

January 31, 2008

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

ITOCHU Corporation
(Code No. 8001, Tokyo Stock Exchange, 1st Section)
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Strengthening of the partnership with DESCENTE, LTD.

ITOCHU Corporation (Hereinafter "ITOCHU") today announced that its Board of Directors has resolved on January 31, 2008 to strengthen capital and business alliance with DESCENTE, LTD. (Hereinafter "DESCENTE," Code No. 8114, Tokyo Stock Exchange, 1st Section) for mutual further growth. Details are as follows:

1. Contents of tie-up strengthening

1) Business Alliance:

① To promote cooperation regarding overseas operation

In terms of business alliance in North America and Europe as distribution, also alliance in Asia region as production, seeking synergies would be considered through utilization of functions held by ITOCHU and its group companies.

② To promote cooperation regarding introducing new brands

In terms of introducing new brands and its development for business expansion, various cooperation would be considered.

2) Capital Alliance:

ITOCHU holds 11,787 thousand common shares of DESCENTE (approximately 15.3% of its total outstanding common shares and approximately 15.7% of its total right to vote as of December 31, 2007). ITOCHU is planning to make DESCENTE its associated company by holding approximately 19.5% of its total outstanding common shares (approximately 20.0% of its total right to vote of DESCENTE) through additional acquisition of common shares no later than mid June.

2. Purpose of Strengthening

In the sport goods and apparel industry, each manufacturer has made inroads into the "Lifestyle market" familiar in life and expanded the business area not only "for competitive sports" but

also "for fashionable activities". Due to the expansion of business areas, the market has expanded to include female customers in addition to male customers.

There are great expectations to the potential growth of the sport goods and apparel industry. DESCENTE and ITOCHU have developed a good partnership based on brand business alliance, through ITOCHU's supply of products to DESCENTE. By strengthening current relationship through this capital and business alliance that will make it possible to establish mid-long term stronger partnership, we will be able to proceed to strategic partnership in various core business fields, which will make great contribution to planning future growth strategy for both DESCENTE and ITOCHU.

3. Basic Information of DESCENTE

- 1) Trade Name: DESCENTE, LTD.
- 2) Major Business Areas: Manufacture/sales of active sportswear
- 3) Date of Incorporation: March 18, 1949
- 4) Principle Office: 1-11-3, Dogashiba, Tennoji-ku, Osaka 543-8921
- 5) Representative: Etsuro Nakanishi, President
- 6) Amount of Stated Share Capital: 3,846 million yen (As of September 30, 2007)
- 7) Employee Number: 692 (As of September 30, 2007)
- 8) Consolidated Net Sales: 75,094 million yen (As of Fiscal year ended March 31, 2007)

4. Forecast

There will be minor impact on consolidated results forecast for FY 2008 ending March 31, 2008.

Forward-Looking Statements:

This material contains forward-looking statements regarding ITOCHU Corporation's corporate plans, strategies, forecasts, and other statements that are not historical facts. They are based on current expectations, estimates, forecasts and projections about the industries in which ITOCHU Corporation operates. As the expectations, estimates, forecasts and projections are subject to a number of risks, uncertainties and assumptions, including without limitation, changes in economic conditions; fluctuations in currency exchange rates; changes in the competitive environment; the outcome of pending and future litigation; and the continued availability of financing, financial instruments and financial resources, they 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 place undue reliance on forward-looking statements, and, further that ITOCHU Corporation undertakes no obligation to update any forward-looking statements as a result of new information, future events or other developments.