concurrent occupations or positions)
9 Reelection Outside Independent	Masatoshi Kawana (November 27, 1953) Number of Attendance at Meetings of the Board of Directors: 15/15 (100%) Number of ITOCHU Corporation's shares held: 1,800 shares	May 1978 Joined the Department of Cardiology, Tokyo Women's Medical University September 1991 Research fellow at Massachusetts General Hospital, Harvard Medical School December 1991 Research fellow at Vanderbilt University School of Medicine March 2004 Professor of Cardiology, Tokyo Women's Medical University April 2005 President of Aoyama Hospital, Tokyo Women's Medical University April 2014 Vice-president of Tokyo Women's Medical University Hospital November 2014 Professor of General Medicine, Tokyo Women's Medical University Hospital June 2018 Outside Member of the Board of ITOCHU Corporation (current position) February 2019 Visiting Professor of Graduate School of Advanced Science and Engineering, Waseda University (current position) April 2019 Specially Appointed Professor of Tokyo Women's Medical University (current position) December 2019 Outside Director of MedPeer, Inc. (current position) (Important concurrent occupations or positions) Outside Director of MedPeer, Inc. <u>Reason for the nomination of the candidate for outside director</u> Mr. Masatoshi Kawana has served for many years as a physician at Tokyo Women's Medical University Hospital and has held successive key positions, including Vice-president of the hospital. Based on the experience in hospital management and the high-level knowledge of medical care that he has gained as the President of Aoyama Hospital, Tokyo Women's Medical University, we have determined that he can provide advice from an instructive and diverse perspective, particularly with regard to Health and Productivity Management and the medical care business that ITOCHU Corporation is promoting, and propose him as a candidate for outside director. <u>Special notes concerning the candidate for outside director</u> Mr. Masatoshi Kawana is currently an outside director of ITOCHU Corporation, and at the conclusion of this 96th Ordinary General Meeting of Shareholders, he will have served in that capacity for two (2) years. He fulfills the criteria for independent directors prescribed by the Tokyo Stock Exchange, Inc. and ITOCHU Corporation's "Independence Criteria for Outside Directors and Outside Audit & Supervisory Board Members" (please refer to pages 19 to 20) and is registered as an independent director at Tokyo Stock Exchange, Inc. As a medical consultant, we are irregularly provided from Mr. Masatoshi Kawana medical advice to the Chairman and the President in case of their illness or injury and other advice on health management. Consideration paid to Mr. Masatoshi Kawana is 100,000 yen per month, and in light of the size and nature of this service, it is our judgment that there is no risk of affecting his independence. ITOCHU Corporation and Mr. Masatoshi Kawana agreed to terminate the agreement pertaining to the provision of this advice as of June 18, 2020.

No.	Name	Brief personal history (Important concurrent occupations or positions)
10 Reelection Outside Independent	Makiko Nakamori (August 18, 1963) Number of Attendance at Meetings of the Board of Directors (since her appointment): 11/11 (100%) Number of ITOCHU Corporation's shares held: 400 shares	April 1987 Joined Nippon Telegraph and Telephone Corporation October 1991 Inoue Saito Eiwa Audit Corporation (currently KPMG AZSA LLC) April 1996 Registered as a certified public accountant July 1997 Representative Partner, NAKAMORI CPA OFFICES (current position) August 2000 Outside Audit & Supervisory Board Member, Oracle Corporation Japan December 2006 Auditor (Outside), istyle Inc. August 2008 Outside Director, Oracle Corporation Japan December 2011 Outside Audit & Supervisory Board Member, M&A Capital Partners Co., Ltd. (current position) June 2013 Outside Director, ITOCHU Techno-Solutions Corporation Outside Audit & Supervisory Board Member, NEXT Co., Ltd. (currently LIFULL Co., Ltd.) (current position) November 2015 Auditor (external), TeamSpirit Inc. (current position) June 2019 Outside Member of the Board of ITOCHU Corporation (current position) (Important concurrent occupations or positions) Representative Partner, NAKAMORI CPA OFFICES Outside Audit & Supervisory Board Member, M&A Capital Partners Co., Ltd. Outside Audit & Supervisory Board Member, LIFULL Co., Ltd. Auditor (external), TeamSpirit Inc. <u>Reason for the nomination of the candidate for outside director</u> Ms. Makiko Nakamori has the high level of expertise regarding finance and accounting as a certified public accountant, and has extensive experience as a corporate executive so she can make appropriate comments regarding managing ITOCHU Corporation from a neutral and objective position. We have determined that she can appropriately supervise the performance of duties and propose her as a candidate for outside director. <u>Special notes concerning the candidate for outside director</u> Ms. Makiko Nakamori is currently an outside director of ITOCHU Corporation, and at the conclusion of this 96th Ordinary General Meeting of Shareholders, she will have served in that capacity for one (1) year. She fulfills the criteria for independent directors prescribed by the Tokyo Stock Exchange, Inc. and ITOCHU Corporation's "Independence Criteria for Outside Directors and Outside Audit & Supervisory Board Members" (please refer to pages 19 to 20) and is registered as an independent director at Tokyo Stock Exchange, Inc. Ms. Makiko Nakamori served as an outside director of ITOCHU Techno-Solutions Corporation, a subsidiary of ITOCHU Corporation, from June 2013 to June 2019. Although she is currently engaged in business execution of NAKAMORI CPA OFFICES as Representative Partner of the offices, there is no business relationship between the offices and ITOCHU Corporation in the most recent fiscal year.

Notes:
1. All candidates do not have any special interest with ITOCHU Corporation.
2. The number of ITOCHU Corporation's shares held by each candidate includes the number of shares noted in parentheses which indicates shares scheduled to be provided in accordance with the stock remuneration plan when the candidate retires (i.e., a number of shares commensurate with vested points under the performance-linked stock remuneration plan (trust type)). Please refer to pages 15 to 16 for the overview of the remuneration plan for directors of ITOCHU Corporation.
3. Ms. Atsuko Muraki, Mr. Harufumi Mochizuki, Mr. Masatoshi Kawana and Ms. Makiko Nakamori are candidates for outside directors.
4. ITOCHU Corporation, in order for its outside directors to perform their expected roles fully, has provided in Article 24 of its Articles of Incorporation that it may conclude an agreement with an outside director limiting his or her liability to an amount provided for by laws and regulations as long as there are good faith and no gross negligence regarding the outside director's performance of duties. Therefore, in the event that this proposal is approved, we intend to continue the agreements on limited liability that it has concluded with Ms. Atsuko Muraki, Mr. Harufumi Mochizuki, Mr. Masatoshi Kawana and Ms. Makiko Nakamori.
   The content of the contract can be summarized as follows:
   - It limits, based on the provisions of Article 427, Paragraph 1 of the Companies Act, responsibility as specified in Article 423, Paragraph 1 of that Act.
   - As long as there are good faith and no gross negligence regarding an outside director's performance of duties, ITOCHU Corporation may limit responsibility to the extent permitted under Article 425, Paragraph 1 of that Act.

[Reference] Structure of the Board of Directors

Executive directors	Outside directors	Ratio of female directors	Ratio of outside directors	Distinctive feature
6 CEO COO CAO CFO Division Company President Overseas	**4** Two males Two females	**20%** **(Two female directors)**	**40%** **(Four outside directors)**	Maintain the ratio of outside directors at more than one-third at all times. Paying attention to the diversity of the Board of Directors, we increased the number of female Directors (outside directors) from one to two, thereby bringing the ratio of women on the Board of Directors to 20%.

COO: Chief Operating Officer; Chief Digital & Information Officer

Division Company President: President of General Products & Realty Company

Overseas: CEO for East Asia Bloc; CEO for Asia & Oceania Bloc; Executive Advisory Officer for CP & CITIC Operations

[Reference] Principal Areas of Experience of Outside Directors

Name and role	Principal specialized area of experience						Main career history and qualifications, etc.
	All aspects of management	Overseas assignment (Global)	Finance and accounting	Human resources and labor	Internal control and legal affairs /compliance	Health and medical care	
Atsuko Muraki Outside Director Chair of the Nomination Committee	●			●	●	●	Vice-Minister of Health, Labour and Welfare
Harufumi Mochizuki Outside Director	●	● (North America/ Europe)		●	●		Vice-Minister of Economy, Trade and Industry
Masatoshi Kawana Outside Director Chair of the Governance and Remuneration Committee	●	● (North America)		●	●	●	Vice-president of Tokyo Women's Medical University Hospital Doctor of Medicine
Makiko Nakamori Outside Director	●		●		●		Served as outside director and audit & supervisory board member at several companies including ITOCHU Techno-Solutions Corporation Certified Public Accountant

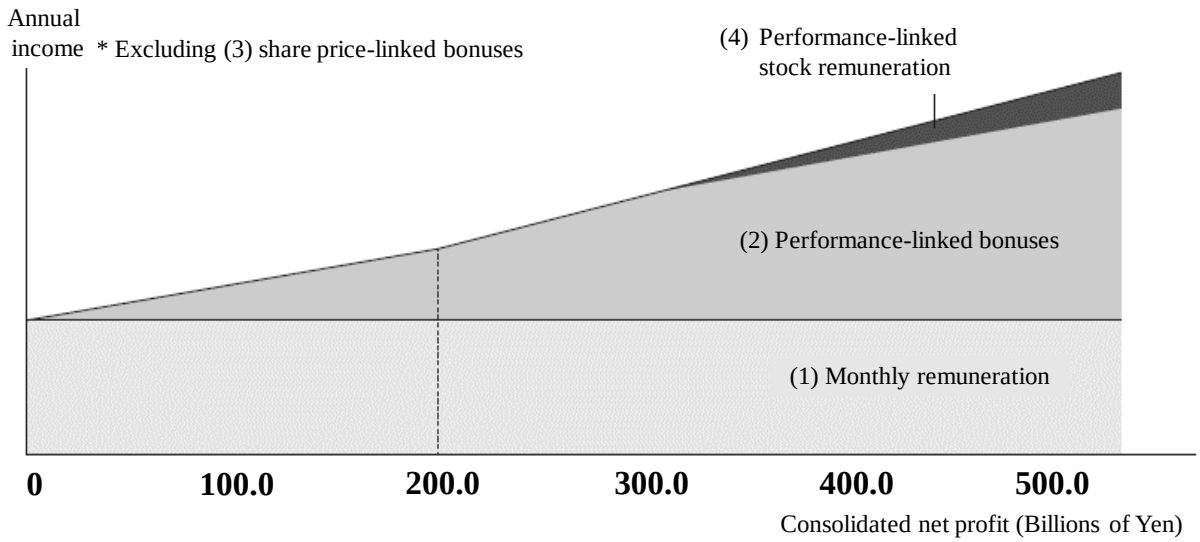
[Reference] Overview of the Remuneration Plan for Directors

ITOCHU Corporation's current remuneration plan for Directors is designed to be an incentive to grow business performance. Performance-linked bonus has a high proportion of overall remuneration, and this remuneration plan, including the calculation method, has been previously disclosed publicly, making it highly transparent. In order to increase awareness of contribution to raising business performance and enlarging corporate value over the medium- to long-term, we are including stock remuneration as part of the remuneration plan.

Remuneration Plan for Directors for FY2021 consists of (1) monthly remuneration, (2) performance-linked bonuses, (3) share price-linked bonuses, and (4) performance-linked stock remuneration (trust type). Of these, (3) share price-linked bonuses is a revision of the market capitalization-linked bonuses, which were introduced in FY2019, and the share price-linked bonuses are not designed on the single year base used when the market capitalization-linked bonuses was introduced. The bonus amount is calculated based on the evaluation of the relative growth rate of ITOCHU Corporation's share price during the period from FY2019 to FY2021 versus the growth rate of Tokyo Stock Price Index (TOPIX). The share price-linked bonuses are, like the stock remuneration, also for further strengthening awareness of enlarging corporate value from a medium- to long-term perspective.

Net profit (consolidated) is of high interest on the stock market because it is an easy-to-understand indicator of capital for growth-oriented investment and returns to shareholders and we have an unshakeable belief in its importance as an indicator going forward. In addition, bonuses for employees are linked to net profit (consolidated) so we have Net profit attributable to ITOCHU (consolidated) as the linked indicator for performance-linked bonuses ((2) above) and performance-linked stock remuneration ((4) above). Also, regarding share price-linked bonuses ((3) above), as stated above we have the growth rate of ITOCHU Corporation's share price during the period from FY2019 to FY2021 as the linked indicator, but for the calculation of the growth rate of the share price, we use the simple average of the daily final price for each fiscal year.

Remuneration image of Directors (excluding Outside Directors)

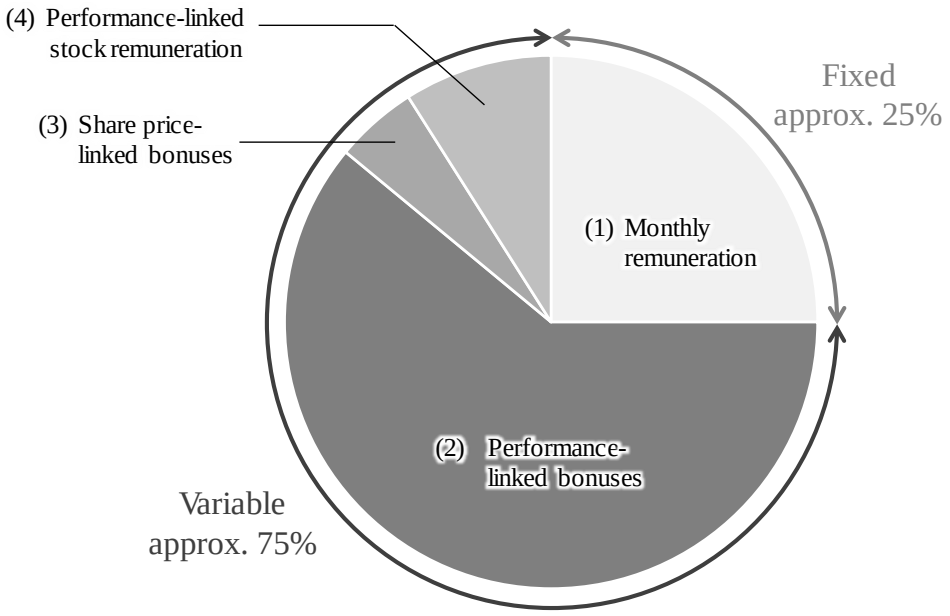


Type of remuneration	Details	Fixed / Variable	Remuneration limits	Resolution at General Meeting of Shareholders
(1) Monthly remuneration	Determined according to factors that include degree of contribution to ITOCHU Corporation, based on a standard amount for each position	Fixed	¥0.8 billion per year as total amount of monthly remuneration (of that amount, ¥0.1 billion per year for Outside Directors)	June 21, 2019
(2) Performance-linked bonuses	Total amount of payment is determined based on net profit (consolidated), and the each individual payment amount is determined in relation to the position points for the Director	Variable (single year)	¥2.0 billion per year as the total amount of bonus * Not paid to Outside Directors	
(3) Share price-linked bonuses	Bonus amount is calculated based on an evaluation of the relative growth rate of ITOCHU Corporation's share price during the period from FY2019 to FY2021 versus the growth rate of TOPIX (*1)	Variable (medium- to long-term)		
(4) Performance-linked stock remuneration	Total payment amount is determined based on net profit (consolidated), and each individual payment amount is determined in relation to the position points for the Director used in calculating the individual performance-linked bonus (*2)		The amounts below are limits for two fiscal years, for Directors and Executive Officers • Limit on contribution to trust by ITOCHU Corporation: ¥1.5 billion • Total number of points granted to eligible person: 1.3 million points (conversion at 1 point = 1 share) * Not paid to Outside Directors	June 24, 2016

*1 The bonus amount for each fiscal year is calculated based on the growth rate of ITOCHU Corporation's share price and the growth rate of TOPIX in each fiscal year, and then the share price-linked bonuses are calculated at the end of FY2021 by totaling the bonus amount for each fiscal year during the period from FY2019 to FY2021. The share price-linked bonuses are paid after each officer retires.

*2 Regarding stock remuneration, officers are granted points each year during their terms of office (excluding periods when not residing in Japan), and when the officers retire, stock remuneration corresponding to the accumulated number of points is paid at one time from a trust. For Directors who do not reside in Japan, remuneration is calculated each year as an amount equivalent to stock remuneration, which is calculated according to (4) above, and is paid following the end of every Ordinary General Meeting of Shareholders, as a performance-linked bonus separate from (2) above.

Remuneration composition ratios image of Directors (excluding Outside Directors) (FY2020)



* In the case of net loss (consolidated), Directors will receive neither performance-linked bonuses nor performance-linked remuneration.

Proposal No. 3: Election of One (1) Audit & Supervisory Board Member

The term of office of the current audit & supervisory board member Kiyoshi Yamaguchi will expire at the conclusion of this 96th Ordinary General Meeting of Shareholders. Accordingly, we hereby propose the election of one (1) audit & supervisory board member. The candidate for the new audit & supervisory board member is as follows.

The Audit & Supervisory Board has given its accord to this proposal.

Policy and Process for Appointing Candidates for Audit & Supervisory Board Members

In order to appropriately audit and supervise management as audit & supervisory board members of a general trading company with broad range of business, candidates for audit & supervisory board members are selected from those with understanding about ITOCHU Corporation's management, high-level expertise in fields including accounting, finance, law, and risk management, and a broad range of experience. As a company with a Audit & Supervisory Board, half or more of the members always consist of outside audit & supervisory board members. In nominating outside audit & supervisory board members, ITOCHU Corporation prioritizes candidates with higher independence, based on the criteria for "independent auditors" prescribed by the Tokyo Stock Exchange, Inc. and ITOCHU Corporation's "Independence Criteria for Outside Directors and Outside Audit & Supervisory Board Members," who with his or her high-level expertise and extensive experience in the relevant category, are expected to appropriately audit and supervise the management of ITOCHU Corporation. Moreover, among the audit & supervisory board members, ITOCHU Corporation nominates at least one person who possesses considerable knowledge concerning finance and accounting. A proposal on candidates for audit & supervisory board members is created by Chairman & Chief Executive Officer through consultation with full-time audit & supervisory board members with consent of the Audit & Supervisory Board. It is then submitted to the Nomination Committee for further deliberation before the Board of Directors finally nominates the candidates for election at the General Meeting of Shareholders.

Name	Brief personal history (Important concurrent occupations or positions)
New election Makoto Kyoda (February 15, 1964) Number of ITOCHU Corporation's shares held: 12,050 shares	April 1987 Joined ITOCHU Corporation July 2003 Manager of Food Company Credit Management Dept. May 2007 General Manager of Risk Administration Dept., Risk Management Division April 2012 General Manager of Affiliate & Credit Risk Administration Dept. No.1, Global Risk Management Division May 2016 CFO, Food Company (current position) June 2016 Outside Corporate Auditor, Prima Meat Packers, Ltd. (current position) Reason for the nomination of the candidate for audit & supervisory board member Since joining ITOCHU Corporation, Mr. Makoto Kyoda has primarily engaged in finance, accounting, and risk management-related operations. He has served in positions including Senior Financial Officer of the Food Company and, since May 2016, CFO of the Food Company. As he possesses expertise and outstanding insight in the fields of finance, accounting, and risk management, as well as abundant work experience and a track record in management overall within ITOCHU Corporation, we have determined that he is able to properly execute duties as an audit & supervisory board member, and have proposed him as a new candidate for audit & supervisory board member.

Notes: 1. The candidate does not have any special interest with ITOCHU Corporation.

2. Currently, the candidate is an outside corporate auditor of Prima Meat Packers, Ltd., a subsidiary of ITOCHU Corporation, but he intends to step down for being an outside corporate auditor as of June 26, 2020.

If this proposal is approved as submitted, the Audit & Supervisory Board is scheduled to be comprised of the following.

	Name	Position in ITOCHU Corporation	Number of Attendance at Meetings of the Board of Directors	Number of Attendance at Meetings of the Audit & Supervisory Board	Number of years in office	Governance and Remuneration Committee	Nomination Committee
	Shuzaburo Tsuchihashi	Full-time Audit & Supervisory Board Member	15/15 (100%)	13/13 (100%)	2 years	–	*
	Makoto Kyoda	Full-time Audit & Supervisory Board Member	–	–	– years	○	–
Outside Independent	Shingo Majima	Audit & Supervisory Board Member	15/15 (100%)	13/13 (100%)	7 years	–	○
Outside Independent	Kentaro Uryu	Audit & Supervisory Board Member	15/15 (100%)	13/13 (100%)	5 years	–	○
Outside Independent	Kotaro Ohno	Audit & Supervisory Board Member	13/15 (87%)	13/13 (100%)	3 years	○	–

Notes: 1. The number of years in office as an audit & supervisory board member is measured as of the conclusion of this Ordinary General Meeting of Shareholders.
2. The above list shows the persons (intended) to compose the respective advisory committees after this Ordinary General Meeting of Shareholders.
3. The outside audit & supervisory board members are listed in order of their appointment as an audit & supervisory board member of ITOCHU Corporation.

○: Member

*: Observer

[Reference] Principal Areas of Experience of Outside Audit & Supervisory Board Members

Name and role	Principal specialized area of experience					Main career history and qualifications, etc.
	All aspects of management	Overseas assignment (Global)	Finance and accounting	Human resources and labor	Internal control and legal affairs /compliance	
Shingo Majima Outside Audit & Supervisory Board Member	●	● (North America)	●		●	Executive Director, Chuo University Senior Partner, KPMG LLP Certified Public Accountant in Japan and the United States (New York State)
Kentaro Uryu Outside Audit & Supervisory Board Member	●	● (Asia)			●	Managing Partner, URYU & ITOGA Attorney-At-Law
Kotaro Ohno Outside Audit & Supervisory Board Member	●			●	●	Prosecutor-General Vice-Minister of Justice Attorney-At-Law

[Reference] ITOCHU Corporation Independence Criteria for Outside Directors and Outside Audit & Supervisory Board Members

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

A. A person whose major business partner is ITOCHU Corporation or an executing person (Note 1) of such person
   - "A person whose major business partner is ITOCHU Corporation" in the above criteria means a person whose accounts receivable from ITOCHU Corporation exceed 2% of such person's consolidated net sales in any one of its last three (3) fiscal years.

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

C. 1. A consultant, an accounting professional, a legal professional, or a tax professional receiving a significant amount of money or other assets from ITOCHU Corporation other than executive remunerations (which shall be read as a consultant, an accounting professional, a legal professional, or a tax professional of an organization if such person receiving the said assets is an organization such as corporation and partnership)
      - "A significant amount of money" in the above criteria means, if such person receiving the money is an individual, 10 million yen or higher per year on average of the past three years, or, if such person is an organization, in respect of the payments made by ITOCHU Corporation on average over the last three (3) fiscal years (of such organization), the higher of 10 million yen or 2% of the consolidated gross sales of the organization.
   2. A member or a partner of an auditing firm which is Independent Auditor of ITOCHU Corporation, or other accounting professional who undertakes audits on ITOCHU Corporation or its subsidiary.

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

E. A director or other executing person of an organization (limited to those who are involved in business execution of such organization) to which ITOCHU Corporation has made a significant amount of donation
   - "A significant amount of donation" in the above criteria means a donation of an amount exceeding 20 million yen per year on average over the last three (3) fiscal years.

F. A major lender of ITOCHU Corporation, its parent company, or their respective executing person
   - "A major lender" of ITOCHU Corporation in the above criteria means the top three (3) companies of the lenders of ITOCHU Corporation in terms of the amount of borrowings in the last fiscal year.

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

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

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

2. A person who fell under C-2 above at a certain point in time during three (3) years prior to their appointment

3. In case there is an organization falling under E above as of their appointment, a person who belonged to such organization at a certain point in time during three (3) years prior to their appointment

4. A person who fell under D or F above at a certain point in time during three (3) years prior to their appointment

J. A close relative (Note 2) of a person falling under one of the following items (limited to an important person)

(A) A person falling under any of items A through C above, or a person falling under I-1 or I-2 (For A and B, an "important person" means an executive director, executive officer or corporate officer. For C-1, "important person" means, in case of an organization, a member or a partner of such organization, and for C-2, "important person" means a member, a partner or an accounting professional who directly engages in auditing on ITOCHU Corporation's group)

(B) An executing person of ITOCHU Corporation's subsidiary

(C) A non-executive director or an Accounting Advisor of ITOCHU Corporation's subsidiary (limited to a case where an outside audit & supervisory board member is to be designated as an independent director/auditor)

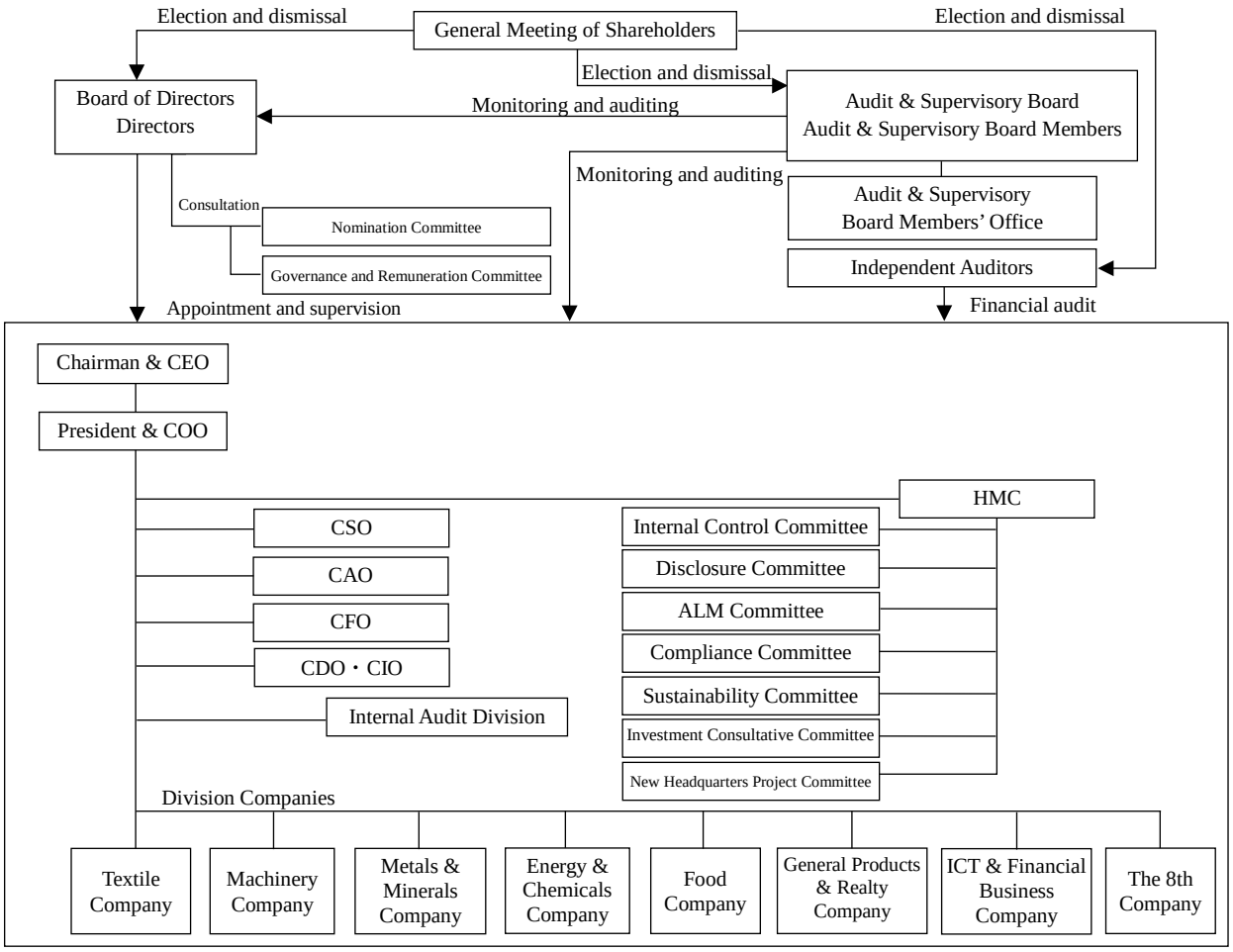
(D) A person who fell under (B) or (C), or was an executing person of ITOCHU Corporation (including non-executive director if an outside audit & supervisory board member is to be designated as an independent director/ auditor) at a certain point in time during one (1) year prior to their appointment

Notes: 1. "An executing person" means a person who executes business as provided for in Article 2, Paragraph 3, Item 6 of the Ordinance for Enforcement of the Companies Act.

2. "Close relative" means a relative within the second degree of kinship.

[Reference] Corporate Governance and Overview of Internal Control System

(as of April 1, 2020)



Notes: 1. CEO: Chief Executive Officer COO: Chief Operating Officer CSO: Chief Strategy Officer
CAO: Chief Administrative Officer CFO: Chief Financial Officer CDO・CIO: Chief Digital & Information Officer
HMC: Headquarters Management Committee ALM: Asset Liability Management

2. CAO is the chief officer for compliance. Also, each Division Company has a Division Company president.

3. Internal control systems and mechanisms have been implemented at every level of ITOCHU Corporation. Only the main internal control organization and committees are described herein.

[Reference] Board of Directors' Effectiveness Evaluation

ITOCHU Corporation conducted the evaluation as to the effectiveness of the Board of Directors targeting directors and audit & supervisory board members in FY2020.

As a result of this evaluation, in terms of the structure of the Board of Directors and its advisory committees as well as the roles and duties, operation status, information provision to directors and audit & supervisory board members, and training, the Board of Directors of ITOCHU Corporation confirmed that the effectiveness of the Board of Directors was secured.

According to an external consultant, it is evaluated that ITOCHU Corporation's score has improved in the majority of the questionnaires, and the effectiveness of the Board of Directors has made further progress through means including (1) progress in external form such as improvement of diversity and the structure of advisory committees, (2) invigoration of discussions in the Board of Directors through improvements in proceedings and operation of meetings, and (3) enhancement of information sharing.

With regard to the operation of the Board of Directors based on the transition to a Monitoring-Focused Structure, which was recognized as an ongoing issue in the previous evaluation, discussions were held with the goal of improving medium- to long-term corporate value, which ITOCHU Corporation seeks in its management strategy and corporate philosophy, and steady progress was observed.

At the same time, the findings also noted that, as remaining issues, there is a need for initiatives to address (1) further diversity in the Board of Directors, (2) the further enhancement of medium- to long-term discussions in the Board of Directors, and (3) the strengthening of provision of information to outside directors and outside audit & supervisory board members.

Based on the above survey results, ITOCHU Corporation intends to continue investigations aimed at increasing the diversity of outside directors and outside audit & supervisory board members, and to enhance discussions by the Board of Directors on major themes.

Based on the results of this evaluation of the Board of Directors, we will continue to maintain and improve the effectiveness of the Board of Directors.

[Reference] Advisory Body to the Board of Directors

We have established a Governance and Remuneration Committee and a Nomination Committee under the Board of Directors as voluntary advisory committees to raise the transparency of the decision-making process and strengthen the supervisory function of the Board of Directors. The roles and planned member composition of both committees after this 96th Ordinary General Meeting of Shareholders are as follows.

Independent outside directors and independent outside audit & supervisory board members make up a majority of both the Governance and Remuneration Committee and the Nomination Committee.

Governance and Remuneration Committee
(7 members in total)

Roles:

To deliberate and advise to the Board on proposals relating to remuneration system for directors and executive officers and other matters on corporate governance.

Composition:

Chair	Masatoshi Kawana, Member of the Board (Outside)
Members	Masahiro Okafuji, Chairman & Chief Executive Officer
	Yoshihisa Suzuki, President & Chief Operating Officer
	Harufumi Mochizuki, Member of the Board (Outside)
	Makiko Nakamori, Member of the Board (Outside)
	Makoto Kyoda, Audit & Supervisory Board Member
	Kotaro Ohno, Audit & Supervisory Board Member (Outside)

Nomination Committee
(7 members in total)

Roles:

To deliberate and advise to the Board on proposals relating to nomination and dismissal of executive officers, nomination of candidates for directors and audit & supervisory board members, dismissal of directors and audit & supervisory board members, and appointment and dismissal of responsible directors and executive officers.

Composition:

Chair	Atsuko Muraki, Member of the Board (Outside)
Members	Masahiro Okafuji, Chairman & Chief Executive Officer
	Yoshihisa Suzuki, President & Chief Operating Officer
	Fumihiko Kobayashi, Member of the Board
	Harufumi Mochizuki, Member of the Board (Outside)
	Shingo Majima, Audit & Supervisory Board Member (Outside)
	Kentaro Uryu, Audit & Supervisory Board Member (Outside)

* Shuzaburo Tsuchihashi, Audit & Supervisory Board Member, attends as an observer.

[Reference] Overview of the Internal Committees

Each internal committee carries out careful review and discussion of management issues in each field the committee oversees. Some internal committees, such as the Internal Control Committee, have outside experts among their members, who bring outside opinions into ITOCHU Corporation and assist with decision-making by the President & Chief Operating Officer and Board of Directors. The following table lists the main internal committees and their roles (as of April 1, 2020).

Name	Main topics of discussion	Chair
Internal Control Committee	• Issues related to the development of internal control systems	CAO
Disclosure Committee	• Issues related to business activity disclosure • Issues related to the development and operation of internal control systems in the area of financial reporting	CFO
Asset Liability Management (ALM) Committee	• Issues related to risk management systems • Issues related to balance sheet management	CFO
Compliance Committee	• Issues related to compliance	CAO
Sustainability Committee	• Issues related to sustainability and ESG (including environmental and social contribution initiatives; excluding governance-related issues)	CAO
Investment Consultative Committee	• Issues related to investment and financing	CFO
New Headquarters Project Committee	• Issues related to new Tokyo Head Office building	CAO

[Reference] Information Provision and Support Structure for Outside Directors and Outside Audit & Supervisory Board Members

Pre-briefing

ITOCHU Corporation believes that it is extremely important to provide adequate information to outside directors and outside audit & supervisory board members (collectively, “outside officers” in this section) in order to ensure the effectiveness of the Board of Directors and further energize discussion. Accordingly, ITOCHU Corporation holds pre-briefing meetings on the key points, background and purpose of the matters to be raised at the Board of Directors meetings, such as management plans and investment and loan proposals. Particularly, at a time when a management plan is being formulated, ITOCHU Corporation makes several arrangements, such as holding certain opportunities for explanations, including the sharing of policies during the intermediary stages of formulation, to hear the candid opinions from the diverse and multiple perspectives of outside officers and deepen the level of discussion.

On-site visits

ITOCHU Corporation establishes regular opportunities for outside officers to visit the places of operations of group companies and investee companies in Japan and overseas. ITOCHU Corporation believes that by allowing outside officers the opportunity to make on-site visits to business operations, and exchange opinions directly with the management team and hear first-hand from the site of operations such as through conversations with employees, and also to have direct experience with the products and services handled by the ITOCHU Group, it will provide the outside officers, whose role it is to provide supervision and monitoring of the management as a “public eye,” with a deeper understanding of the ITOCHU Group’s diverse business and thereby contribute to strengthening and improving efficiency of governance.

[Attached Documents]

Business Report

(From April 1, 2019 to March 31, 2020)

1. Current Conditions of the ITOCHU Group

(1) Business Progress and Achievement

[General Economic Situation]

In the fiscal year 2020, there were mounting expectations that the global economy would recover from its slowdown, which was primarily caused by increased trade friction, in light of the U.S. and China reaching a phase one trade agreement in December 2019. However, this was only temporary as the global outbreak of new coronavirus disease (COVID-19) triggered restrictions on movement of people and corporate activity, suppressing economic activity and sending the global economy into a tailspin toward the end of March 2020. Amid these developments, the WTI crude oil price temporarily increased from the US$60-65 per barrel range at the beginning of April 2019 due to tensions in the Middle East. Then, after trending downward in the midst of uncertainty surrounding the global economy, the price recovered to the US$60s level at one point toward the end of 2019 owing to the U.S.-China agreement, accelerated production cuts by major oil-producing countries, and other factors. However, at the end of March 2020, a failed agreement on production cuts and concerns over deterioration in the global economy had pushed the price down to close to US$20.

The Japanese economy stagnated initially due to a delayed recovery in exports and other factors, despite improved personal consumption in connection, partly, with a demand spike ahead of the consumption tax hike in October 2019. It further deteriorated after the tax increase due in part to damage sustained in major typhoons, and then slumped still further as the effects of the new coronavirus became a factor after the start of 2020. With regard to the U.S. dollar-yen exchange rate, the yen initially appreciated against the dollar, from ¥111 at the beginning of April 2019 to near ¥105 in August 2019 primarily due to concerns over U.S.-China trade friction, and then depreciated to close to ¥112 in February 2020 on the back of the U.S.-China agreement. Thereafter, the effects of the new coronavirus induced violent fluctuations, and the rate ended the fiscal year in the ¥108 level. The Nikkei Stock Average began the fiscal year at ¥21,500, dipped temporarily to around ¥20,000 level against a backdrop of yen appreciation and falling U.S. stock prices, and then recovered in January 2020 to the ¥24,000 level. Subsequently, however, the average fluctuated sharply, dropping as low as the ¥16,500 level at one point, but it ended the fiscal year at close to ¥19,000. The yield on 10-year Japanese government bonds declined from negative 0.07% at the beginning of April 2019 to near negative 0.3% at the end of August 2019 in anticipation of the European Central Bank and the U.S. Federal Reserve cutting interest rates. It then temporarily rose to positive territory on the U.S.-China agreement before trending around the zero percent line toward the end of March 2020.

[Operating Results of the ITOCHU Group]

(Billions of Yen)

	95th Fiscal Term (FY2019)	96th Fiscal Term (FY2020)	Increase (Decrease)	%
Revenues	11,600.5	10,983.0	(617.5)	(5.3%)
Gross trading profit	1,563.8	1,797.8	234.0	15.0%
Selling, general and administrative expenses	(1,193.3)	(1,380.9)	(187.6)	15.7%
Others	324.9	284.6	(40.3)	(12.4%)
[Equity in earnings of associates and joint ventures]	[98.1]	[205.9]	[107.8]	[109.9%]
Profit before tax	695.4	701.4	6.0	0.9%
Net profit attributable to ITOCHU	500.5	501.3	0.8	0.2%

(Reference) Trading income	361.5	399.4	37.9	10.5%

Revenues for the fiscal year ended March 31, 2020 decreased by 5.3%, or 617.5 billion yen, compared with the previous fiscal year to 10,983.0 billion yen. This decrease was attributable to lower revenue from the Energy & Chemicals Company, due to the lower sales prices and transaction volume in energy-related companies and chemical-related transactions; lower revenue from the General Products & Realty Company, 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; lower revenue from the Textile Company, due to the unfavorable sales in apparel-related companies resulting from the effects of warm winter and the new coronavirus and the stagnation in overall transactions including textile materials; and higher revenue from the Food Company, due to the conversion of Prima Meat Packers, Ltd. into a subsidiary, despite the decrease in provisions-related transactions.

Gross trading profit increased by 15.0%, or 234.0 billion yen, compared with the previous fiscal year to 1,797.8 billion yen. Gross trading profits increased in The 8th Company due to the conversion of FamilyMart Co., Ltd. (Note) into a subsidiary in the second quarter of the previous fiscal year; in the ICT & Financial Business Company due to the stable performance in ITOCHU Techno-Solutions Corporation and the conversion of POCKET CARD CO., LTD. into a subsidiary in the second quarter of the previous fiscal year; in the Food Company due to the stable performance in NIPPON ACCESS, INC. and the conversion of Prima Meat Packers, Ltd. into a subsidiary, despite the lower sales prices in fresh products in Dole; and in the Machinery Company due to the higher iron ore prices, despite the lower coal prices.

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

Selling, general and administrative expenses increased by 15.7%, or 187.6 billion yen, compared with the previous fiscal year to 1,380.9 billion yen, due to the effects of the conversion of FamilyMart Co., Ltd. and POCKET CARD CO., LTD. into subsidiaries in the second quarter of the previous fiscal year, and the effects of the conversion of Prima Meat Packers, Ltd. into a subsidiary.

Provision for doubtful accounts increased by 8.4 billion yen compared with the previous fiscal year to a loss of 17.4 billion yen, due to the provision for foreign receivables and the conversion of POCKET CARD CO., LTD. into a subsidiary in the second quarter of the previous fiscal year.

Gains on investments decreased by 71.5%, or 145.2 billion yen, compared with the previous fiscal year to 57.8 billion yen, due to the absence of the revaluation gain accompanying the conversion of FamilyMart Co., Ltd. into a subsidiary and the gain on sales of a North Sea oil fields development company in the previous fiscal year, despite the gains accompanying partial sales of foreign companies in General Products & Realty Company and the revaluation gain accompanying the conversion of Prima Meat Packers, Ltd. into a subsidiary.

Losses on property, plant, equipment and intangible assets improved by 7.6 billion yen, compared with the previous fiscal year to a loss of 4.4 billion yen, due to the gains on sales of lands and logistics warehouses, despite impairment losses in FamilyMart Co., Ltd. and Dole.

Other-net deteriorated by 12.1 billion yen, compared with the previous fiscal year to a loss of 1.4 billion yen, due mainly to the deterioration of foreign currency translation and a loss in a compensation for vendors.

Net interest expenses, which is the total of **Interest income** and **Interest expense**, deteriorated by 8.1 billion yen compared with the previous fiscal year to expenses of 22.3 billion yen, due to the effects of the application of new accounting standards and the conversion of FamilyMart Co., Ltd. into a subsidiary in the second quarter of the previous fiscal year. **Dividends received** increased by 37.4%, or 18.1 billion yen, compared with the previous fiscal year to 66.5 billion yen, due to the increase in dividends from iron ore-related investments. As a result, Net financial income, which is the total of net interest expenses and dividends received, increased by 10.0 billion yen compared with the previous fiscal year, to a gain of 44.1 billion yen.

Equity in earnings of associates and joint ventures increased by 109.9%, or 107.8 billion yen, compared with the previous fiscal year to 205.9 billion yen. This increase was attributable to an increase in the Others, Adjustments & Eliminations (Note), due to the absence of the impairment loss on investment in CITIC Limited in the previous fiscal year; a decrease in the General Product & Realty Company, due to the lower equity in earnings in ITOCHU FIBRE LIMITED (European pulp-related company) resulting from the lower pulp prices and the impairment loss in Japan Brazil Paper & Pulp Resources Development Co., Ltd.; and a decrease in The 8th Company, due to the conversion of FamilyMart Co., Ltd. into a subsidiary in the second quarter of the previous fiscal year.

(Note) "Others, Adjustments & Eliminations" includes gains and losses which do not belong to any operating segment and internal eliminations between operating segments.

Consequently, **Profit before tax** increased by 0.9%, or 6.0 billion yen, compared with the previous fiscal year to 701.4 billion yen. **Income tax expense** decreased by 5.0%, or 7.5 billion yen, compared with the previous fiscal year to 142.2 billion yen, due to lower tax expenses in natural-resource-projects and the absence of the increase resulting from the revaluation gain accompanying the conversion of FamilyMart Co., Ltd. into a subsidiary in the previous fiscal year, despite the stable growth in profits and the absence of the decrease in finance-related companies in the previous fiscal year. **Net profit**, which is calculated as profit before tax of 701.4 billion yen minus income tax expense of 142.2 billion yen, increased by 2.5%, or 13.5 billion yen, compared with the previous fiscal year to 559.2 billion yen. **Net profit attributable to ITOCHU,** which is calculated as Net profit minus **Net profit attributable to non-controlling interests** of 57.9 billion yen, increased by 0.2%, or 0.8 billion yen, compared with the previous fiscal year to 501.3 billion yen.

(Reference)

"Trading income" in accordance with Japanese accounting practices ("Trading income" = "Gross trading profit" + "Selling, general and administrative expenses" + "Provision for doubtful accounts") increased by 10.5%, or 37.9 billion yen, compared with the previous fiscal year to 399.4 billion yen. This increase was attributable to an increase in The 8th Company, due to the conversion of FamilyMart Co., Ltd. into a subsidiary in the second quarter of the previous fiscal year; an increase in the Metals & Minerals Company, due to the higher iron ore prices, despite the lower coal prices; and a decrease in the Textile Company, due to the unfavorable sales resulting from the effects of warm winter and the new coronavirus in apparel-related companies, the stagnation in overall transactions including textile materials, and the provision for foreign receivables.

Cautionary Notes concerning Forecasts

Data and projections contained in this business report are based on the current information available, 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.

[Main Business]

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

[Operating Results by Segment]

Net profit attributable to ITOCHU

(Billions of Yen)

Segment	95th Fiscal Term (FY2019)	96th Fiscal Term (FY2020)
Textile	29.8	9.1
Machinery	47.1	56.7
Metals & Minerals	78.7	111.4
Energy & Chemicals	78.4	61.7
Food	46.3	49.9
General Products & Realty	62.7	55.0
ICT & Financial Business	66.8	62.5
The 8th Company	166.8	26.1
Others, Adjustments & Eliminations	(76.0)	69.0
Total	500.5	501.3

Financial Highlights by Segment

Segment	
Textile Company	Decrease due to unfavorable sales resulting from the effects of warm winter and the new coronavirus in apparel-related companies, the stagnation in overall transactions including textile materials, the provision for foreign receivables, and the absence of the gain on sales of a foreign apparel-related company in the previous fiscal year.
Machinery Company	Increase due to the improvement in profitability in YANASE & CO., LTD., the stable performance in ship related-transactions, and the absence of losses on North American IPP companies in the previous fiscal year, despite the impairment loss in a foreign company.
Metals & Minerals Company	Increase due to the higher iron ore prices, the increase in dividends received in a Brazilian iron ore company, and lower tax expenses in natural-resource-projects, despite the lower coal prices.
Energy & Chemicals Company	Decrease due to the absence of the gain on sales of a North Sea oil fields development company in the previous fiscal year and the lower equity in earnings in petrochemical-related companies as well as Japan South Sakha Oil Co., Ltd., despite the increased vessel allocation in ITOCHU Oil Exploration (Azerbaijan) Inc. and the gain on sales of fixed assets in C.I. TAKIRON Corporation.
Food Company	Increase due to the stable performance in NIPPON ACCESS, INC. and the revaluation gain accompanying the conversion of Prima Meat Packers, Ltd. into a consolidated subsidiary, despite the lower sales prices in fresh products, the increase in costs in packaged products, and impairment losses in Dole in addition to the lower equity in earnings in North American grain-related companies resulting from weather factors.

Segment	
General Products & Realty Company	Decrease due to the lower pulp prices, the lower transaction volume in domestic logistics-facility-development-projects, and the impairment loss in Japan Brazil Paper & Pulp Resources Development Co., Ltd., despite the improvement in profitability in North American facility-materials-related companies, the stable performance in European Tyre Enterprise Limited (European tire-related company), the extraordinary gains accompanying the partial sales of foreign companies, and the extraordinary gains in ITOCHU LOGISTICS CORP.
ICT & Financial Business Company	Decrease due to the lower gains on fund operations and the absence of the extraordinary gains in the previous fiscal year, despite the stable performance in ITOCHU Techno-Solutions Corporation, the extraordinary gain accompanying the partial sales of a domestic company, and the revaluation gain accompanying the conversion of a domestic insurance-related company into a consolidated subsidiary.
The 8th Company	Decrease due to the absence of extraordinary gains in the previous fiscal year, the effect of the sale of UNY Co., Ltd. in the fourth quarter of the previous fiscal year, and the cost for the early retirement plan, despite the stable performance and lower tax expenses in FamilyMart Co., Ltd.
Others, Adjustments & Eliminations	Improvement due to the absence of the impairment loss on investment in CITIC Limited accounted for by the equity method in the previous fiscal year.

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

2. [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.

3. Accompanying the establishment of The 8th Company on July 1, 2019, “FY2019 Result” is presented post reclassification.

[Consolidated Financial Position]

(Billions of Yen)

	95th Fiscal Term (FY2019)	96th Fiscal Term (FY2020)	Increase (Decrease)	%
Total assets	10,098.7	10,919.6	820.9	8.1%
Interest-bearing debt	2,983.8	2,877.0	(106.9)	(3.6%)
Net interest-bearing debt	2,406.8	2,256.9	(149.9)	(6.2%)
Total shareholders' equity	2,936.9	2,996.0	59.0	2.0%

Ratio of shareholders' equity to total assets	29.1%	27.4%	Decreased 1.6 pt
NET DER (Net debt-to-shareholders' equity ratio) (times)	0.82	0.75	Improved 0.07 pt

Total assets increased by 8.1%, or 820.9 billion yen, compared with March 31, 2019 to 10,919.6 billion yen, due to the effects of the application of new accounting standards (IFRS 16 "Leases") and the conversion of Prima Meat Packers, Ltd. into a subsidiary, 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.

Net interest-bearing debt (Interest-bearing debt after deducting Cash and cash equivalents and Time deposits) decreased by 6.2%, or 149.9 billion yen, compared with March 31, 2019 to 2,256.9 billion yen, due to the repayment of borrowings accompanying stable performance in operating revenues and steady collections, despite dividend payments and the repurchase of own shares. Interest-bearing debt decreased by 3.6%, or 106.9 billion yen, compared with March 31, 2019 to 2,877.0 billion yen.

Total shareholders' equity increased by 2.0%, or 59.0 billion yen, compared with March 31, 2019 to 2,996.0 billion yen, due to Net profit attributable to ITOCHU during this fiscal year, despite the decrease resulting from dividend payments, the repurchase of own shares, the effect accompanying the appreciation of the yen, and the decline in the fair value of stocks.

Ratio of shareholders' equity to total assets decreased by 1.6 points compared with March 31, 2019 to 27.4%. NET DER (Net debt-to-shareholders' equity ratio) improved compared with March 31, 2019 to 0.75 times.

[Consolidated Cash Flows]

(Billions of Yen)

	95th Fiscal Term (FY2019)	96th Fiscal Term (FY2020)
Cash flows from operating activities	476.6	878.1
Cash flows from investing activities	201.1	(248.8)
Free cash flows	677.7	629.4
Cash flows from financing activities	(538.3)	(575.5)

Cash flows from operating activities recorded a net cash-inflow of 878.1 billion yen, resulting from the stable performance in operating revenues in The 8th, Metals & Minerals, Energy & Chemicals, and Food Companies.

Cash flows from investing activities recorded a net cash-outflow of 248.8 billion yen, due to the investments in The 8th Company, the underwriting of the third party allocation of new shares implemented by Tokyo Century Corporation in Machinery Company, the investment in a North American facility-materials-related company in General Products & Realty Company, and the investment in a software-related company in ICT & Financial Business Company.

Cash flows from financing activities recorded a net cash-outflow of 575.5 billion yen, due to the repayment of borrowings and lease liabilities, dividend payments, and the repurchase of own shares.

Cash and cash equivalents as of March 31, 2020 increased by 39.2 billion yen compared with March 31, 2019 to 611.2 billion yen.

[Medium-Term Management Plan “Brand-new Deal 2020”]

ITOCHU Group, in the Medium-Term Management plan “Brand-new Deal 2020,” has promoted various measures on both quantitative and qualitative targets such as “Entrenched consolidated net profit at the ¥500.0 billion level,” “Progressive dividend policy,” and “Actively promoted share buybacks” in quantitative targets and “Reinvention of Business” in qualitative targets.

Specific results for FY2020 were as follows.

■Textile Company

Further Diversification of Our Brand Business

We obtained exclusive import and distribution rights for the U.S.-based running shoes brand “Brooks” that has created many innovative features, including the world’s first 3D foot scanned, fully-customized running shoes. Meanwhile, we are promoting intellectual education and childcare-related content distribution and licensing business, and so forth, in China together with Shufunotomo Co., Ltd. and PPW Sports & Entertainment (HK) Limited. Amid the increasing diversification of consumer lifestyles and consumption behavior, we will continue to tackle diversification in the brand business from a “market-oriented perspective.”

Start of the “RENU” Project

We launched “RENU” as a project that aims to resolve excessive waste issues faced by the textile industry. As a first step, the project is rolling out recycled polyester made from old garments and textile. The material has been selected by the 2020 Borneo Charity collection of the U.S. luxury bag brand HUNTING WORLD. We will continue working to establish a business model that outpaces the competition, leveraging the Textile Company’s value chain that covers raw materials to products.

■Machinery Company

Advancing the Environmental and Renewable Energy Businesses

As one of the highest priority business area, and we are promoting environmental and renewable projects globally that contribute to improving urban environments and reducing greenhouse gases. In the urban environment area, we’ve started construction of an energy-from-waste facility in partnership with the City of Belgrade, in a project supported by the Republic of Serbia as a measure to combat pollution. We also continue developing in renewable energy business in the U.S., moving ahead with initiatives that include participation in wind power projects at two new locations in the states of Minnesota and Nebraska.

Collaboration with Tokyo Century Corporation in the Construction and Construction Machinery Sectors

We have created a joint management structure with Tokyo Century Corporation, which has become a shareholder in ITOCHU CONSTRUCTION MACHINERY CO., LTD. The latter company, now known as ITOCHU TC CONSTRUCTION MACHINERY CO., LTD., aims to be a next-generation general solutions provider that not only conducts sales and rental of construction machinery and materials but also leverages the diverse service functions and the extensive domestic and overseas networks of ITOCHU Corporation and Tokyo Century Corporation to offer one-stop solutions to client needs involving software, services, financing, and more.

■Metals & Minerals Company

Investment in the Longview Coking Coal Mine of U.S.-Based North Central Resources, LLC (NCR)

We have obtained a 25% stake in NCR, the owner of the Longview coking coal mine under development in the state of West Virginia, the U.S., and will participate in a new sales company with exclusive sales rights for the coking coal produced at the coal mine. The production volume of the coal mine is expected to be 4 million tons per annum, the highest among single coking coal mines in the U.S. With participation in the project and the establishment of the sales company, we aim to ensure a stable supply to customers particularly in Japan and other parts of Asia.

■Energy & Chemicals Company

Taking Japan's Top Share of Sales of Capacity with Our Own Branded Energy Storage System

In Energy Storage System -related business, one of our strengths, sales of our Smart Star L brand Energy Storage System exceeded 30,000 units in total, seizing the top market share in Japan (on a capacity basis). We made steady progress across a wide area of energy and chemicals sector in FY2020, establishing an Energy Storage System manufacturing joint venture, entering the automotive battery recycling business in China, and moving forward in markets in Europe, the U.S., and Australia. Ready to engage in even more comprehensive activities in FY2021 through organizational consolidation in the electricity supply-related business, we will further expand initiatives rooted in a "market-oriented perspective" and will contribute to the stable supply of electricity and the creation of a distributed energy-based society.

Building a Stronger Platform for Stable Mid- to Long-Term Revenue in the Energy Sector

We aim to create a strategic asset portfolio in the energy sector that can withstand changes in the business environment, including changes in oil prices. Specifically, we are improving existing upstream assets, including the Sakhalin-1, Eastern Siberia, and Ras Laffan LNG projects, while undertaking initiatives with a view to replacing oil and gas upstream assets, including our 2018 acquisition of an interest in the Iraqi West Qurna 1 Oil Field and the sale of a subsidiary holding assets in the U.K. North Sea. We will continue to strengthen our platform for stable medium- to long-term revenue that will contribute to our strategies.

■Food Company

Dole Pineapple Production Business in the Republic of Sierra Leone

We have established Sierra Tropical Limited ("STL") through our subsidiary Dole Asia Holdings Pte. Ltd. ("DAH") to begin pineapple cultivation and commercial production of processed foods of pineapple in the Republic of Sierra Leone. We are securing funding support for investment while DAH carries out local operations. This will reinforce DAH's global-scale processed foods operations through diversification of its production bases, while contributing to local communities by creating jobs and improving the living environment through the development of local industry.

NIPPON ACCESS, INC. Supports a Plentiful Diet

Our subsidiary NIPPON ACCESS, INC. is a top-class Japanese food wholesaler that stably and efficiently delivers products to supermarkets and convenience stores across Japan through more than 500 distribution points and about 10,000 contracted vehicles. In addition, through efforts to develop original products based on consumers' needs, such as the Karada Smile Project series that offer convenient, delicious, and nutritionally balanced foods, NIPPON ACCESS is working to make people's dining tables more vibrant.

■General Products & Realty Company

Strategies to Increase the Earning Power and Corporate Value of Group Companies Through Acquisitions in the North American Construction Materials Business

We have acquired U.S.-based companies Jamieson Manufacturing Co. ("JMC"), a manufacturer and wholesaler of fences, and Reichert Shake & Fencing, Inc. ("RSF"), a manufacturer of wooden fences. We have also sold a portion of our interest in CIPA LUMBER CO. LTD. ("CIPA") and Pacific Woodtech Corporation ("PWT"), manufacturers of veneer and LVL (laminated veneer lumber), to DAIKEN CORPORATION ("DAIKEN"), and have begun joint management with the latter company.

We have been reorganizing the North American construction materials industry, which is expected to deliver solid growth with stable population increase among principal advanced countries, starting with CIPA, PWT, and the fence manufacturer and wholesaler MASTER-HALCO, Inc. Following our acquisition of wooden fence manufacturer Alta Forest Products LLC and the subsequent acquisitions of JMC and RSF, we are now expanding the ITOCHU Group's share of the industry through seven companies, including DAIKEN.

We are also making efforts toward improving the management and corporate value of group companies after acquisition and reorganization, with over 20 experienced staff currently stationed in these companies. Looking forward, we aim to further enhance our earning power and corporate value in the North American construction materials market by making combined effort with the whole ITOCHU Group, introducing the manufacturing expertise of leading Japanese construction materials manufacturer DAIKEN in addition to our own insight cultivated over many years.

■ICT & Financial Business Company

Strategic Business Investment in WingArc1st Inc. (“WingArc”)

We acquired 24.5% of the issued shares of WingArc jointly with ITOCHU Techno-Solutions Corporation (“CTC”). By combining our business know-how with the industry-leading data utilization technology of WingArc, with which we have engaged in a capital and business alliance since September 2018, we have focused our efforts on the digital transformation (DX) business that supports companies’ digitalization. In alliance with WingArc and CTC, which boasts an extensive customer base, the additional investment will allow us to aim at further accelerating the DX business and expanding our business domains.

Conversion of HOKEN NO MADOGUCHI Group Inc. (“HOKEN NO MADOGUCHI”) into a Consolidated Subsidiary

With its management philosophy of “an excellent and the most caring company for customers,” HOKEN NO MADOGUCHI is Japan’s largest insurance shop chain. As a leading insurance shop company, it has an unrivaled scale in the industry (nationwide network of 762 stores as of March 31, 2020) combined with service quality underpinned by a unique employee education system. Through the conversion of HOKEN NO MADOGUCHI into a consolidated subsidiary, we will support business growth and further improvements in the quality of customer services under the company’s corporate philosophy, will deepen our partnership with the company which holds extensive points of contact with consumers, and will expand the business of the ITOCHU Group through a “market-oriented perspective.”

■The 8th Company

Joint Promotion of Digital Strategies with FamilyMart Co., Ltd.

In July 2019, our subsidiary FamilyMart Co., Ltd. released FamiPay, an all-in-one app with features that make everyday shopping at FamilyMart stores convenient and fun. The app has already been downloaded 5.15 million times. Together with FamilyMart Co., Ltd., we are moving forward with digital strategies that pursue convenience through points and payment based on FamiPay, and will develop and expand new businesses, including advertising, marketing, and financial services, that leverage purchasing information and consumer touchpoints.

(2) Management Policy for the Future

[Outlook for the Next Term]

Regarding the business outlook for the fiscal year 2021, the new coronavirus has become a global pandemic and there are currently no effective treatment methods or other concrete prospects for an exit from this previously unknown virus. In China, while infections have been contained and business conditions are expected to gradually recover, there is still the risk of renewed spread. In Europe and the U.S., as strict restrictions on economic activity are being maintained to control infections, further major deterioration in economic conditions appears unavoidable. The Japanese economy will be impacted by further constraints on economic activities, and on personal consumption in particular, prompted by the government' s state of emergency declaration. A severe slump is therefore expected to continue at least until the spread of new coronavirus infection can be contained. At present, it is difficult to predict the timing of a turnaround. The global economy is likely to go through a severe recession for the foreseeable future, and it will continue to be difficult to predict when it will bottom out. Amid such conditions, with regard to the U.S. dollar-yen exchange rate, the yen is expected to slightly continue appreciation against the U.S. dollar due to the impact of the low interest rate policy in the U.S. attributed to powerful monetary easing. Crude oil prices are expected to remain at low levels as demand declines significantly in connection with worsening economic conditions.

[Medium-Term Management Plan "Brand-new Deal 2020"]

ITOCHU Group, in the Medium-Term Management plan "Brand-new Deal 2020," has promoted various measures on both quantitative and qualitative targets such as "Entrenched consolidated net profit at the ¥500.0 billion level," "Progressive dividend policy," and "Actively promoted share buybacks" in quantitative targets and "Reinvention of Business" in qualitative targets. By a continuous proactive approach, we achieved all quantitative targets in the two years up to FY2020 and have also progressed steadily in various qualitative targets. As a result, we accomplished and completed "Brand-new Deal 2020" one year ahead of schedule.

Meanwhile, as the business environment is undergoing tumultuous change, and with the recognition that we are poised to move into a new management phase, we have positioned FY2021, which can be said as the beginning of the "global recession," as a year for consolidating our foothold. Therefore we formulated a management plan for the single FY2021, which does not belong to the Medium-Term Management plan.

Basic Policies

Based on the rapid changes in the business environment, in the management plan for FY2021, we will thoroughly instill the "earn, cut, prevent" principles as the core of our business.

Based on the fact that we are in an economic downturn phase, we will prevent unexpected loss by thoroughly implementing "prevent." In "cut," we will continue to make efforts not only to reduce costs but also to think more effectively about how to use funds. Through thoroughly instilling "earn, cut, prevent" principles anew, we will further promote highly efficient management.

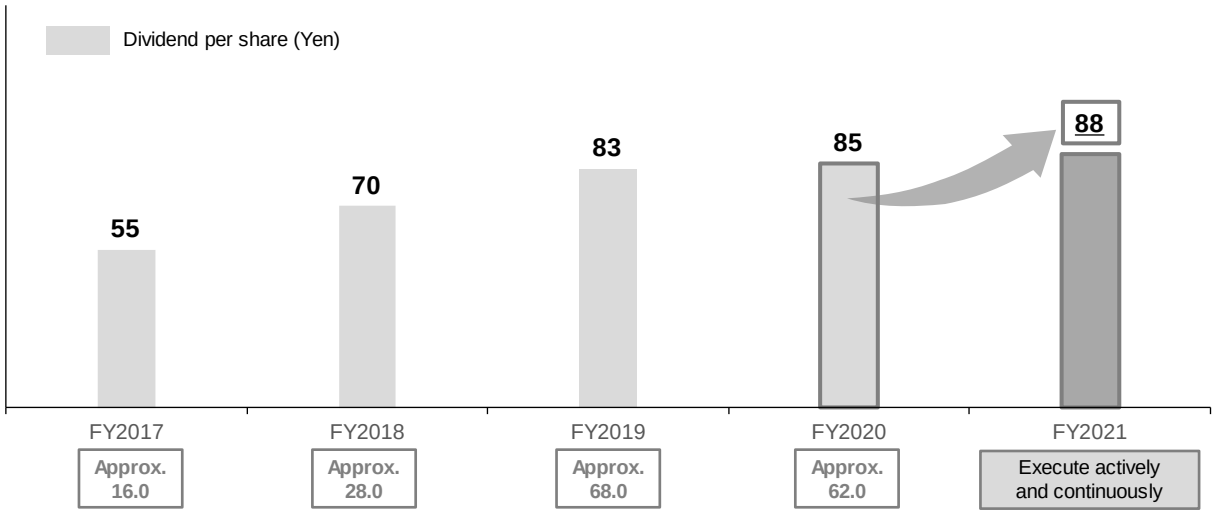
And, we maintain "Medium- to Long-Term Shareholder Returns Policy" and will strive to continuously improve corporate value from a medium- to long-term perspective.

[Shareholder Returns Policy]

We maintain Medium- to Long-Term Shareholder Returns Policy.

For FY2021, we plan to pay full-year dividend of ¥88 per share, which is the record high in ITOCHU Corporation and continue progressive dividend and target further increase in dividend amount and dividend payout ratio.

While being conscious of cash flow, we actively and continuously execute share buybacks.



ITOCHU Group appreciates the continuing support of our shareholders.

(3) Changes in Assets and Operating Results

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

Category	93rd Fiscal Term (FY2017)	94th Fiscal Term (FY2018)	95th Fiscal Term (FY2019)	96th Fiscal Term (FY2020) (Current term)
Revenues (Millions of Yen)	4,838,464	5,510,059	11,600,485	10,982,968
Gross trading profit (Millions of Yen)	1,093,462	1,210,440	1,563,772	1,797,788
Net profit attributable to ITOCHU (Millions of Yen)	352,221	400,333	500,523	501,322
Basic earnings per share attributable to ITOCHU (Yen)	223.67	257.94	324.07	335.58
Total assets (Millions of Yen)	8,122,032	8,663,937	10,098,703	10,919,598
Total shareholders' equity (Millions of Yen)	2,401,893	2,669,483	2,936,908	2,995,951

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

2) Changes in Assets and Operating Results of ITOCHU Corporation (Non-Consolidated)

Category	93rd Fiscal Term (FY2017)	94th Fiscal Term (FY2018)	95th Fiscal Term (FY2019)	96th Fiscal Term (FY2020) (Current term)
Total trading transactions (Millions of Yen)	4,470,329	4,795,741	4,983,051	4,411,184
Ordinary income (Millions of Yen)	184,893	211,881	307,065	287,696
Net profit (Millions of Yen)	136,673	109,263	286,479	248,410
Earnings per share (Yen)	86.74	70.35	185.37	166.18
Total assets (Millions of Yen)	3,217,095	3,164,561	3,086,494	3,046,455
Equity (Millions of Yen)	975,726	974,102	1,081,068	1,123,143

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

(4) Status of Major Group Companies

1) Major Subsidiaries and Associated Companies

	Name	Common stock	Voting shares ratio	Main business
Domestic	Dole International Holdings, Inc.	33,976 million yen	100.00%	Investment in Dole Asian fresh produce business and worldwide packaged foods business
	ITOCHU Techno-Solutions Corporation	21,764 million yen	58.26%	Software development, system integration, IT management, and other IT solutions business
	ITOCHU ENEX CO., LTD.	19,878 million yen	54.00%	Wholesale of petroleum products and LPG and electricity and supply business
	FamilyMart Co., Ltd.	16,659 million yen	50.36%	Convenience store operations under franchise system
	C.I. TAKIRON Corporation	15,189 million yen	51.36%	Manufacture, processing and sale of plastic products
	POCKET CARD CO., LTD.	14,374 million yen	80.00%	Credit card business
	ITOCHU PROPERTY DEVELOPMENT, LTD.	10,225 million yen	100.00%	Development and sale of housing
	Prima Meat Packers, Ltd.	7,909 million yen	44.65%	Production and marketing of meat, ham, sausage, and processed foods
	YANASE & CO., LTD.	6,976 million yen	66.10%	Sales and repair of automobile and related parts
	ITOCHU-SHOKUHIN Co., Ltd.	4,923 million yen	52.32%	Wholesale and distribution of foods and liquor
	ITOCHU LOGISTICS CORP.	4,402 million yen	100.00%	Comprehensive logistics services
	CONEXIO Corporation	2,778 million yen	60.35%	Sale of mobile phone units, mobile phones-related solution business
	NIPPON ACCESS, INC.	2,620 million yen	100.00%	Wholesale and distribution of foods
Overseas	ITOCHU International Inc.	625,640 thousand US$	100.00%	Wholesale and investment
	ITOCHU Europe PLC	70,449 thousand GBP	100.00%	Wholesale and investment
	ITOCHU Hong Kong Ltd.	1,248,621 thousand HK$	100.00%	Wholesale and investment
	ITOCHU (CHINA) HOLDING CO., LTD.	300,000 thousand US$	100.00%	Wholesale and investment
	ITOCHU Minerals & Energy of Australia Pty Ltd	276,965 thousand AU$	100.00%	Investment and sales in resource development projects including those of iron ore, coal, and non-ferrous metals
	ITOCHU Coal Americas Inc.	762,000 thousand US$	100.00%	Holding of coal mine and transportation infrastructure interests
	European Tyre Enterprise Limited	451,230 thousand GBP	100.00%	Management control of the European tire business
	ITOCHU FIBRE LIMITED	168,822 thousand EUR	100.00%	Distribution and trading of pulp, wood chip and paper materials and investment in METSA FIBRE OY
	Orchid Alliance Holdings Limited	1,500,055 thousand US$	100.00%	Investment and shareholder loan to a company investing in CITIC Limited

	Name	Common stock	Voting shares ratio	Main business
Associated companies	Orient Corporation	150,052 million yen	16.53%	Consumer credit
	Tokyo Century Corporation	81,129 million yen	25.84%	Leasing business, installment sales business and operating lease business
	Marubeni-Itochu Steel Inc.	30,000 million yen	50.00%	Import/export and wholesale of steel products
	C.P. Pokphand Co. Ltd.	253,329 thousand US$	25.00%	Compound animal feed business, livestock and aquatic product related businesses, and manufacture and sale business of food products
	FUJI OIL HOLDINGS INC.	13,209 million yen	34.50%	Management of group strategy and business operations
	DESCENTE LTD.	3,846 million yen	40.01%	Manufacture and sales of sportswear, etc.

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

Notes:
1. The column of voting shares ratio shows the total of shareholding by ITOCHU Corporation and indirect shareholding by its subsidiaries.
2. Prima Meat Packers, Ltd. is added as a major subsidiary, and Tokyo Century Corporation is added as a major associated company from this fiscal year.
3. While the voting shares ratio of Prima Meat Packers, Ltd. is not more than 50%, taking into account the distribution of voting rights, the patterns in which voting rights have been exercised and other factors, Prima Meat Packers, Ltd. is considered a subsidiary of ITOCHU Corporation.
4. While the voting shares ratio of Orient Corporation is less than 20%, ITOCHU Corporation participates in the determination of sales and financial directions by dispatching its Directors, including its Representative Directors, to the Board of Directors of Orient Corporation. Accordingly, ITOCHU Corporation exerts an important influence and Orient Corporation is considered an associated company of ITOCHU Corporation.

2) Consolidated Subsidiaries and Equity-Method Associated Companies

Category	93rd Fiscal Term (FY2017)	94th Fiscal Term (FY2018)	95th Fiscal Term (FY2019)	96th Fiscal Term (FY2020) (Current term)
Consolidated subsidiaries	207 companies	206 companies	203 companies	203 companies
Equity-method associated companies	101 companies	94 companies	88 companies	86 companies
Total of group companies	308 companies	300 companies	291 companies	289 companies

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

(5) Main Offices

1) Domestic

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

2) Overseas

Branches of ITOCHU Corporation	Johannesburg, Manila, Kuala Lumpur
Offices of ITOCHU Corporation	39 offices including Lima, Alger, Nairobi, Riyadh, Jakarta and Moscow
Overseas trading subsidiaries	57 overseas trading subsidiaries including headquarters/branches such as ITOCHU International Inc. (U.S.A.) ITOCHU Brasil S.A., ITOCHU Europe PLC (U.K.) ITOCHU MIDDLE EAST FZE (U.A.E.) ITOCHU Australia Ltd., ITOCHU (CHINA) HOLDING CO., LTD. ITOCHU Hong Kong Ltd., ITOCHU Singapore Pte, Ltd. ITOCHU (Thailand) LTD.

(6) Status of Employees

1) Status of Employees of the ITOCHU Group

(Number of employees)

Textile	Machinery	Metals & Minerals	Energy & Chemicals	Food	General Products & Realty	ICT & Financial Business	The 8th	Other	Total
7,869 [2,620]	13,842 [1,556]	501 [88]	12,688 [4,028]	38,494 [21,112]	17,530 [2,970]	20,392 [8,526]	13,999 [5,547]	2,831 [120]	128,146 [46,567]

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

2. The number of employees increased by 8,350 compared with the previous fiscal year-end due to promotion of typical employment at Dole International Holdings, Inc. and the conversion of Prima Meat Packers, Ltd. to a subsidiary in the Food Company, the conversion of HOKEN NO MADOGUCHI Group Inc. to a subsidiary in the ICT & Financial Business Company, and other factors.

3. Although the decrease in employees resulting from the changes in subsidiaries for FamilyMart Co., Ltd. in The 8th Company, the number of temporary employees increased by 7,846 compared with the previous fiscal year-end due to conversion of Prima Meat Packers, Ltd. into a subsidiary in the Food Company and other factors.

2) Status of Employees of ITOCHU Corporation (Non-Consolidated)

Number of employees	Changes from the previous term-end	Average age	Average service years
4,261 employees	-24 employees	41.9 years old	17 years and 10 months

Note: The above number of employees includes 821 employees and 323 employees seconded to other companies in Japan and overseas respectively and 299 employees at overseas trading subsidiaries.

(7) Status of Capital Investment

During the fiscal year, facilities and equipment of Prima Meat Packers, Ltd. was added to facilities and equipment of the ITOCHU Group due to the conversion of Prima Meat Packers, Ltd. into a subsidiary.

(8) Status of Financing

ITOCHU Group raises funds through financing carried out by ITOCHU Corporation, domestic and overseas treasury centers, overseas trading subsidiaries, and other entities and undertook borrowing from financial institutions, issuance of short-term corporate bonds (electronic CP), and other actions.

Due to global territorial expansion of the new coronavirus, global economy has been increasing uncertainty over the prospect. However, the ITOCHU Group has enough reserves for liquidity including commitment lines.

(9) Main Lenders

ITOCHU Corporation, domestic and overseas treasury centers, overseas trading subsidiaries, and other entities undertake borrowings of the ITOCHU Group and main lenders at the end of the current term are as follows.

Lenders	Outstanding amount of borrowings
	Millions of Yen
Mizuho Bank, Ltd.	150,889
Sumitomo Mitsui Banking Corporation	115,520
MUFG Bank, Ltd.	100,438
Nippon Life Insurance Company	54,500
Sumitomo Mitsui Trust Bank, Limited	44,470
Asahi Mutual Life Insurance Company	35,000
Development Bank of Japan Inc.	31,000
Meiji Yasuda Life Insurance Company	27,500
The Hachijuni Bank, Ltd.	24,072
Mizuho Trust & Banking Co., Ltd.	21,539

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

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

No important matter to be stated.

2. Shares of ITOCHU Corporation

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

(2) Total Number of Issued Shares……1,584,889,504 shares

(3) Number of Shareholders ……176,884 persons

(4) Major Shareholders (top 10)

Shareholders	Numbers of shares held	Shareholding ratio
	Thousands of shares	%
The Master Trust Bank of Japan, Ltd. (trust account)	122,457	8.20
Japan Trustee Services Bank, Ltd. (trust account)	75,676	5.07
CP WORLDWIDE INVESTMENT COMPANY LIMITED	63,500	4.25
BNYM RE NORWEST/WELLS FARGO OMNIBUS	60,203	4.03
Japan Trustee Services Bank, Ltd. (trust account 9)	34,997	2.34
Nippon Life Insurance Company	34,056	2.28
Mizuho Bank, Ltd.	31,200	2.09
Japan Trustee Services Bank, Ltd. (trust account 5)	28,061	1.88
Japan Trustee Services Bank, Ltd. (trust account 7)	25,725	1.72
JP MORGAN CHASE BANK 385151	24,587	1.65

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

Notes: 1. ITOCHU Corporation owns 92,239 thousand shares of treasury stock but has been omitted from the major shareholders listed above.

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

(5) Other Significant Matters Regarding Shares

In order to pursue a flexible capital management policy, ITOCHU Corporation repurchased its own shares as follows, in accordance with the provisions of Article 156 of the Companies Act applied mutatis mutandis pursuant to Article 165, Paragraph 3 of the same Act.

Date of resolution of the Board of Directors	February 5, 2019	June 12, 2019
Period	From February 6, 2019 to June 30, 2019	From June 12, 2019 to June 11, 2020
Number of shares repurchased	50,256 thousand shares (Note 1)	0 thousand shares (Note 2)

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

Notes: 1. The number of shares acquired between April 1, 2019 and June 30, 2019 is 31,231 thousand shares.

2. The above number of shares acquired is as of March 31, 2020.

3. Corporate Officers

(1) Status of Directors and Audit & Supervisory Board Members (as of March 31, 2020)

1) Directors

Name	Position in ITOCHU Corporation	Responsibility	Attendance at Meetings of the Board of Directors
* Masahiro Okafuji	Chairman & Chief Executive Officer	Chief Executive Officer	15/15 (100%)
* Yoshihisa Suzuki	President & Chief Operating Officer	Chief Operating Officer	15/15 (100%)
* Tomofumi Yoshida	Member of the Board	President, General Products & Realty Company	15/15 (100%)
* Yuji Fukuda	Member of the Board	CEO for East Asia Bloc; CEO for Asia & Oceania Bloc; Executive Advisory Officer for CP & CITIC Operations	11/11 (100%)
* Fumihiko Kobayashi	Member of the Board	Chief Administrative & Information Officer	15/15 (100%)
* Tsuyoshi Hachimura	Member of the Board	Chief Financial Officer	15/15 (100%)
Atsuko Muraki	Member of the Board		15/15 (100%)
Harufumi Mochizuki	Member of the Board		15/15 (100%)
Masatoshi Kawana	Member of the Board		15/15 (100%)
Makiko Nakamori	Member of the Board		11/11 (100%)

2) Audit & Supervisory Board Members

Name	Position in ITOCHU Corporation	Attendance at Meetings of the Board of Directors	Attendance at Meetings of the Audit & Supervisory Board
Kiyoshi Yamaguchi	Full-time Audit & Supervisory Board Member	15/15 (100%)	13/13 (100%)
Shuzaburo Tsuchihashi	Full-time Audit & Supervisory Board Member	15/15 (100%)	13/13 (100%)
Shingo Majima	Audit & Supervisory Board Member	15/15 (100%)	13/13 (100%)
Kentaro Uryu	Audit & Supervisory Board Member	15/15 (100%)	13/13 (100%)
Kotaro Ohno	Audit & Supervisory Board Member	13/15 (87%)	13/13 (100%)

Notes: 1. * indicates a representative director.

2. Members of the Board, Ms. Atsuko Muraki, Mr. Harufumi Mochizuki, Mr. Masatoshi Kawana and Ms. Makiko Nakamori are outside directors. They are registered as independent directors at the Tokyo Stock Exchange, Inc.

3. Audit & Supervisory Board Member, Mr. Shingo Majima, Mr. Kentaro Uryu and Mr. Kotaro Ohno are outside Audit & Supervisory Board Members. They are registered as independent auditors at the Tokyo Stock Exchange, Inc.

4. Audit & Supervisory Board Member, Mr. Shingo Majima is a certified public accountant in Japan and the United States (New York State). Also he has a long-standing career as a university professor of accounting and auditing and considerable expertise in finance and accounting.

5. Important concurrent occupations or positions are as described below.

Category	Name	Organization	Title
Member of the Board	Masahiro Okafuji	NISSIN FOODS HOLDINGS CO., LTD.	Outside Director
	Atsuko Muraki	Sumitomo Chemical Company, Limited	Outside Director
		Sompo Holdings, Inc.	Outside Director
	Harufumi Mochizuki	Hitachi, Ltd.	Outside Director
		Tokyo Small and Medium Business Investment & Consultation CO., LTD.	President & CEO
	Masatoshi Kawana	MedPeer, Inc.	Outside Director
	Makiko Nakamori	NAKAMORI CPA OFFICES	Representative Partner
		M&A Capital Partners Co., Ltd.	Outside Audit & Supervisory Board Member
		LIFULL Co., Ltd.	Outside Audit & Supervisory Board Member
		TeamSpirit Inc.	Auditor (external)
Audit & Supervisory Board Member	Shingo Majima	WIN-Partners Co., Ltd.	Outside Director
	Kentaro Uryu	URYU & ITOGA	Attorney-At-Law, Managing Partner
		U&I Advisory Service Co., Ltd.	CEO
		Kyowa Kirin Co., Ltd.	Outside Director of the Board
	Kotaro Ohno	AEON CO., LTD.	Outside Director
		Komatsu Ltd.	Outside Audit & Supervisory Board Member

6. Member of the Board, Ms. Atsuko Muraki resigned as Outside Audit & Supervisory Board Member of Sompo Holdings, Inc. as of June 24, 2019, and assumed the position of Outside Director of the company as of the same date.
7. Member of the Board, Ms. Makiko Nakamori resigned as Auditor (Outside) of istyle Inc. as of September 25, 2019.

[Reference] Policy and Process for Appointing Executive Officers

Policy and Process for Appointing Executive Officers

Executive officers are appointed annually by the Board of Directors among, in principle, employees regarded as candidates for executives based on our HR system with high integrity and exceptional ability (or those who have already been appointed as executive officers) who are judged to be capable of assuming the role as the executive officers. Candidates for executive officers are first selected by the Chairman & Chief Executive Officer based on, among others, recommendations from other officers (or in terms of incumbent executive officers, based on their respective performance) and submitted to the Nomination Committee for further deliberation. Based on the deliberation and advice of the Nomination Committee, the Board of Directors appoints executive officers by its resolution. In case that an executive officer breaches the Executive Officers' Regulation of ITOCHU Corporation or otherwise his or her performance is judged to be not appropriate, the Chairman & Chief Executive Officer (or the chair of the Nomination Committee) firstly makes a proposal of dismissal, and the Board of Directors dismisses such executive officer by its resolution based on the deliberation and advice of the Nomination Committee.

(2) Status of Executive Officers (as of April 1, 2020)

Name	Position in ITOCHU Corporation	Responsibility
Masahiro Okafuji	Chairman & Chief Executive Officer	Chief Executive Officer
Yoshihisa Suzuki	President & Chief Operating Officer	Chief Operating Officer; Chief Digital & Information Officer
Tomofumi Yoshida	Executive Vice President	President, General Products & Realty Company
Yuji Fukuda	Executive Vice President	CEO for East Asia Bloc; CEO for Asia & Oceania Bloc; Executive Advisory Officer for CP & CITIC Operations
Fumihiko Kobayashi	Senior Managing Executive Officer	Chief Administrative Officer
Tsuyoshi Hachimura	Senior Managing Executive Officer	Chief Financial Officer
Keita Ishii	Senior Managing Executive Officer	President, Energy & Chemicals Company; Chief Operating Officer, Power & Environmental Solution Division
Hiroyuki Tsubai	Managing Executive Officer	President, Machinery Company
Masahiro Morofuji	Managing Executive Officer	President, Textile Company; Chief Operating Officer, Brand Marketing Division 2; Executive Advisory Officer for Osaka Headquarters
Mitsuru Chino	Managing Executive Officer	President & CEO, ITOCHU International Inc.
Hiroshi Sato	Managing Executive Officer	Chief Executive for European Operation; CEO, ITOCHU Europe PLC
Shigetoshi Imai	Managing Executive Officer	General Manager for Chubu Area
Hiroyuki Kaizuka	Managing Executive Officer	President, Food Company
Motonari Shimizu	Managing Executive Officer	Executive Vice President, Textile Company; Chief Operating Officer, Apparel Division
Tomoyuki Takada	Managing Executive Officer	General Manager, Corporate Communications Division
Hiroshi Oka	Managing Executive Officer	General Manager, Secretariat
Tatsushi Shingu	Managing Executive Officer	President, ICT & Financial Business Company
Toshikazu Otani	Managing Executive Officer	Chief Executive for Africa
Yoichi Ikezoe	Executive Officer	Deputy CEO for East Asia Bloc; Chairman, ITOCHU (CHINA) HOLDING CO., LTD.; Chairman, ITOCHU SHANGHAI LTD.; Chairman, ITOCHU Hong Kong Ltd.; Senior Officer for Asia & Oceania Bloc
Kensuke Hosomi	Executive Officer	President, The 8th Company
Hisato Okubo	Executive Officer	Executive Vice President, Energy & Chemicals Company; Chief Operating Officer, Energy Division
Hidefumi Mizutani	Executive Officer	Vice President, ITOCHU East Asia Bloc (East China); Managing Director, ITOCHU SHANGHAI LTD.
Shinjiro Tanaka	Executive Officer	CEO, European Tyre Enterprise Limited
Takanori Morita	Executive Officer	Chief Operating Officer, Automobile, Construction Machinery & Industrial Machinery Division
Masaya Tanaka	Executive Officer	Chief Operating Officer, Chemicals Division
Kenji Seto	Executive Officer	President, Metals & Minerals Company
Shinichi Aburaya	Executive Officer	Chief Operating Officer, Plant Project, Marine & Aerospace Division
Yoshiko Matoba	Executive Officer	General Manager, Research & Public Relations Division

Name	Position in ITOCHU Corporation	Responsibility
Hiroyuki Naka	Executive Officer	General Manager, Corporate Planning & Administration Division
Tatsuya Izumi	Executive Officer	General Manager, General Accounting Control Division
Kenji Tanaka	Executive Officer	Deputy CEO for Asia & Oceania Bloc (Indo-China Area); Chief Officer for Indo-China Area; President, ITOCHU (Thailand) Ltd.; President, ITOCHU Enterprise (Thailand) Ltd.
Shuichi Kato	Executive Officer	Executive Vice President, ICT & Financial Business Company; Chief Operating Officer, Financial & Insurance Business Division
Masatoshi Maki	Executive Officer	Chief Operating Officer, Construction & Real Estate Division
Tatsuo Odani	Executive Officer	President, Leilian Co., LTD.
Masazumi Nishikage	Executive Officer	Director, SEVP & COO, Dole Asia Holdings Pte. Ltd.
Tadayoshi Yamaguchi	Executive Officer	SVP & CAO, ITOCHU International Inc.; General Manager, Corporate Planning Division, ITOCHU International Inc.; President & CEO, ITOCHU Canada Ltd.

Note: Ms. Mitsuru Chino’s registered name is Mitsuru Ike.

(3) Remunerations etc. to Directors and Audit & Supervisory Board Members

(Millions of Yen)

Category		Number of persons (Persons)	Total amount of remuneration	Breakdown				
				Monthly remuneration	Performance-linked bonuses	Share price-linked bonuses	Special benefits	Stock remuneration
Director	Director (Internal)	6	2,239	532	1,273	105	180	149
	Outside Director	4	59	59	–	–	–	–
	Total	10	2,298	591	1,273	105	180	149
Audit & Supervisory Board Member	Audit & Supervisory Board Member (Internal)	2	86	86	–	–	–	–
	Outside Audit & Supervisory Board Member	3	45	45	–	–	–	–
	Total	5	131	131	–	–	–	–

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

Notes: 1. The remuneration limit for Directors: ¥0.8 billion per year as monthly remuneration
(of that amount, ¥0.1 billion per year for Outside Directors)
¥2.0 billion per year as the total amount of bonus for Directors (excluding Outside Directors), separate from the remuneration amount above
(Both resolved at the General Meeting of Shareholders on June 21, 2019)

2. The remuneration limit for Audit & Supervisory Board Members: ¥13 million per month
(Resolved at the General Meeting of Shareholders on June 29, 2005)

3. Following deliberation by the Governance and Remuneration Committee, at a meeting of the Board of Directors held on May 13, 2020 ITOCHU Corporation resolved to pay special benefits. This will be paid within the limit of bonuses for Directors, and is based on ITOCHU Corporation's record profits despite the increasingly severe business environment. (Please refer to pages 15 to 16 for the overview of the remuneration plan for directors of ITOCHU Corporation.)

4. The introduction of performance-linked stock remuneration for Directors (Board Incentive Plan Trust "BIP") was approved at the 92nd Ordinary General Meeting of Shareholders held on June 24, 2016. The total amount of stock remuneration in the table is the recorded amount of expenses involving share granted points granted during this fiscal year related to BIP.

5. The amounts of the share price-linked bonuses are calculated at the end of FY2021, as described on page 16.

(4) Outside Directors and Outside Audit & Supervisory Board Members

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

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

Category	Name	Organization	Title
Outside Director	Atsuko Muraki	Sumitomo Chemical Company, Limited	Outside Director
		Sompo Holdings, Inc.	Outside Director
	Harufumi Mochizuki	Hitachi, Ltd.	Outside Director
		Tokyo Small and Medium Business Investment & Consultation CO., LTD.	President & CEO
	Masatoshi Kawana	MedPeer, Inc.	Outside Director
	Makiko Nakamori	NAKAMORI CPA OFFICES	Representative Partner
		M&A Capital Partners Co., Ltd.	Outside Audit & Supervisory Board Member
		LIFULL Co., Ltd.	Outside Audit & Supervisory Board Member
		TeamSpirit Inc.	Auditor (external)
Outside Audit & Supervisory Board Member	Shingo Majima	WIN-Partners Co., Ltd.	Outside Director
	Kentaro Uryu	URYU & ITOGA	Attorney-At-Law, Managing Partner
		U&I Advisory Service Co., Ltd.	CEO
		Kyowa Kirin Co., Ltd.	Outside Director of the Board
	Kotaro Ohno	AEON CO., LTD.	Outside Director
		Komatsu Ltd.	Outside Audit & Supervisory Board Member

2) Primary Activities

Category	Name	Primary activities
Outside Director	Atsuko Muraki	She attended all of the 15 meetings of the Board of Directors held during the current term. She mainly made statements from an objective and neutral position as an outside director based on her high-level knowledge of working environment improvement, human resource development, social security, and other topics accumulated through many years of experience at the Ministry of Health, Labour and Welfare (and the former Ministry of Labour). During the current term, she chaired the Governance and Remuneration Committee and led discussions on executive remuneration and other topics. Furthermore, she provided many beneficial suggestions in the areas of internal control, compliance, human resource utilization, and organizational revitalization.
	Harufumi Mochizuki	He attended all of the 15 meetings of the Board of Directors held during the current term. He mainly made statements from an objective and neutral position as an outside director based on his wealth of experience and high-level knowledge as a government official at the Ministry of Economy, Trade and Industry (and the former Ministry of International Trade and Industry), as well as his experience as a corporate executive at other entities where he concurrently serves. During the current term, he chaired the Nomination Committee and offered a practical perspective while leading discussions on the appointment and dismissal of key management members and succession plans. Furthermore, he provided many beneficial and broad-minded suggestions on internal control, compliance, and reinvented business.
	Masatoshi Kawana	He attended all of the 15 meetings of the Board of Directors held during the current term. He mainly made statements from an objective and neutral position as an outside director based on his experience in hospital management and high-level knowledge of medical care as the President of Aoyama Hospital, Tokyo Women's Medical University as well as the Vice-president of Tokyo Women's Medical University Hospital. During the current term, he was a member of the Governance and Remuneration Committee and contributed to the further enhancement of governance at ITOCHU Corporation. Additionally, he used his expertise to provide many beneficial suggestions in the areas of health management and medical care-related business.
	Makiko Nakamori	She attended all of the 11 meetings of the Board of Directors held since her appointment. She mainly made statements from an objective and neutral position as an outside director based on her experience as a company manager in multiple executive positions, in addition to her expertise on finance and accounting and her extensive experience as a certified public accountant. During the current term, she was a member of the Governance and Remuneration Committee and contributed to the further enhancement of governance at ITOCHU Corporation. She drew on her experience and expertise to provide many beneficial suggestions in the areas of internal control, compliance, and reinvented business.

Category	Name	Primary activities
Outside Audit & Supervisory Board Member	Shingo Majima	He attended all of the 15 meetings of the Board of Directors and all of the 13 meetings of the Audit & Supervisory Board held during the current term. He mainly made statements from an objective and neutral position as an outside audit & supervisory board member based on his wealth of experience and expertise on finance and accounting as a certified public accountant and over many years as a university professor. During the current term, he was a member of the Nomination Committee and made contributions toward improving the objectivity of ITOCHU Corporation's officer nomination process.
	Kentaro Uryu	He attended all of the 15 meetings of the Board of Directors and all of the 13 meetings of the Audit & Supervisory Board held during the current term. He made statements from an objective and neutral position as an outside audit & supervisory board member, based on his wealth of experience and expertise as an attorney in wide-ranging fields of corporate legal matters. During the current term, he was a member of the Nomination Committee and made contributions toward improving the objectivity of ITOCHU Corporation's officer nomination process.
	Kotaro Ohno	He attended 13 of the 15 meetings of the Board of Directors and all of the 13 meetings of the Audit & Supervisory Board held during the current term. He mainly made statements from an objective and neutral position as an outside audit & supervisory board member based on his expertise in legal systems and operations and his high-level knowledge developed through many years of experience in the Ministry of Justice and public prosecutor's office. During the current term, he was a member of the Governance and Remuneration Committee and contributed to the further enhancement of governance at ITOCHU Corporation.

3) Outline of Limitation of Liability Contracts

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

4. Status of Independent Auditor

(1) Name of Independent Auditor

Deloitte Touche Tohmatsu LLC

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

1) Amount of remuneration paid by ITOCHU Corporation to the Independent Auditor for audit certification in accordance with Article 2, Paragraph 1 of the Certified Public Accountants Law.	¥655 million
2) Total amount of remuneration paid by ITOCHU Corporation and its subsidiaries	¥2,188 million

Notes:
1. The audit agreement between the Independent Auditor and ITOCHU Corporation does not separately stipulate audit remunerations based on the Companies Act and the Financial Instruments and Exchange Act. Hence, the remuneration in 1) above includes remunerations for auditing based on the Financial Instruments and Exchange Act and auditing of financial statements in English based on International Financial Reporting Standards (IFRS).
2. ITOCHU Corporation has paid remuneration to the Independent Auditor for services other than those stipulated in Article 2, Paragraph 1 of the Certified Public Accountants Law which include preparation of comfort letters, and such amount is included in the above 2) total amount of remuneration.
3. The Audit & Supervisory Board, having checked the auditing plans of the Independent Auditor and having investigated the status of its performance of duties in past fiscal years, the grounds for calculation of remuneration estimates, and other matters, has given consent to the remuneration for the Independent Auditor in accordance with Article 399, Paragraph 1 of the Companies Act.
4. Of the major subsidiaries and associated companies as described in “1. Current Conditions of the ITOCHU Group, (4) Status of Major Group Companies, 1) Major Subsidiaries and Associated Companies,” Prima Meat Packers, Ltd., YANASE & CO., LTD., Orient Corporation and Tokyo Century Corporation are audited by Ernst & Young ShinNihon LLC, FUJI OIL HOLDINGS INC. and DESCENTE LTD. are audited by KPMG AZSA LLC, and overseas subsidiaries and affiliates are audited by local auditing firms possessing similar qualifications under the relevant laws and regulations.

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

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

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

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

ITOCHU Corporation has established the following internal control systems, which are necessary to ensure that directors' implementation of duties are in compliance with laws and statutory regulations and Articles of Incorporation and ensure the appropriateness of other operations. Below is a summary of the Basic Policy regarding the Internal Control System, which the Board of Directors approved on April 19, 2006. (Recent revisions have been made, dated April 1, 2020.)

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

[Corporate Governance]

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

[Compliance]

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

[Internal Control to Ensure Reliability of Financial Reporting]

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

[Internal Audits]

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

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

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

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

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

4) System to Ensure Efficient Performance of Directors

[The HMC and Other Internal Committees]

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

[Division Company System]

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

[Clearly Define the Scope of Authority and Responsibilities]

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

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

[Subsidiary Management and Reporting System]

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

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

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

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

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

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

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

6) Matters Concerning Supporting Personnel to Audit & Supervisory Board Members, Independence of Such Personnel from the Directors and Ensuring the Effectiveness of Instructions to Such Personnel

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

7) System for Reporting by Directors and Employees to Audit & Supervisory Board Members

[Attendance at Important Meetings]

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

[Reporting System]

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

8) System for Reporting by Directors, Audit & Supervisory Board Members and Employees of Subsidiaries or by a Person who Received a Report from Them to Audit & Supervisory Board Members

[Reporting System]

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

9) Matters Concerning Policy on Procedures for Prepayment or Refund of Expenses Arising in Relation to Performance of Duties of Audit & Supervisory Board Members and Processing of Expenses or Obligations Arising in Relation to the Performance of Other Duties

When an Audit & Supervisory Board Member claims prepayment, etc. from ITOCHU Corporation in relation to the performance of duties under Article 388 of the Companies Act, we are to process the relevant expense or claim promptly upon confirmation by the responsible department.

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

[Coordination with the Audit & Supervisory Board Members by the Internal Audit Division]

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

[Retaining Outside Experts]

When deemed necessary, the Audit & Supervisory Board Members are to independently retain outside experts for the implementation of an audit.

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

For the proper operation of internal control systems, ITOCHU Corporation has adopted a system by which it further segments items stipulated by the Basic Policy into more detailed confirmatory items in respect of each fiscal year, and, after setting the department in charge of each of these confirmatory items, conducts checks of the construction and the operational status of internal control systems by each department (and by other related internal committees) at the Internal Control Committee meetings held each half year. The Internal Control Committee in FY2021, chaired by the Chief Administrative Officer and with the Corporate Planning & Administration Division as its secretariat, consists of the Chief Financial Officer, General Manager of Internal Audit Division, and an external expert (attorney) as members. Audit & Supervisory Board Members also attend the meetings and voice opinions every time.

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

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

Regarding the meetings of main internal committees related to internal control in FY2020, the Internal Control Committee met 2 times, the Compliance Committee met 2 times, and the Asset Liability Management (ALM) Committee met 10 times.

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

We intend to revise and improve these internal control systems tirelessly in order to build systems that are even more appropriate and efficient. Further, a meeting of the Board of Directors convened on May 8, 2020, evaluated the development and implementation status of each item enumerated in the Basic Policy regarding the Internal Control System for FY2020 and confirmed that there were no significant deficiencies or defects.

Consolidated Financial Statements

Consolidated Statement of Financial Position

ITOCHU Corporation and its Subsidiaries
As of March 31, 2020 and 2019

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

	Millions of Yen	
Assets	**2020**	2019 (Reference)
Current assets:		
Cash and cash equivalents	**¥ 611,223**	¥ 572,030
Time deposits	**8,858**	5,051
Trade receivables	**2,113,746**	2,397,608
Other current receivables	**176,691**	168,968
Other current financial assets	**45,315**	43,132
Inventories	**952,029**	937,183
Advances to suppliers	**89,425**	98,081
Other current assets	**135,774**	185,767
Total current assets	**4,133,061**	4,407,820
Non-current assets:		
Investments accounted for by the equity method	**1,640,286**	1,559,280
Other investments	**816,518**	857,261
Non-current receivables	**660,578**	618,762
Non-current financial assets other than investments and receivables	**172,417**	270,116
Property, plant and equipment	**2,137,474**	1,077,874
Investment property	**58,595**	32,524
Goodwill and intangible assets	**1,163,107**	1,127,760
Deferred tax assets	**61,051**	65,609
Other non-current assets	**76,511**	81,697
Total non-current assets	**6,786,537**	5,690,883
Total assets	**¥ 10,919,598**	¥ 10,098,703

	Millions of Yen	
Liabilities and Equity	**2020**	2019 (Reference)
Current liabilities:		
Short-term debentures and borrowings	**¥ 684,406**	¥ 650,909
Lease liabilities (short-term)	**242,076**	–
Trade payables	**1,707,472**	1,942,037
Other current payables	**215,175**	234,518
Other current financial liabilities	**35,699**	27,073
Current tax liabilities	**67,074**	48,014
Advances from customers	**81,799**	88,480
Other current liabilities	**368,163**	350,343
Total current liabilities	**3,401,864**	3,341,374
Non-current liabilities:		
Long-term debentures and borrowings	**2,192,557**	2,332,928
Lease liabilities (long-term)	**937,345**	–
Other non-current financial liabilities	**68,900**	215,609
Non-current liabilities for employee benefits	**133,138**	124,418
Deferred tax liabilities	**200,912**	251,489
Other non-current liabilities	**144,273**	142,769
Total non-current liabilities	**3,677,125**	3,067,213
Total liabilities	**7,078,989**	6,408,587
Equity:		
Common stock	**253,448**	253,448
Capital surplus	**50,677**	49,584
Retained earnings	**2,948,135**	2,608,243
Other components of equity:		
Translation adjustments	**(37,836)**	81,037
FVTOCI financial assets	**(31,972)**	49,764
Cash flow hedges	**(19,163)**	433
Total other components of equity	**(88,971)**	131,234
Treasury stock	**(167,338)**	(105,601)
Total shareholders' equity	**2,995,951**	2,936,908
Non-controlling interests	**844,658**	753,208
Total equity	**3,840,609**	3,690,116
Total liabilities and equity	**¥ 10,919,598**	¥ 10,098,703

Notes: 1. ITOCHU Corporation prepared the consolidated financial statements in conformity with IFRS.
2. "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.

Consolidated Statement of Comprehensive Income
ITOCHU Corporation and its Subsidiaries
Years ended March 31, 2020 and 2019

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

	Millions of Yen	
	2020	2019 (Reference)
Revenues:		
Revenues from sale of goods	**¥ 9,738,983**	¥ 10,570,925
Revenues from rendering of services and royalties	**1,243,985**	1,029,560
Total revenues	**10,982,968**	11,600,485
Cost:		
Cost of sale of goods	**(8,575,102)**	(9,427,881)
Cost of rendering of services and royalties	**(610,078)**	(608,832)
Total cost	**(9,185,180)**	(10,036,713)
Gross trading profit	**1,797,788**	1,563,772
Other gains (losses):		
Selling, general and administrative expenses	**(1,380,944)**	(1,193,301)
Provision for doubtful accounts	**(17,406)**	(8,979)
Gains on investments	**57,801**	203,034
Losses on property, plant, equipment and intangible assets	**(4,396)**	(12,041)
Other–net	**(1,414)**	10,734
Total other-losses	**(1,346,359)**	(1,000,553)
Financial income (loss):		
Interest income	**35,267**	40,128
Dividends received	**66,474**	48,372
Interest expense	**(57,600)**	(54,388)
Total financial income	**44,141**	34,112
Equity in earnings of associates and joint ventures	**205,860**	98,052
Profit before tax	**701,430**	695,383
Income tax expense	**(142,221)**	(149,694)
Net profit	**559,209**	545,689
Net profit attributable to ITOCHU	**¥ 501,322**	¥ 500,523
Net profit attributable to non-controlling interests	**57,887**	45,166
Other comprehensive income, net of tax:		
Items that will not be reclassified to profit or loss:		
FVTOCI financial assets	**(67,643)**	20,040
Remeasurement of net defined pension liability	**(3,835)**	(3,174)
Other comprehensive income in associates and joint ventures	**(7,761)**	9,143
Items that will be reclassified to profit or loss:		
Translation adjustments	**(92,645)**	(8,803)
Cash flow hedges	**(6,074)**	(3,641)
Other comprehensive income in associates and joint ventures	**(43,307)**	(47,668)
Total other comprehensive income, net of tax	**(221,265)**	(34,103)
Total comprehensive income	**337,944**	511,586
Total comprehensive income attributable to ITOCHU	**¥ 279,832**	¥ 464,785
Total comprehensive income attributable to non-controlling interests	**58,112**	46,801

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

Consolidated Statement of Changes in Equity
ITOCHU Corporation and its Subsidiaries
Year ended March 31, 2020

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

	Shareholders' equity						Non-controlling interests	Total equity
	Common stock	Capital surplus	Retained earnings	Other components of equity	Treasury stock	Total share-holders' equity		
Balance at the beginning of the year	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			501,322			501,322	57,887	559,209
Other comprehensive income				(221,490)		(221,490)	225	(221,265)
Total comprehensive income			501,322	(221,490)		279,832	58,112	337,944
Cash dividends to shareholders			(133,537)			(133,537)		(133,537)
Cash dividends to non-controlling interests							(27,295)	(27,295)
Net change in acquisition (disposition) of treasury stock					(61,737)	(61,737)		(61,737)
Net change in sale (purchase) of subsidiary shares to (from) non-controlling interests		1,093		(107)		986	65,928	66,914
Transfer to retained earnings			(1,392)	1,392		–		–
Balance at the end of the year	253,448	50,677	2,948,135	(88,971)	(167,338)	2,995,951	844,658	3,840,609

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

Consolidated Statement of Changes in Equity
ITOCHU Corporation and its Subsidiaries
Year ended March 31, 2019 (Reference)

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

	Shareholders' equity						Non-controlling interests	Total equity
	Common stock	Capital surplus	Retained earnings	Other components of equity	Treasury stock	Total share-holders' equity		
Balance at the beginning of the year	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			500,523			500,523	45,166	545,689
Other comprehensive income				(35,738)		(35,738)	1,635	(34,103)
Total comprehensive income			500,523	(35,738)		464,785	46,801	511,586
Cash dividends to shareholders			(116,437)			(116,437)		(116,437)
Cash dividends to non-controlling interests							(20,829)	(20,829)
Net change in acquisition (disposition) of treasury stock					(59,456)	(59,456)		(59,456)
Cancellation of treasury stock		(104,063)			104,063	–		–
Net change in sale (purchase) of subsidiary shares to (from) non-controlling interests		(6,624)		(746)		(7,370)	412,363	404,993
Transfer to retained earnings			(86,512)	86,512		–		–
Balance at the end of the year	253,448	49,584	2,608,243	131,234	(105,601)	2,936,908	753,208	3,690,116

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

Non-Consolidated Balance Sheet
ITOCHU Corporation
As of March 31, 2020 and 2019

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

	Millions of Yen	
Assets	**2020**	2019 (Reference)
Current assets:		
Cash and deposits with banks	**¥ 78,151**	¥ 42,302
Trade notes receivable	**28,117**	37,777
Trade accounts receivable	**535,715**	655,053
Inventories	**207,987**	224,436
Prepaid expenses	**5,440**	5,190
Other receivable	**185,033**	256,604
Short-term loans receivable	**28**	136
Short-term loans receivable from subsidiaries and associated companies	**516**	6,123
Other current assets	**59,639**	59,639
Allowance for doubtful receivables	**(988)**	(1,346)
Total current assets	**1,099,638**	1,285,914
Non-current assets:		
Property, plant and equipment:		
Buildings and structures	**1,938**	2,733
Land	**26,755**	28,348
Others	**3,138**	3,367
Total property, plant and equipment net of accumulated depreciation	**31,831**	34,448
Intangible assets:		
Software	**19,107**	16,969
Others	**5,823**	7,132
Total intangible assets	**24,930**	24,101
Investments and other assets:		
Investments in securities	**171,273**	174,439
Investments in subsidiaries' and associated companies' equity securities	**1,555,485**	1,412,355
Investments in subsidiaries' and associated companies' securities other than equity securities and corporate bonds	**16,421**	23,042
Investments in equity interests	**29,735**	36,249
Investments in subsidiaries' and associated companies' equity interests	**85,281**	84,191
Long-term loans receivable	**18**	174
Long-term loans receivable from subsidiaries and associated companies	**3,452**	3,783
Claims provable in bankruptcy	**31,152**	19,017
Deferred tax assets	**7,502**	–
Other investments	**11,539**	8,367
Allowance for doubtful receivables	**(21,724)**	(17,547)
Allowance for loss on investments	**(78)**	(2,039)
Total investments and other assets	**1,890,056**	1,742,031
Total non-current assets	**1,946,817**	1,800,580
Total Assets	**¥ 3,046,455**	¥ 3,086,494

Liabilities and Equity	Millions of Yen 2020	2019 (Reference)
Current liabilities:		
Trade notes payable	**¥ 21,067**	¥ 19,193
Trade accounts payable	**294,754**	367,788
Short-term debt	**392,229**	186,830
Bonds, due within one year	**65,630**	56,099
Other payable	**124,726**	146,726
Accrued expenses	**70,678**	71,535
Income taxes payable	**7,089**	1,538
Advances from customers	**13,803**	15,000
Deposits received	**91,781**	136,723
Deferred income	**5,158**	4,786
Other current liabilities	**11,222**	11,238
Total current liabilities	**1,098,137**	1,017,456
Non-current liabilities:		
Bonds	**155,445**	221,075
Long-term debt	**531,464**	651,512
Deferred tax liabilities	**–**	6,748
Provision for retirement benefits for employees	**17,631**	9,163
Provision for stock benefits	**2,039**	2,132
Provision for retirement benefits for directors, corporate auditors and executive officers	**31**	31
Provision for loss on guarantees	**28,033**	10,824
Other non-current liabilities	**90,532**	86,485
Total non-current liabilities	**825,175**	987,970
Total liabilities	**1,923,312**	2,005,426
Equity	**1,079,412**	1,026,276
Common stock	**253,448**	253,448
Capital surplus	**62,600**	62,600
Additional paid-in capital	**62,600**	62,600
Other capital surplus	**0**	–
Retained earnings	**929,706**	814,833
Legal reserve	**36,323**	36,323
Other retained earnings		
Retained earnings unappropriated	**893,383**	778,510
Treasury stock, at cost	**(166,342)**	(104,605)
Valuation, translation adjustments and others	**43,731**	54,792
Unrealized gain on available-for-sale securities	**36,694**	47,638
Deferred gain on derivatives under hedge accounting	**7,037**	7,154
Total equity	**1,123,143**	1,081,068
Total Liabilities and Equity	**¥ 3,046,455**	¥ 3,086,494

Non-Consolidated Statement of Income
ITOCHU Corporation
Years ended March 31, 2020 and 2019

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

	Millions of Yen	
	2020	2019 (Reference)
Total trading transactions	**¥ 4,411,184**	¥ 4,983,051
Cost of trading transactions	**4,264,630**	4,826,417
Gross trading profit	**146,554**	156,634
Selling, general and administrative expenses	**147,071**	134,477
Operating income (loss)	**(517)**	22,157
Other income:		
Interest income	**7,502**	9,353
Dividends received	**280,322**	260,180
Others	**14,550**	32,429
Total other income	**302,374**	301,962
Other expenses:		
Interest expense	**9,188**	11,653
Others	**4,973**	5,401
Total other expenses	**14,161**	17,054
Ordinary income	**287,696**	307,065
Extraordinary gains:		
Gain on sales of property, plant and equipment	**6,326**	300
Gain on sales of investments in securities	**26,365**	22,413
Total extraordinary gains	**32,691**	22,713
Extraordinary losses:		
Loss on sales of property, plant and equipment	**112**	7
Loss on investments in subsidiaries and associated companies	**47,959**	5,797
Loss on sales of investments in securities	**435**	115
Loss on devaluation of investments in securities	**15,479**	2,067
Loss on impairment of long-lived assets	**318**	5,990
Total extraordinary losses	**64,303**	13,976
Profit before income taxes	**256,084**	315,802
Income taxes — current	**17,625**	(6,099)
Income taxes — deferred	**(9,951)**	35,422
Net profit	**¥ 248,410**	¥ 286,479

Non-Consolidated Statement of Changes in Equity

ITOCHU Corporation

Year ended March 31, 2020

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

	Shareholders' equity									Valuation, translation adjustments and others			Total equity
	Common stock	Capital surplus			Retained earnings			Treasury stock, at cost	Total share-holders' equity	Unrealized gain on available-for-sale securities	Deferred gain (loss) on derivatives under hedge accounting	Total valuation, translation adjustments and others	
		Additional paid-in capital	Other capital surplus	Total capital surplus	Legal reserve	Other retained earnings: Retained earnings unappropriated	Total retained earnings						
Balance at beginning of year	253,448	62,600	–	62,600	36,323	778,510	814,833	(104,605)	1,026,276	47,638	7,154	54,792	1,081,068
Changes during the year													
Dividends						(133,537)	(133,537)		(133,537)				(133,537)
Net profit						248,410	248,410		248,410				248,410
Purchase of treasury stock								(62,016)	(62,016)				(62,016)
Disposal of treasury stock			0	0				279	279				279
Net changes of items other than share-holders' equity										(10,944)	(117)	(11,061)	(11,061)
Net change in the year	–	–	0	0	–	114,873	114,873	(61,737)	53,136	(10,944)	(117)	(11,061)	42,075
Balance at end of year	253,448	62,600	0	62,600	36,323	893,383	929,706	(166,342)	1,079,412	36,694	7,037	43,731	1,123,143

Non-Consolidated Statement of Changes in Equity

ITOCHU Corporation

Year ended March 31, 2019 (reference)

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

	Shareholders' equity									Valuation, translation adjustments and others			Total equity
	Common stock	Capital surplus			Retained earnings			Treasury stock, at cost	Total share-holders' equity	Unrealized gain on available-for-sale securities	Deferred gain (loss) on derivatives under hedge accounting	Total valuation, translation adjustments and others	
		Additional paid-in capital	Other capital surplus	Total capital surplus	Legal reserve	Other retained earnings	Total retained earnings						
						Retained earnings unappropriated							
Balance at beginning of year	253,448	62,600	2	62,602	36,323	710,509	746,832	(149,194)	913,688	49,486	10,928	60,414	974,102
Changes during the year													
Dividends						(116,437)	(116,437)		(116,437)				(116,437)
Net profit						286,479	286,479		286,479				286,479
Purchase of treasury stock								(68,701)	(68,701)				(68,701)
Disposal of treasury stock			0	0				181	181				181
Cancellation of treasury stock			(2,022)	(2,022)		(102,041)	(102,041)	104,063	–				–
Changes by share exchanges			2,020	2,020				9,046	11,066				11,066
Net changes of items other than share-holders' equity										(1,848)	(3,774)	(5,622)	(5,622)
Net change in the year	–	–	(2)	(2)	–	68,001	68,001	44,589	112,588	(1,848)	(3,774)	(5,622)	106,966
Balance at end of year	253,448	62,600	–	62,600	36,323	778,510	814,833	(104,605)	1,026,276	47,638	7,154	54,792	1,081,068

(TRANSLATION)

INDEPENDENT AUDITOR'S REPORT

May 11, 2020

To the Board of Directors of
ITOCHU Corporation:

Deloitte Touche Tohmatsu LLC
Tokyo office

Designated Engagement Partner,
Certified Public Accountant: Koichi Okubo
Designated Engagement Partner,
Certified Public Accountant: Hiroyuki Yamada
Designated Engagement Partner,
Certified Public Accountant: Tadashi Nakayasu
Designated Engagement Partner,
Certified Public Accountant: Susumu Nakamura

Opinion

Pursuant to the fourth paragraph of Article 444 of the Companies Act, we have audited the consolidated financial statements of ITOCHU Corporation and its consolidated subsidiaries (the "Group"), namely, the consolidated statement of financial position as of March 31, 2020, and the consolidated statement of comprehensive income, and consolidated statement of changes in equity for the fiscal year from April 1, 2019 to March 31, 2020, and the related notes.

In our opinion, the accompanying consolidated financial statements, prepared with the omission of a part of the disclosures required under International Financial Reporting Standards pursuant to the provisions of the second sentence of the first paragraph of Article 120 of the Ordinance on Company Accounting, present fairly, in all material respects, the consolidated financial position of the Group as of March 31, 2020, and its consolidated financial performance for the year then ended.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the provisions of the Code of Professional Ethics in Japan, and we have fulfilled our other ethical responsibilities as auditors. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Audit & Supervisory Board Members and the Audit & Supervisory Board for the Consolidated Financial Statements

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

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern pursuant to the provisions of the second sentence of the first paragraph of Article 120 of the Ordinance on Company Accounting which allows companies to prepare consolidated financial statements with the omission of a part of the disclosures required under International Financial Reporting Standards.

Audit & Supervisory Board members and the Audit & Supervisory Board are responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks. The procedures selected depend on the auditor's judgement. In addition, we obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

- Obtain, when performing risk assessment procedures, an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate whether the overall presentation and disclosures of the consolidated financial statements are pursuant to the provisions of the second sentence of the first paragraph of Article 120 of the Ordinance on Company Accounting which allows companies to prepare consolidated financial statements with the omission of a part of the disclosures required under International Financial Reporting Standards, as well as the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with Audit & Supervisory Board members and the Audit & Supervisory Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide Audit & Supervisory Board members and the Audit & Supervisory Board with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with

them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Interest Required to Be Disclosed by the Certified Public Accounting Act of Japan

Our firm and its designated engagement partners do not have any interest in the Group which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Notes to the Readers of Independent Auditor's Report

This is an English translation of the independent auditor's report as required by the Companies Act of Japan for the conveniences of the reader, and "the related notes" referred to in this report are not included in the attached financial documents.

(TRANSLATION)

INDEPENDENT AUDITOR'S REPORT

May 11, 2020

To the Board of Directors of
ITOCHU Corporation:

Deloitte Touche Tohmatsu LLC
Tokyo office

Designated Engagement Partner,
Certified Public Accountant: Koichi Okubo
Designated Engagement Partner,
Certified Public Accountant: Hiroyuki Yamada
Designated Engagement Partner,
Certified Public Accountant: Tadashi Nakayasu
Designated Engagement Partner,
Certified Public Accountant: Susumu Nakamura

Opinion

Pursuant to the first item, second paragraph of Article 436 of the Companies Act, we have audited the non-consolidated financial statements of ITOCHU Corporation (the "Company"), namely, the non-consolidated balance sheet as of March 31, 2020, and the non-consolidated statement of income, and non-consolidated statement of changes in equity for the 96th fiscal year from April 1, 2019 to March 31, 2020, and the related notes and the accompanying supplemental schedules.

In our opinion, the accompanying non-consolidated financial statements present fairly, in all material respects, the financial position of the Company as of March 31, 2020, and its financial performance for the year then ended in accordance with accounting principles generally accepted in Japan.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Non-consolidated Financial Statements section of our report. We are independent of the Company in accordance with the provisions of the Code of Professional Ethics in Japan, and we have fulfilled our other ethical responsibilities as auditors. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Audit & Supervisory Board Members and the Audit & Supervisory Board for the Non-consolidated Financial Statements

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

In preparing the non-consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with accounting principles generally accepted in Japan.

Audit & Supervisory Board members and the Audit & Supervisory Board are responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Non-consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the non-consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these non-consolidated financial statements.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the non-consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks. The procedures selected depend on the auditor's judgement. In addition, we obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

- Obtain, when performing risk assessment procedures, an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the non-consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate whether the overall presentation and disclosures of the non-consolidated financial statements are in accordance with accounting principles generally accepted in Japan, as well as the overall presentation, structure and content of the non-consolidated financial statements, including the disclosures, and whether the non-consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with Audit & Supervisory Board members and the Audit & Supervisory Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide Audit & Supervisory Board members and the Audit & Supervisory Board with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Interest Required to Be Disclosed by the Certified Public Accounting Act of Japan

Our firm and its designated engagement partners do not have any interest in the Company which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Notes to the Readers of Independent Auditor's Report

This is an English translation of the independent auditor's report as required by the Companies Act of Japan for the conveniences of the reader. "the related notes and the accompanying supplemental schedules" referred to in this report are not included in the attached financial documents.

(Translation)

AUDIT REPORT OF THE Audit & Supervisory Board

This audit report was prepared following the discussions based on the respective audit reports of each Audit & Supervisory Board Member concerning the conduct of the Directors in the performance of their duties during the 96th fiscal year from April 1, 2019 to March 31, 2020. The Audit & Supervisory Board submits its report as follows.

1. Methods and Details of the Audit by the Audit & Supervisory Board Members and the Audit & Supervisory Board

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

In accordance with the policies of audit, division of duties and the standards for the Audit & Supervisory Board Members as established by the Audit & Supervisory Board, each Audit & Supervisory Board Member communicated with the Directors, the Internal Audit Department, employees and others, committed to gather information and to enhance the audit environment, attended the meetings of the Board of Directors and other important meetings, received reports from the Directors, employees and others regarding the performance of their duties, requested explanations as necessary, and inspected important documents supporting decisions and other records and examined the status of operations and assets at the head office and important operating locations. In addition, the Audit & Supervisory Board periodically received reports from the Directors, employees and others, requested explanations as necessary, inspected important documents supporting decisions and other records, and expressed opinions regarding the details of the Board of Directors' resolutions and the system that is developed and operated in accordance with such resolution concerning the development of system to ensure that Directors' performance of their duties are in compliance with the laws and regulations, and the Articles of Incorporation of ITOCHU Corporation and the system to ensure the adequacy of operations of the ITOCHU Group consisting of ITOCHU Corporation and its subsidiaries as stipulated under Article 100, paragraphs 1 and 3 of the Ordinance for Enforcement of Company Act (internal control system).

As for the subsidiaries, each Audit & Supervisory Board Member promoted communications with the directors, Audit & Supervisory Board Members and, etc. of the subsidiaries, and received reports on the business of the subsidiaries as necessary.

Based on the above-mentioned methods, the business report and its supplemental schedules for the fiscal year under review were examined.

Moreover, each Audit & Supervisory Board Member monitored and verified whether the Independent Auditor, Deloitte Touche Tohmatsu LLC, maintained independence and conducted proper audit, received reports from the Independent Auditor regarding the status of the performance of its duties, and requested explanations as necessary.

The Audit & Supervisory Board Members also received the notification from the Independent Auditor that it had established a "system to ensure appropriate performance of its duties" (pursuant to Article 131 of the Company Accounting Regulations) in accordance with the "Quality Control Standards for Auditing" (issued by the Business Accounting Council on October 28, 2005), and requested explanation as necessary.

Based on the above-mentioned methods, the Audit & Supervisory Board examined the consolidated financial statements (the consolidated statements of financial position, the consolidated statements of income, the consolidated statements of changes in equity, and the notes to consolidated financial statements) as well as the non-consolidated financial statements (the non-consolidated balance sheet, the non-consolidated statements of income, the non-consolidated statements of changes in equity, and the notes to non-consolidated financial statements) and the accompanying supplemental schedules for the fiscal year under review.

2. Results of Audit

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

We confirm as follows;

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

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

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

(2) Results of Audit of Consolidated Financial Statements

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

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

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

May 12, 2020

ITOCHU Corporation Audit & Supervisory Board

Kiyoshi Yamaguchi
Audit & Supervisory Board Member (full time)

Shuzaburo Tsuchihashi
Audit & Supervisory Board Member (full time)

Shingo Majima
Outside Audit & Supervisory Board Member

Kentaro Uryu
Outside Audit & Supervisory Board Member

Kotaro Ohno
Outside Audit & Supervisory Board Member

End