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

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Handling of Shares of Class I Preferred Share
And Sales of Ordinary Share in Isuzu Motors Limited

ITOCHU Corporation (ITOCHU) announced today that ITOCHU has decided to request Isuzu Motors Limited (ISUZU) to acquire all shares of Class I preferred share issued by ISUZU and purchased by ITOCHU in February 2005, and replace these shares with the prescribed number of shares of ISUZU common share.

ITOCHU also has decided to sell ordinary share of 40 million shares out of 170 million shares, which are total number of shares both of replaced as described above and held so far, to TOYOTA MOTOR CORPORATION (TOYOTA).

1.Detail of the acquisition and replacement request

- Number of shares of Class I preferred share that ISUZU will be requested to acquire:
8.225 million shares
- Prescribed number of shares of common share that ISUZU will be requested to offer in replacement:
121.848 million shares

2.Detail of share sales

- Name of share to sell:
Ordinary share of Isuzu Motors Limited
- Number of shares to sell:
40 million shares
- Total number of shares held by ITOCHU after the sales:
130.099 million shares

3.Purpose of the share sales:

ITOCHU received a request from ISUZU to sell a part of its ordinary shares to TOYOTA to formulate part of capital ties of “TOYOTA, ISUZU-Business and Technical alliance in environment and technical development”.

After consideration, ITOCHU has decided to sell because this alliance lead enhancement of corporate value of ISUZU and positive impact of business development between ISUZU and ITOCHU.

ITOCHU would maintain capital ties with ISUZU to expand cooperative relationship, and believe this alliance lead further business development to us.

4.Effect on forecast

There is no revision in forecasts of consolidated operating results for FY 2007 (consolidated net income 171 billion yen), which ITOCHU officially announced on October 30, 2006.