August 3, 2026

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

ITOCHU Corporation
(Code No. 8001, Prime Market)
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Announcement Regarding Basic Agreement on Participation in Investment in Aviation Capital Group LLC through the Acquisition of an Interest in TC Skyward Aviation U.S., Inc., a Consolidated Subsidiary of Tokyo Century Corporation, and Subscription for Bond-Type Class Shares to be Issued by Tokyo Century Corporation

We hereby announce that, at the meeting of its Board of Directors held on August 3, 2026, ITOCHU Corporation ("ITOCHU") resolved to participate in investment in TC Skyward Aviation U.S., Inc. ("SKY-U"), a subsidiary of Tokyo Century Corporation ("Tokyo Century"), which is an associated company of ITOCHU, and in Aviation Capital Group LLC ("ACG"), a U.S.-based aircraft leasing company and a wholly owned subsidiary of SKY-U, through the acquisition of a portion of the shares of SKY-U, representing 50.0% of its total issued shares, and to subscribe for Bond-Type Class Shares to be issued by Tokyo Century, as described below.

1. Reasons for the Acquisition of Interests in SKY-U and ACG

ITOCHU positions its aerospace business as a growth area, based on its recognition that the aircraft leasing market will continue to expand against the backdrop of medium- to long-term growth in air passenger demand. In the aircraft leasing field, ITOCHU has capabilities to conduct, in-house, functions ranging from aircraft procurement and lease origination to aircraft sales and management, and has also expanded its value chain into the aftermarket area, including aircraft parts sales and maintenance businesses.

Currently, ITOCHU leases more than 90 aircraft and engines to airlines around the world. As part of its business expansion, ITOCHU established IC Aero Co., Ltd., a company specializing in aircraft leasing in Japan, in 2025, and in May 2026 participated in the management of Sirius Aviation Capital Holdings Limited, which operates an asset management business for mid-life aircraft investments in the global market, with operations in Abu Dhabi and Ireland. In the aftermarket business, ITOCHU invested in Killick Aerospace Limited of Ireland in 2024 and has been promoting its used aircraft parts sales business and OEM distributorship business.

Through its participation in investment in ACG via an investment in SKY-U and through joint management with Tokyo Century, ITOCHU intends to position ACG as the core platform of its aerospace business, support ACG's medium- to long-term business growth, and seek to further expand the existing businesses of both groups and create new businesses.

The execution of this transaction is subject to the execution of definitive agreements with Tokyo Century and the receipt of approvals and permits from relevant authorities under competition laws in the applicable jurisdictions, among other conditions.

2. Details of the Transaction (Acquisition of an Interest in SKY-U)

(1) Details of the Collaboration

ITOCHU and Tokyo Century will position ACG as a strategically important core operating company for both companies and will seek to strengthen the growth of the aircraft leasing business. The principal areas of collaboration currently envisaged are as follows:

1. Further expansion of ACG's new aircraft leasing business, one of its core strengths
2. Strengthening and expansion of aircraft acquisition and sale activities at ACG
3. Improvement of profitability through enhancement of ACG's credit ratings and financing capabilities
4. Joint consideration of acquisition opportunities and portfolio replacement at ACG
5. Creation of earnings opportunities across the entire aircraft value chain by leveraging the networks and functions of both groups

(2) Details of the Acquisition of an Interest in SKY-U

ITOCHU intends to acquire a 50% equity interest in SKY-U currently held by Tokyo Century. The acquisition price was agreed upon after comprehensive consideration and discussions between the parties, based on ACG's financial condition as of December 31, 2025, the valuation base date. Following the acquisition, SKY-U will become an equity-method associated company of ITOCHU.

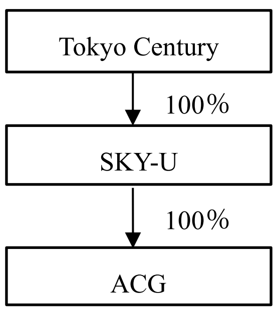
Acquisition Price: US$1,946 million (planned)
Number of Shares to be Acquired: 3,281 shares (Voting Rights Ownership Ratio: 50.0%)

(3) Transaction Structure

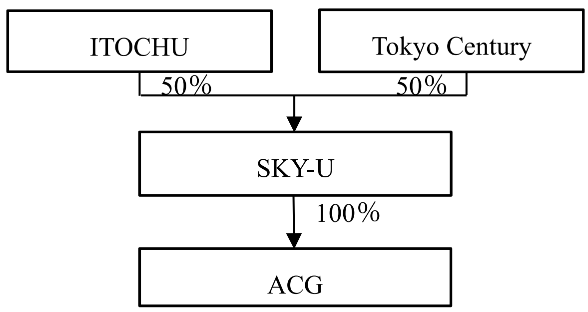
Following the completion of this transaction, Tokyo Century and ITOCHU are expected each to hold a 50% interest in SKY-U and ACG.
The transaction structure is as follows:

1. ITOCHU will acquire a 50% interest in SKY-U held by Tokyo Century.
2. Following the completion of the transaction, ACG will transition to a joint management structure between Tokyo Century and ITOCHU.
3. Important matters concerning ACG will be managed under a framework requiring the agreement of both parties based on the Shareholders' Agreement and other related arrangements.

<Before the Transaction>



<After the Transaction>



In addition, prior to the execution of the share acquisition, among the assets and liabilities currently held by SKY-U, assets unrelated to ACG's aircraft leasing business will be transferred to the Tokyo Century Group. As a result, the assets and liabilities to be held by SKY-U at the time of the share acquisition will consist solely of ACG-related assets.

3. Overview of the Counterparty to the Business Alliance (Tokyo Century)

<table>
<tr><td>(1)</td><td>Name</td><td colspan="2">Tokyo Century Corporation</td></tr>
<tr><td>(2)</td><td>Address</td><td colspan="2">Hulic Akihabara Tower Building, 3 Kanda Neribei-cho, Chiyoda-ku, Tokyo</td></tr>
<tr><td>(3)</td><td>Title and Name of Representative</td><td colspan="2">Koji Fujiwara, Representative Director and President, CEO</td></tr>
<tr><td>(4)</td><td>Business Description</td><td colspan="2">Domestic Business, Overseas Business, Social Infrastructure, Transportation, Mobility, and Corporate Investment</td></tr>
<tr><td>(5)</td><td>Capital</td><td colspan="2">81,129 million yen</td></tr>
<tr><td>(6)</td><td>Date of Establishment</td><td colspan="2">July 1, 1969</td></tr>
<tr><td>(7)</td><td>Major Shareholders and Shareholding Ratios</td><td colspan="2"><table>
<tr><th>Shareholder Name</th><th>Shareholding Ratio (%)</th></tr>
<tr><td>ITOCHU Corporation</td><td>29.94</td></tr>
<tr><td>Chuo-Nittochi Co., Ltd.</td><td>14.00</td></tr>
<tr><td>NTT, Inc.</td><td>10.03</td></tr>
<tr><td>KSO Co., Ltd.</td><td>8.43</td></tr>
<tr><td>The Master Trust Bank of Japan, Ltd. (Trust Account)</td><td>5.26</td></tr>
<tr><td>Mizuho Bank, Ltd.</td><td>3.82</td></tr>
<tr><td>Seiwa Sogo Tatemono Co., Ltd.</td><td>3.26</td></tr>
<tr><td>Custody Bank of Japan, Ltd. (Trust Account)</td><td>2.89</td></tr>
<tr><td>Nippon Life Insurance Company</td><td>1.73</td></tr>
<tr><td>Mizuho Trust & Banking Co., Ltd. Retirement Benefit Trust for Orient Corporation, re-trusted trustee: Custody Bank of Japan, Ltd.</td><td>1.55</td></tr>
</table>
*As of March 31, 2026. The shareholding ratios are calculated after deducting treasury stock (1,660,888 shares).</td></tr>
<tr><td rowspan="2">(8)</td><td rowspan="2">Relationship between the Listed Company and the Counterparty</td><td>Capital Relationship</td><td>ITOCHU owns 29.96% of the voting rights of Tokyo Century and positions it as an equity-method associated company.</td></tr>
<tr><td>Personal Relationship</td><td>None of ITOCHU's officers concurrently serve as officers of Tokyo Century. ITOCHU has seconded 14 employees (as of April 1, 2026) as personnel to supplement business execution.</td></tr>
</table>

	Business Relationship	ITOCHU and ITOCHU Group companies have business relationships with Tokyo Century and its group companies; however, each transaction is conducted through individual negotiations with each company in the same manner as with ordinary counterparties and is executed based on ITOCHU's independent judgment.
	Applicability as a Related Party	

(9) Consolidated Operating Results and Financial Position for the Most Recent Three Fiscal Years			
Fiscal Year	FY ended March 2024	FY ended March 2025	FY ended March 2026
Consolidated Net Assets	1,011,176 million yen	1,176,889 million yen	1,252,593 million yen
Consolidated Total Assets	6,460,930 million yen	6,862,861 million yen	7,214,810 million yen
Consolidated Net Assets Per Share	1,781.32 yen	2,110.36 yen	2,292.54 yen
Consolidated Revenue	1,346,113 million yen	1,368,635 million yen	1,457,670 million yen
Consolidated Operating Income	104,225 million yen	117,060 million yen	148,306 million yen
Consolidated Ordinary Income	117,303 million yen	132,272 million yen	163,417 million yen
Profit Attributable to Owners of the Parent	72,136 million yen	85,279 million yen	111,299 million yen
Consolidated Net Income Per Share	147.32 yen	174.51 yen	227.82 yen
Dividend Per Share	52.00 yen	62.00 yen	80.00 yen

4. Overview of the Target Companies

TC Skyward Aviation U.S., Inc.

(1)	Name	TC Skyward Aviation U.S., Inc.	
(2)	Address	520 Newport Center Drive, Suite 1600, Newport Beach, CA 92660, U.S.A.	
(3)	Title and Name of Representative	Director, Mahoko Hara	
(4)	Business Description	Aircraft leasing business	
(5)	Capital	—	
(6)	Date of Establishment	2014	
(7)	Major Shareholders and Shareholding Ratios	Tokyo Century (100%). After completion of the transaction, Tokyo Century 50% and ITOCHU 50%.	
(8)	Relationship between the Listed Company and the Counterparty	Capital Relationship	-

	Personnel Relationship	-
	Business Relationship	-
	Applicability as a Related Party	-

(9) Non-consolidated Operating Results and Financial Position for the Most Recent Three Fiscal Years (Unit: US$ million)			
Fiscal Year	FY ended December 2023	FY ended December 2024	FY ended December 2025
Net Assets	4,110	4,043	3,954
Total Assets	4,483	4,512	4,540
Revenue	56	58	126
Net Profit (loss)	(23)	(68)	(12)

Aviation Capital Group LLC

(1)	Name	Aviation Capital Group LLC	
(2)	Address	520 Newport Center Drive, Suite 1600, Newport Beach, CA 92660, U.S.A.	
(3)	Title and Name of Representative	Thomas G. Baker, Chief Executive Officer and President	
(4)	Business Description	Aircraft leasing business	
(5)	Capital	—	
(6)	Date of Establishment	1989	
(7)	Major Shareholders and Shareholding Ratios	TC Skyward Aviation U.S., Inc. (100%)	
(8)	Relationship between the Listed Company and the Counterparty	Capital Relationship	-
		Personnel Relationship	-
		Business Relationship	Aircraft trading
		Applicability as a Related Party	-

(9) Consolidated Operating Results and Financial Position for the Most Recent Three Fiscal Years (Unit: US$ million)			
Fiscal Year	FY ended December 2023	FY ended December 2024	FY ended December 2025
Net Assets	3,412	3,554	4,176
Total Assets	12,860	12,089	13,691

Revenue	1,212	1,242	1,287
Net Profit (loss)	153	161	701

As the relevant consolidated subsidiary is a Limited Liability Company under U.S. law and there is no concept exactly corresponding to stated capital, the amount of capital is not presented.

5. Schedule

Acquisition of Interests in SKY-U and ACG

(1) Date of Board Resolution	August 3, 2026
(2) Date of Execution of Basic Agreement	August 3, 2026
(3) Date of Execution of Definitive Agreement	August 2026 (planned)
(4) Closing of the Acquisition of SKY-U Shares	November 2026 (planned)

6. Related Party Transaction

This transaction constitutes a related-party transaction between ITOCHU and Tokyo Century. However, Tokyo Century has undertaken the transaction through an independent decision-making process after objectively reviewing the necessity and reasonableness of the transaction, as well as the appropriateness of its terms.
In addition, the transaction will be conducted on fair terms under a governance framework that appropriately restricts the involvement of interested parties and gives due consideration to the protection of minority shareholders' interests. Accordingly, ITOCHU believes that this transaction will be implemented in accordance with corporate governance principles while respecting the independence of both companies as listed companies.

7. Subscription for Bond-Type Class Shares

(1) Overview

As part of the strategic alliance to strengthen Tokyo Century's equity capital and financial base and to support the transition of ACG to a jointly managed business from a capital perspective, ITOCHU plans to subscribe for Bond-Type Class Shares to be issued by Tokyo Century in conjunction with the acquisition of the interest in SKY-U.
In connection with the subscription for the Second and Third Series of Bond-Type Class Shares ("Class Shares"), ITOCHU has appointed Nomura Securities Co., Ltd. as an independent external financial advisor and has received advice regarding the characteristics of the Class Shares and the subscription policy.

Type of Shares	Second and Third Series Bond-Type Class Shares
Number of Shares to be Subscribed	20,000,000 shares for each series (40,000,000 shares in total)
Total Payment Amount	5.0 billion yen for each series (10.0 billion yen in total)
Payment Date	September 18, 2026 (planned)
Voting Rights	None

Conversion Right into Common Shares	None
Preferred Dividend Rate	3.800% per annum if the record date falls within a fiscal year ending on or before March 31, 2032. If the record date falls within a fiscal year ending on or after April 1, 2032, the dividend rate shall be the one-year Japanese government bond yield as of the date two business days prior to the last day of the immediately preceding fiscal year, plus 1.800%.
Acquisition Clause for Cash Consideration	The Class Shares are subject to an acquisition clause for cash consideration. Tokyo Century may acquire all or part of the Second Series Bond-Type Class Shares after the lapse of five years and three months from the payment date (on or after December 18, 2031), and all or part of the Third Series Bond-Type Class Shares after the lapse of five years and six months from the payment date (after March 18, 2032). However, under the investment agreement, Tokyo Century is required to obtain ITOCHU's prior consent before exercising the acquisition clause for any series of Bond-Type Class Shares.
Ratio to Common Shares (Assuming Full Dilution)	As the Class Shares do not carry any conversion rights into common shares, they will have no impact on ITOCHU's ownership ratio of common shares.

(2) Schedule

(1) Date of Board Resolution	August 3, 2026
(2) Date of Execution of Share Subscription Agreement	August 3, 2026
(3) Closing of the Subscription for the Class Shares	September 18, 2026 (planned)

8. Future Outlook

The impact of this transaction on ITOCHU's consolidated financial results has already been incorporated into its forecast of profit attributable to owners of the parent of 950.0 billion yen for the fiscal year ending March 31, 2027.