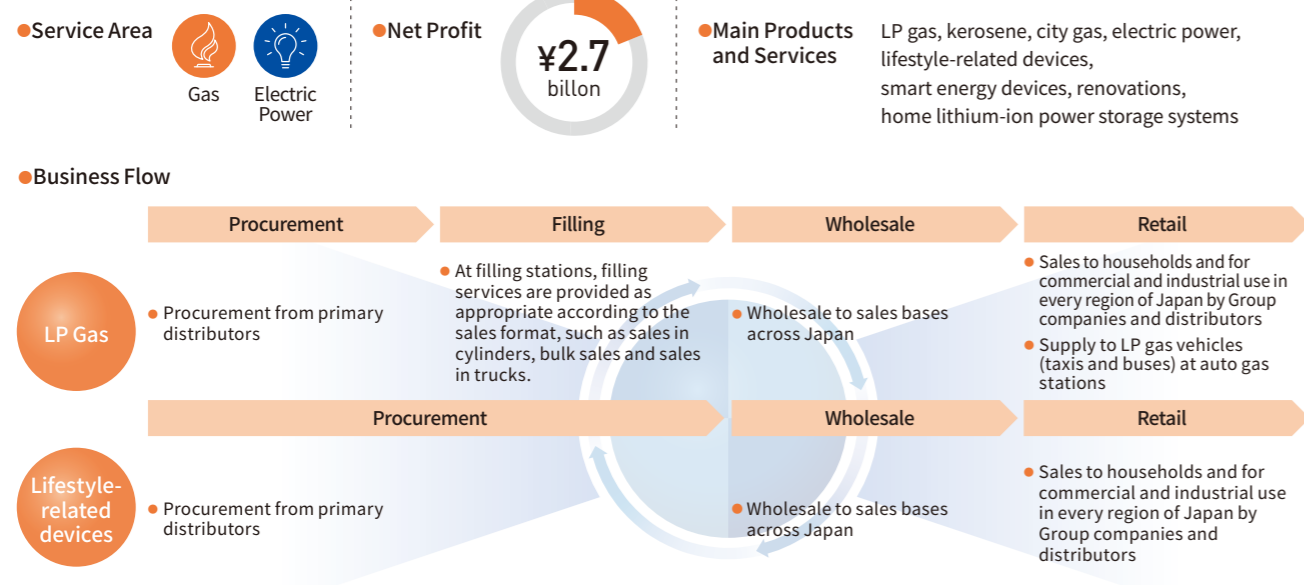
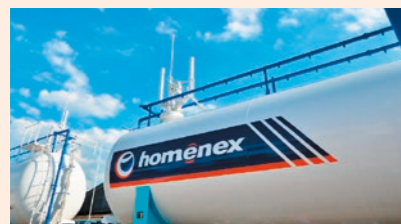


HOME-LIFE DIVISION

We support secure, comfortable, and rich lifestyles by delivering LP gas, electric power, and a variety of smart energy solutions.



LP gas sales business



We sell LP gas to customers all over Japan. We deliver to 1.5 million households domestically.

LP gas primary distribution business



We have made an investment worth 20% of the shares in Japan Gas Energy Corporation, an LP gas primary distributor, and are building a business foundation to cover everything from import procurement to wholesaling and retailing.

Lifestyle-related services



We support comfortable and secure lifestyles through the sale of various equipment essential for living (including household appliances and equipment related to combustion, kitchens, air conditioning, etc.).

City gas sales business



The Group supplies city gas in Kyushu and some areas in the Kanto region.

Electric power retail business



Group companies deliver electricity to customers nationwide under the Group's "e-koto Denki" service system.

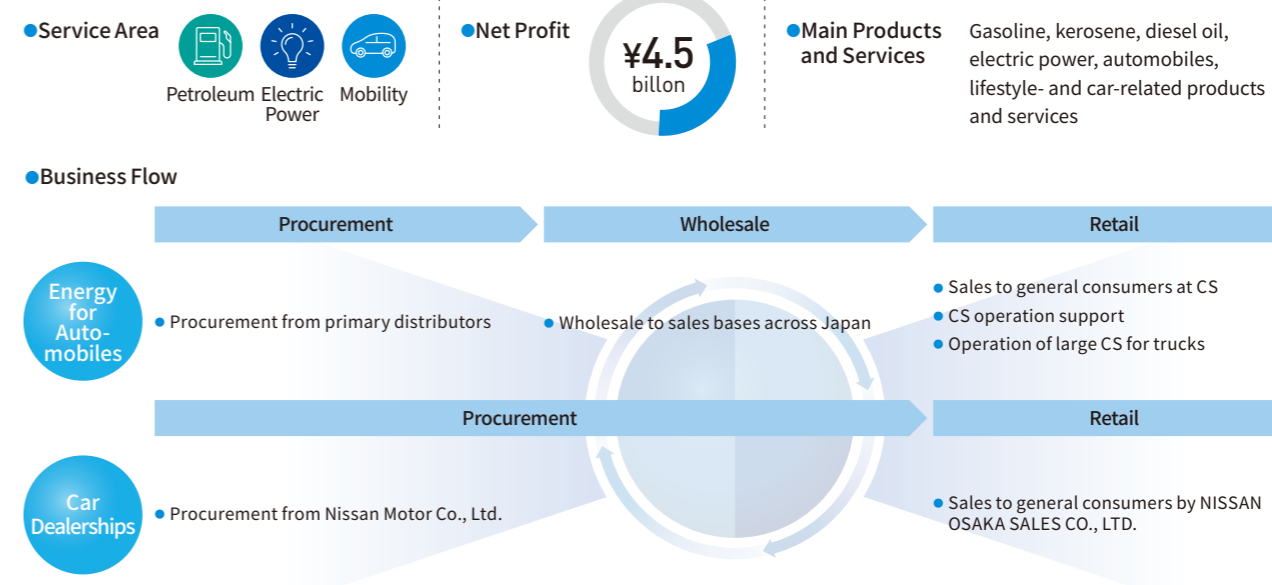
Overseas businesses



We operate LP gas sales businesses mainly in Southeast Asian countries, where future growth is expected.

CAR-LIFE DIVISION

We cater to every need related to "car life," aiming to build a society where people can live in comfort with cars.



Automotive energy sales business



At approximately 1,600 affiliated CS* locations nationwide, we offer various kinds of energy (gasoline, kerosene, diesel oil, automobile lubricating oil, etc.).

*An abbreviation of Car-Life Station, these are multi-service refueling stations produced by the Company.

Car dealership business



Group company NISSAN OSAKA SALES CO., LTD. is one of the largest Nissan Motor-affiliated dealers in Japan and is the only Nissan Motor-affiliated dealership in Osaka Prefecture, selling new and second-hand cars and offering service and maintenance.

Truck business



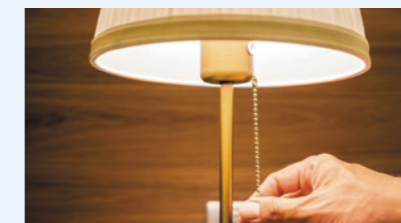
ENEX FLEET CO., LTD. a Group company, operates Fleet CS, mainly for trucks and buses. The company has also entered the truck body alteration business, expanding its truck peripheral business.

Consulting support for CS



We support sales outlets through our consulting service with our experience and expertise in operating CS.

Electric power retail business



We offer a service called "Nissan car + Nissan Osaka e-denki," developed jointly by NISSAN OSAKA SALES CO., LTD. and ENEX LIFE SERVICE CO., LTD.

Overseas businesses



Through acquisition of a 25% share of IP&E Palau, Inc., we entered the petroleum product import, wholesale, and sales business in the Pacific region. ENEXFLEET Vietnam Co., Ltd. operates a car wash and car care business in Vietnam.

INDUSTRIAL BUSINESS DIVISION

From asphalt and marine fuel to environmental products, we deliver various forms of energy that support the foundations of industry and distribution.

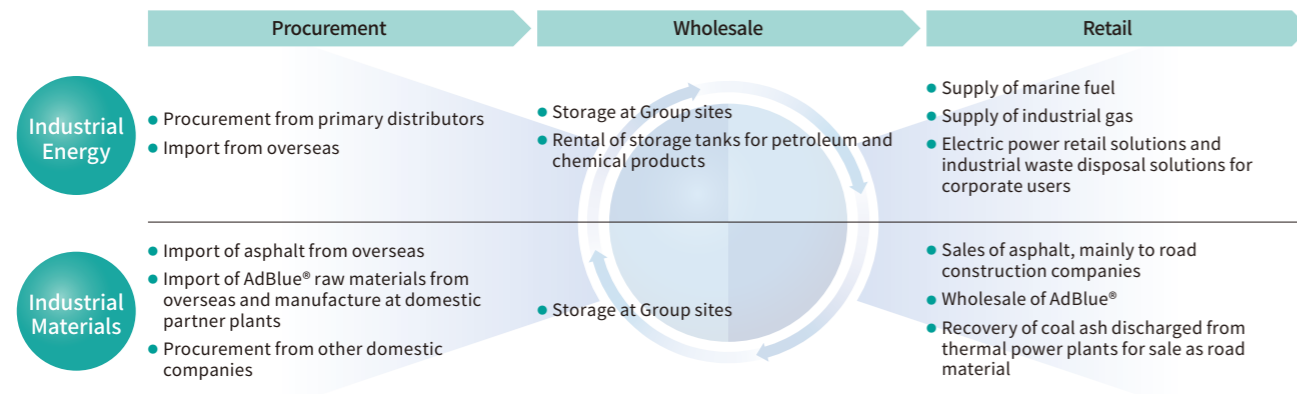


- Service Area
 - Gas
 - Petroleum
 - Electric Power



- Main Products and Services
 - Asphalt, marine fuel, import/export of petroleum products, terminal tank rentals, industrial gas, AdBlue®, GTL fuel, renewable diesel, and recycling of incinerated ash

●Business Flow



Asphalt sales business



We supply asphalt as an industrial material to our customers, using our nationwide sales network and our own supply network.

Environmental product sales and service business



We pioneer and sell next-generation energy sources, including AdBlue®, which decomposes and detoxifies exhaust gas from diesel vehicles, GTL (Gas to Liquids) derived from natural gas, renewable diesel made from waste cooking oil, liquefied natural gas, etc.

Marine fuel sales business



We sell marine fuel and marine lubricating oils at major ports in Japan and overseas. We also operate a supply business for marine LNG fuel in cooperation with Kyushu Electric Power Co., Inc., Nippon Yusen Kabushiki Kaisha, and Saibu Gas Co., Ltd.

Industrial gas sales business



We sell industrial gases (oxygen, nitrogen, argon, sterilization gases, etc.) used in all kinds of fields. We also provide a gas container pressure inspection service and related supplies.

Petroleum product trading business



As the core of the ITOCHU Group's domestic petroleum product trading, we engage in petroleum product imports/exports and domestic sales (domestic supply and demand adjustment transactions).

Terminal business



We have two facilities that can store petroleum and chemical products, with which we can respond to customer needs efficiently and quickly.

POWER & UTILITY DIVISION

We operate electric power-related and district heating businesses in pursuit of energy conservation, comfort, and economic efficiency.

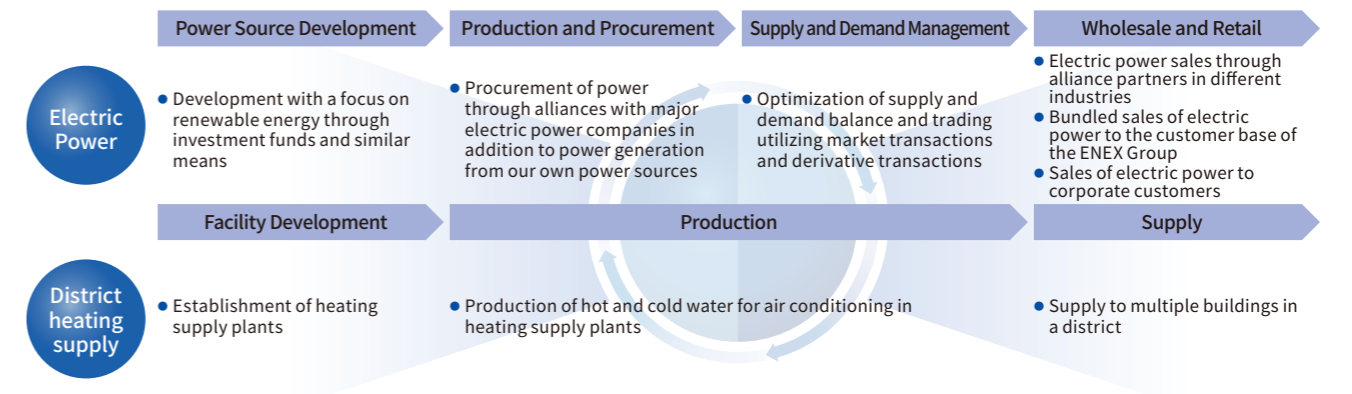


- Service Area
 - Electric Power
 - Mobility



- Main Products and Services
 - Power generation (solar power, hydroelectric power, coal-fired power, natural gas-fired power), steam, district heating, comprehensive energy services, power supply and demand management, asset management business, car rentals

●Business Flow



Power generation business



Leveraging our good mix of power generation facilities (solar, hydro, coal-fired, and natural gas-fired), we operate a power generation business that seeks to achieve both economic efficiency and environmental sustainability.

Electric power retail business



Together with Group companies ENEX LIFE SERVICE CO., LTD. and Oji-ITOCHU ENEX power retailing Co., Ltd., we operate electric power sales networks in various areas to serve diverse customers.

District heating supply service business



Group company Tokyo Toshi Service CO., LTD. produces hot and cold water for air conditioning in its heating supply plants and supplies the water to buildings via local pipelines.

TERASEL Solar Service Business



This is a flat-rate service enabling customers to use electric power generated by our solar power generation system installed on their premises for their own consumption. It reduces CO₂ emissions and energy costs.

Biomass power generation business



Together with Oji Green Resources Co., Ltd., we operate a biomass power plant that uses forest resources and agricultural residues as fuel. We will continue to work towards the development of power sources that contribute to the realization of a low-carbon society.

Overseas businesses



We established two companies, ITC ENEX Southeast Asia Co., Ltd. and ITC ENEX (Thailand) Co., Ltd., in Bangkok, which operate solar power and renewable energy businesses.

HOME-LIFE DIVISION



We aim to provide added value in the form of new products and services by leveraging our nationwide customer base.

Director and Senior Managing Officer
Chief Operating Officer, Home-Life Division
Kyosuke Wakamatsu

Social issues and needs

In the future, it is expected that the declining birthrate, aging population and resulting decrease in the number of households will only continue in Japan. As a result, the domestic LP gas market is shrinking, and a major issue is how we can leverage our customer base and sales network that enable us to deliver gas throughout the country.

We recognize that there is a demand for mechanisms and systems that utilize the disaster-resistant strengths of LP gas to provide a stable supply of energy in the event of emergencies. In addition to providing energy, we aim to realize a society where people in the community can live with peace of mind by offering a variety of lifestyle-related services.



Strengths

- A stable customer base spread across the country and a sales network established by Group companies
- An integrated logistics system from upstream (import terminals) to downstream (ordinary households nationwide)



Issues

- Providing added value in the form of new products and services amid shrinking domestic LP gas market
- Meeting the increasing demands of the spread of IT, digitalization, and DX (digital transformation)

Strategies by product/business

LP gas sales business	In addition to furthering M&A projects and efforts to acquire new customers, we will thoroughly strengthen our LP gas security operations, develop a customer database, and simultaneously pursue better sales promotion and operational efficiency to expand our business.
Lifestyle-related services	We will promote smart energy devices such as household storage batteries, and facilitate cooperation and synergies with other divisions. We will consider developing new subscription options for LP gas customers.
New businesses	We will consider alliances with a wide variety of companies to strengthen our business network from the perspective of the living environment, disaster response, security, and circular economy.

FY2022 initiatives

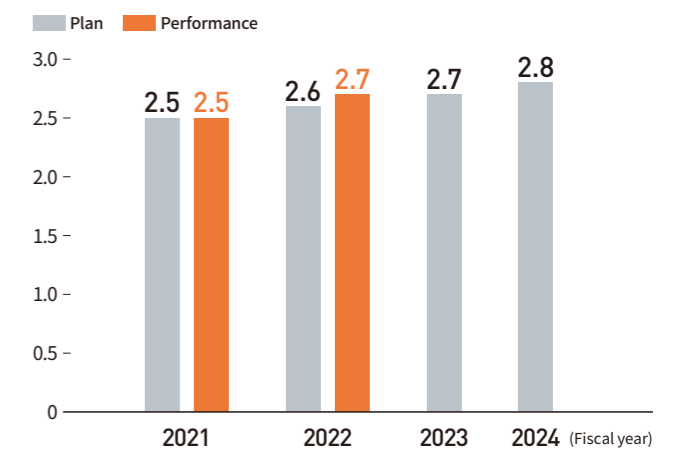
In FY2022, we continued with M&A and proactive sales activities in the Kanto and Chugoku/Shikoku areas, which allowed us to steadily increase the number of LP gas direct sales customers, increasing by about 8,000 households from the previous fiscal year to about 565,000 households. In addition, we have been promoting the installation of LPWA devices. With our acquisition of certification as a Gold Security Certified Operator (First Class LP Gas Distributor), we have re-examined our business bases, and as a result have expanded our sales areas. Gold Security Certified Operator certification can be acquired by LP gas distributors that have been certified as working to implement advanced security systems to ensure consumer safety, such as introducing a centralized monitoring system. With the acquisition of this certification, we have also streamlined our operations. Furthermore, we have been promoting the digitalization of our core businesses. For example, we have established IO (integrated operation) centers nationwide to expand the CRM (customer relationship management) system, advance the implementation of SFA (sales force automation) for field sales staff, and digitize customer contact points and the movement of sales staff. In addition, we have been working on new businesses such as a hot water heater quick assist service and meal delivery service.

Strategies and priority areas going forward

We will continue to actively bolster our LP gas customer base, which is an important asset of the Division and one of the strengths of the Group as a whole. In addition to acquiring new customers, we aim to improve customer satisfaction by re-examining and analyzing the existing customer database. We will also promote further quality improvement and digitalization of security operations, which are essential to our business operations. In addition, we want to go forward with the creation of new businesses in different fields, without being constrained by existing



Net Profit (Billions of yen)



businesses. With the social environment undergoing drastic changes, we recognize the need to earnestly work on the transition to a decarbonized society in the future. As such, we will focus on initiatives that contribute to the reduction of CO₂ emissions, such as the sale of carbon neutral LP gas, which began in the previous fiscal year. In addition to making our organization a flexible and strong one that is not afraid of change or crisis, we will strengthen our systems so that we can respond quickly and flexibly to future industry restructuring and business alliances with other industries.

Expand and Connect

A Group company started a meal delivery service for the elderly

In April 2023, ITOCHU ENEX HOME-LIFE NISHI-NIHON CO., LTD., a Group company, started a meal delivery service for the elderly. As the makeup of Japanese society increasingly comprises the very elderly, this is a service that provides prepared meals delivered by hand to the elderly in the community, making it possible to confirm their safety and engage in valuable communication. This is one of the new initiatives that can take advantage of our LP gas customer network, and we would like to consider developing new services rooted in local communities like this in the future.



CAR-LIFE DIVISION



We will transform our portfolio and aim for a strong organizational structure that can respond to the demands of a decarbonized society.

Director and Managing Officer
Chief Operating Officer, Car-Life Division
Tsukasa Motegi

Social issues and needs

With the move toward a decarbonized society, the consumption of petroleum products is expected to continue to decline. The challenge is how to create centers that can supply not only petroleum products but also EVs and FCVs (fuel cell vehicles). Meanwhile, the development of “resident base service stations” with in-house power generators, intended to function as disaster response centers, is proceeding under the leadership of the Agency for Natural Resources and Energy. With the Group’s 136 disaster response stations equipped with emergency power generators to maintain refueling functions, we have established a system that can contribute to the local community in the event of an emergency. I believe that it is our mission to transform Car-Life Stations into comprehensive energy bases that can respond to the various needs of the community, including, but not limited to, needs in times of disaster.



Strengths

- Stable customer base and sales network centered on Car-Life Stations (CS) nationwide
- Automotive business network centered on car dealers and car auctions



Issues

- Responding to a decarbonized society, EVs, and hybrid vehicles
- Creation of new peripheral businesses in the petroleum business and mobility business, and development of new fields and new areas by leveraging the customer base

Strategies by product/business

Petroleum wholesale business	In addition to growing the customer base of the Division, we will expand the business to make car accessory sales one of the pillars of earnings.
Petroleum retail business	In the fleet business, we aim to expand the fleet network through new store openings and business alliances, build mobility-related businesses, and develop services specialized for specific areas.
Mobility business	We will study business alliances such as M&As to rebuild our car dealership network and expand our mobility business, and focus on highly profitable trucks and construction vehicles.

FY2022 initiatives

In the petroleum product sales business, ENEX FLEET CO., LTD., Kokura Enterprise Energy Co., Ltd., and Enex Petroleum Sales Nishi-Nihon Co., Ltd. were merged in April to form the new ENEX FLEET Co., Ltd. By optimally allocating the management resources of the three companies, we will promote efficiency by expanding the scale of the businesses, and further accelerate the expansion of the scope of the mobility-related businesses we are focusing on. In addition, we launched an online shop called the “Ene Store,” which sells car accessories. Aiming to improve productivity by streamlining operations, we made the transition to online orders and invoices, and otherwise promoted operational efficiency through the use of IT and digital technology.

In the mobility business, we are investing in stores in the car dealership business and expanding the truck purchase and sales business centered on ENEX FLEET CO., LTD. Furthermore, we have fully entered the car auction business and are expanding the foundations of our truck value chain.

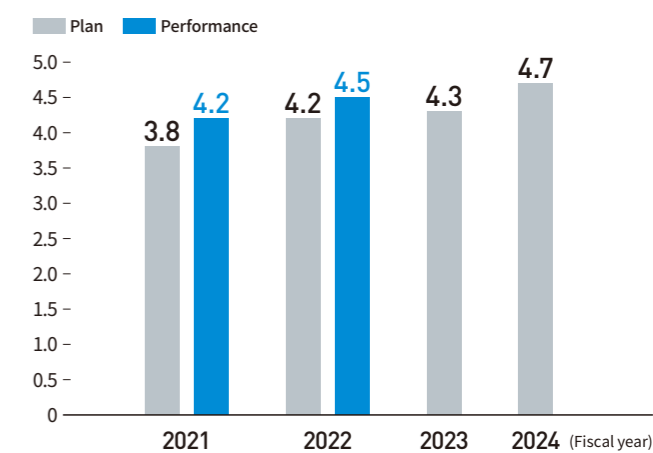
In addition, we are exploring new businesses using test stores. In Vietnam, we have continued to grow ENEXFLEET Vietnam Co., Ltd., which operates a car care business.

Strategies and priority areas going forward

We will continue to expand the petroleum business and mobility business, which are the two pillars of this Division. In the petroleum business, we will maintain and expand our customer base while expanding the scale of our car accessory sales business and developing area-specific services that leverage that customer base. In addition, we will consider business alliances to expand the fleet refueling network and develop services that take advantage of the characteristics of each area. In the mobility business, we will focus on bolstering car auctions as well as car purchases and sales. The mission of this Division in a decarbonized



Net Profit (Billions of yen)



society is to transform into a strong organizational structure that does not rely solely on fuel sales. In order to expand the mobility business domain for that purpose, it is essential that we undergo digital transformation (DX). To that end, we will actively study the creation of new mechanisms. As we expand our peripheral businesses, opportunities to engage in M&As are increasing, so we will also promote the development of human resources with all kinds of specialized knowledge.

Expand and Connect

Efforts at Car Enex Yugawara

In December 2021, Car Enex Yugawara, a Car-Life Station, was renovated to test a new model of service center where customers can use and obtain Rakuten Points in a variety of ways. This initiative seeks to link customers visiting the outlet for “real-world” services with the virtual world of various online services such as enrolling in electric power plans or insurance. Over this trial, we have been able to see customer trends through the use of the point economic zone*, and we will continue to hold events that match these trends in order to acquire new customers, including those of the younger generation.



* Point economic zone: Giving consumers special points that can be used across multiple partner companies and services encourages further consumption of partner company services and functions to corral many consumers in the same commercial zone.

INDUSTRIAL BUSINESS DIVISION



We will ramp up the construction of various systems to pursue multiple goals at the same time, as well as our core business and new businesses for the next generation.

Executive Officer
Chief Operating Officer, Industrial Business Division
Hirofumi Chimura

Social issues and needs

While there is a demand for reducing environmental impact, economic rationality is also an important point for each industry to continue their businesses. Under these circumstances, as a division that handles a wide variety of products, we realize that we must offer products that are suited to each customer's needs. At the same time, we offer products such as asphalt for which we can expect a certain level of demand in the future, and have businesses such as the tank terminal business that will have the same functions of storing and delivering even if the type of fuel changes. I believe that the mission of this Division is to stably supply what customers want and need, with a wide range of options in anticipation of future decarbonization needs.



Strengths

- Comprehensive solutions consisting of diverse products such as asphalt, industrial gas, environmental products, automobile fuel cards for corporate customers, etc.
- Solutions and sales know-how in environment-related businesses such as AdBlue®, renewable fuels, and GTL fuels



Issues

- Accumulation of knowledge and expertise on new technologies and new products, and the creation of functions and human resource systems
- Partnerships through collaboration and cooperation with other companies when considering further business development

Strategies by product/business

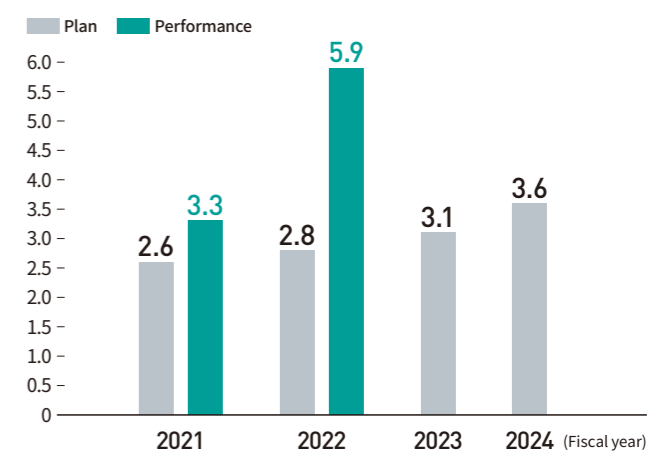
Asphalt sales business	Asphalt is a cyclical resource that can be reused repeatedly, and since a certain level of demand will continue in the future, we will focus on stable supply.
Ship fuel sales business	We will propose a wide range of options so that we can supply the optimal fuel according to the ship size and route, while also considering environmental products.
Terminal business	Even if the fuel changes due to decarbonization, we will continue to perform the role of storing fuel and delivering it when needed, and will expand our tank capacity according to demand.
Environmental products and new businesses	Utilizing the knowledge and expertise gained through existing businesses, we will study potential niche peripheral businesses.

FY2022 initiatives

In FY2022, we advanced our environment-related business. We are developing a supply system for a renewable diesel gaining attention as an alternative fuel to diesel oil, and working on various implementation projects, such as the first use of it in Japan as ship fuel and its adoption for passenger buses. In addition, it has been adopted on a trial basis as a CO₂ reduction measure in the construction work and transportation for the Expo 2025 Osaka, Kansai scheduled to be held in 2025, and demonstration tests for the Expo have begun. We have increased our supply bases for AdBlue® to 26 nationwide. AdBlue® is an environmental product that detoxifies nitrogen oxides (NO_x) when sprayed on the exhaust gas emitted by diesel engines. Furthermore, leveraging the energy handling know-how that the Group has garnered so far, we have started full-scale deployment of GHG emissions “visualization” support services together with the Bank of Yokohama, Ltd. and Zeroboard Inc. In our existing businesses, we have bolstered our foundations. For example, we decided to increase the number of asphalt tanks, decided to invest in industrial gas container inspection equipment, and constructed ship fuel refueling ships.



Net Profit (Billions of yen)



Strategies and priority areas going forward

With the pursuit of multiple goals as at the same time as a guiding principle for our division, our policy is to expand both core businesses as well as new businesses that will be relevant for the next generation. Currently, there is still room for growth in core businesses such as asphalt, ship fuel, AdBlue®, terminal operations, industrial gas, and corporate refueling cards, which our sales departments are working on. Meanwhile, amid the trend toward decarbonization, new needs are emerging, and I think this is an opportunity to address them. I think there are opportunities right next to the perimeter of

existing businesses. The key is to expand our business areas beyond existing boundaries by focusing on our core businesses and carbon-neutral fields, including next-generation fuels. To that end, I believe that a sense of organizational unity is important. We will strengthen cooperation not only for each product, but also for each region and each field. To develop structures to meet our 2030 goals, we will strengthen our ability to collect and analyze information, improve efficiency through digitalization, and secure and train human resources.

Expand and Connect

The Group forms a capital and business alliance agreement with OpenStreet Co., Ltd.

In April 2023, we concluded a capital and business alliance agreement with OpenStreet Co., Ltd. (hereinafter “OpenStreet”). OpenStreet provides a platform for micro-mobility sharing services, such as a bicycle sharing service that utilizes electric bicycles, in order to solve urban transportation issues and promote regional revitalization. Through this capital and business alliance, we will explore the possibility of cooperation and collaboration with OpenStreet's micro-mobility sharing service, which is excellent in terms of environmental performance, and try to find ways to leverage this partnership for new businesses that make use of our group's business foundations and customer base.



POWER & UTILITY DIVISION



We will provide services that meet the needs of the times, advocating for both decarbonization and economic efficiency.

Executive Officer
Chief Operating Officer, Power & Utility Division
Fumiya Tanaka

Social issues and needs

All kinds of events are occurring in the world, but recently there has been a sudden increase in opportunities to think about energy and food stability. It is also true that changes are occurring in our peaceful lives that have been taken for granted until now, and we are starting to feel anxious. In this environment, I believe that the mission of this Division is to contribute to the stability of people's lives by promoting renewable energy power generation that is not affected by changes in the world's energy situation, storage batteries that adjust for the supply and demand of electricity, and demand response efforts. We will provide services that match the times, as the era of consumption is transitioning to the era of energy conservation and the sharing economy.



Strengths

- Integrated system covering everything from power generation (solar, hydro, coal-fired, and natural gas-fired) to supply and demand adjustment and power sales
- Networks and connections with regional businesses that have strong customer bases



Issues

- Ability to respond flexibly to system changes and changes in the supply and demand environment, and efforts to realize a low-carbon society
- Providing added value in electric power retail and services, maintaining market competitiveness, and expanding overseas electric power-related businesses

Strategies by product/business

Electric power sales business	We aim to further expand the Group's customer base by promoting digital transformation while utilizing electric power as a product that bundles our customer bases in petroleum, gas, and mobility.
Power generation and supply/demand business	We will strike a balance between reducing the costs of electric power procurement and supply and enhancing environmental value while pursuing more sustainable generation businesses using solar power and storage batteries, all the while boosting our ability to adjust for supply and demand.
New services	We will study the creation of new services, including a service that make saving electricity and reducing electricity costs fun and convenient, and services that combine TERASEL products.

FY2022 initiatives

In FY2022, we strived to maintain and expand the customer base of each Division that the Group has built up to date. To this end, we launched three services in what we call the TERASEL Series: "TERASEL Denki," which is an electric power sales service for households, "TERASEL Solar," which is a solar power service for businesses, and "TERASEL Car Share," an EV car sharing service. In the electric power retail business, the number of Group electric power customers has increased to approximately 320,000 thanks to efforts to gain customers using digital technologies, and we will continue to expand our customer base.

Driven by the principle of pursuing both decarbonization and economic efficiency, we have also advanced initiatives that are environmentally conscious. A new hydroelectric power plant in Joetsu and a biomass power plant in Tokushima have started commercial operations. At a coal-fired power plant in Hofu, we conducted a demonstration experiment aimed at reducing CO₂ emissions and improving efficiency by co-firing carbon-neutral woody biomass with coal.

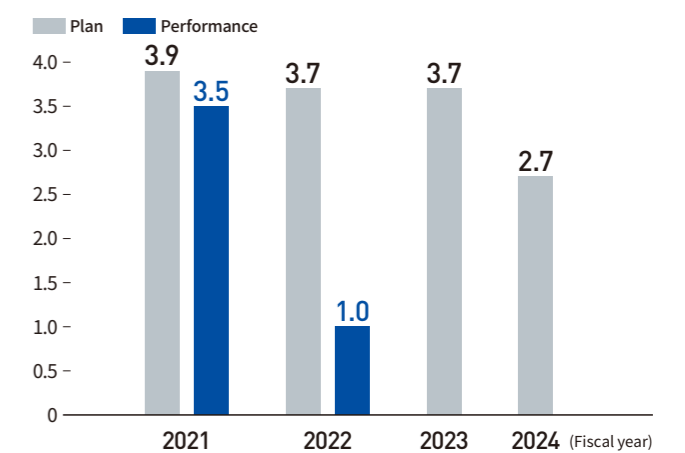
We are also promoting the implementation of solar power generation services for self-consumption, and have introduced them in various places such as home improvement stores and logistics facilities.

Strategies and priority areas going forward

The stated universal mission of this division has been to achieve both decarbonization and economic efficiency. A considerable amount of time has passed since people began to call for a decarbonized society and a reduction in the environmental burden. That said, we cannot adopt everything that is good for the environment. We must work for the benefit of the companies and customers who have adopted our Group's products and services. We recognize that it is important to come up with the best solutions that can achieve a balance of both. Regarding storage batteries and demand response, we will strengthen our efforts together with solar power generation.



Net Profit (Billions of yen)

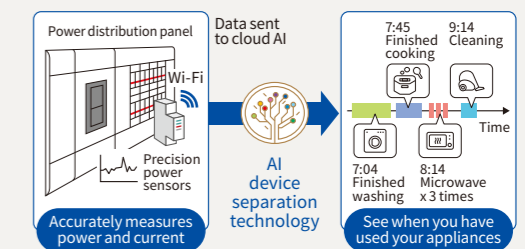


Electric power is a relatively new product for the Group, but it is essential to people's lives and will not disappear in the future. The Group aims to provide a stable supply of electric power while taking advantage of its strengths, including the ability to use electric power to connect the customer base that it has cultivated so far, the ability to deliver energy through an integrated system from power generation and supply/demand adjustment to sales, and the fact that the Group as a whole has various products and services. We will also consider various business alliances and M&As to achieve the targets of the medium-term management plan.

Expand and Connect

Investment in and conclusion of business alliance agreement with Informatis

In June 2023, the Company decided to invest in and form a business alliance with Informatis Co., Ltd. (hereinafter "Informatis"). Informatis uses its cutting-edge and unique AI technology (household appliance separation and estimation technology*) to analyze the usage status and identify the models of individual home appliances and electrical equipment, forecast demand, etc. It provides services such as advanced power use visualization, optimal control of energy, and monitoring for ordinary households. We will study the possibility of offering new services and solutions by fusing our Group's customer base and knowledge of the electric power business with Informatis' unique technologies.



* Household appliance separation and estimation technology: A technology that separates power waveform data using an AI algorithm and "visualizes" power consumption by device