

February 13, 2009

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

ITOCHU Corporation
(Code No. 8001, Tokyo Stock Exchange, 1st Section)
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Notice of the Commencement of a Tender Offer for Shares of i-LOGISTICS CORP.

ITOCHU Corporation (the “Tender Offeror,” “ITOCHU,” or the “Company”) announced today that its Board of Directors resolved on February 13, 2009, to acquire the shares of common stock of i-LOGISTICS CORP. (the “Target Company” or “i-LOGISTICS”) through a tender offer (the “Tender Offer”) as follows:

1. Purpose of the Tender Offer

(1) Outline of the Tender Offer

ITOCHU currently holds 19,010,115 shares of the issued common stock of the Target Company (“the shares of the Target Company”) (the ratio of the number of shares held by ITOCHU to the aggregate number of issued shares (the “Shareholding Ratio”) is 47.2%) and is the largest shareholder of the Target Company. The Target Company is, at present, one of ITOCHU’s affiliates accounted for by the equity method. ITOCHU decided to implement the Tender Offer for the purpose of acquiring all the shares of the Target Company.

ITOCHU has an agreement with the third largest shareholder of i-LOGISTICS, Kawasaki Kisen Kaisha, Ltd. (“Kawasaki Kisen”), which is holding 1,200,000 shares for a Shareholding Ratio of 2.9% as of September 30, 2008, that Kawasaki Kisen will continue to hold its shares of the Target Company and not participate in the Tender Offer.

ITOCHU was informed that the Board of Directors of the Target Company at a meeting held today approved the Tender Offer. For the details, please refer to the Target Company’s timely disclosure of information to be released today.

(2) Background of and Reasons for the Tender Offer, as well as Management Policies Intended after the Tender Offer

In its FY2008-FY2009 Mid-Term Management Plan, “Frontier+ 2008 – Enhancing Corporate Value on the World Stage -,” which extends until March 31, 2009, ITOCHU has been aggressively developing businesses to significantly expand its revenue scale from three perspectives—“Global perspective,” “Create New initiatives” and “Enhance human resources” —to become “a Global Enterprise that is highly attractive to all stakeholders.”

In the logistics segment of the Finance, Realty, Insurance & Logistics Services Company, we are striving to reinforce high-value-added logistics functions that combine people, products, money and information. Specifically, we are reinforcing our domestic and international logistics, which is the primary business of a trading company; developing the 3PL Business in domestic retail areas such as pharmaceuticals, apparel, food and mail-order sales; and, in overseas businesses, offering one-stop services throughout China and developing a value chain in the field of automobile transportation that integrates products and logistics services mainly in Eastern Europe and Asia.

3PL Business: Third-Party Logistics

The 3PL Business involves outsourcing services that address the overall logistics functions of client companies. Specifically, a logistics company handles the overall logistics for a client company from system design, including planning, establishing and managing the logistics system, to individual services such as inventory control and delivery for a long time. By using this service, the client company has access to a variety of logistics means rather than being restricted to its own logistics capacity. A client company can use an optimal and efficient logistics system designed by a company that is familiar with overall logistics and take advantage of economies of scale, thereby reducing costs. A logistics company does not transport products itself but rather outsources the transport to specialty companies depending on the means required.

i-LOGISTICS was established as a land freighter in 1961 and listed on the Second Section of the Tokyo Stock Exchange Inc. (“the Tokyo Stock Exchange”) in March 1994. In April 2001, i-LOGISTICS, then Itochu Warehouse Co., Ltd., absorbed New Japan Air Service Co., Ltd., and Itochu Express Co., Ltd., to become a comprehensive logistics company. In July 2001, the trade name was changed to i-LOGISTICS CORP.

Harnessing its competitive edge in optimizing comprehensive land, marine and air logistics functions, i-LOGISTICS makes proposals and offers high-value-added logistics functions as a global logistics company that mainly handles the international forwarding and logistics center businesses.

All logistics businesses are facing an increasingly difficult management environment. With the looming concern of a global economic recession triggered by the recent financial crisis, overall shipping volumes will likely decrease. To address this situation, highly advanced logistics functions such as one-stop services and multimodal forwarding services are increasingly necessary.

In addition, given the significance of economies of scale in the logistics business, various intra-industrial collaborations and combinations are predicted. To be at the forefront of this trend, there is an urgency for ITOCHU and i-LOGISTICS to restructure accordingly.

In this environment, ITOCHU is addressing various measures to secure profits of a significant scale by converging management resources that were dispersed throughout the logistics businesses of the ITOCHU Group and effectively distributing such resources in place to raise the competitiveness and functionality of the Group’s logistics functions.

The two companies have a good business relationship and have formulated synergies, which are, however, not just because the two companies belong to the same Group. To address the current business environment, however, we agreed that it would be best for each company to improve its corporate value to establish a stronger framework through ITOCHU Creating a Relationship of Full Controlling Interest of the Target Company (defined later; hereinafter the same shall apply) than the current moderate business relationship given that the Target Company is currently an affiliate accounted for by the equity method.

Specific synergies anticipated between both corporations by ITOCHU Creating a Relationship of Full Controlling Interest of the Target Company are as follows: 1) Both ITOCHU and i-LOGISTICS are currently expanding business in China on their own. ITOCHU mainly focuses on warehousing and

transportation in China, and i-LOGISTICS mainly handles freight-related imports/exports between Japan and China. By integrating these businesses, we could establish an international multimodal forwarding services in China, thereby reinforcing our proposal-making capability; 2) By concentrating ITOCHU's overall logistics business in i-LOGISTICS', i-LOGISTICS will dramatically expand its business fields and increase revenue opportunities, whereas ITOCHU can simultaneously reinforce its international network; and 3) Information sharing should become easier, which will help combine the comprehensive trading company ITOCHU's strong sales and development capabilities and the logistics specialty company i-LOGISTICS' know-how in the 3PL Business and other businesses, thereby improving customer convenience.

Once ITOCHU becomes successful in Creating a Relationship of Full Controlling Interest of the Target Company, positioning the Target Company as the core of the Group's logistics business, ITOCHU will clarify our business areas and allocate management resources accordingly and effectively. ITOCHU intends to reinforce high-value-added logistics functions by harnessing both companies' know-how and business networks while streamlining the overseas logistics network in China and other areas.

On February 2 2009, ITOCHU and Kawasaki Kisen made an agreement that Kawasaki Kisen would continue to hold its 1,200,000 shares of the Target Company (Number of shares allotted to Kawasaki Kisen relative to this number after ITOCHU becomes successful in Creating a Relationship of Full Controlling Interest of the Target) after the Tender Offer and completion of Creating a Relationship of Full Controlling Interest of the Target.

Kawasaki Kisen, which is a marine transportation company, has had a tight business relationship with the Target Company for a long time. In March 2006, Kawasaki Kisen acquired 1,200,000 shares of the Target Company held by ITOCHU to establish a capital relationship, thereby reinforcing its cooperation with i-LOGISTICS.

The tight business relationship and cooperation between Kawasaki Kisen and i-LOGISTICS in the marine transportation business, given the capital relationship, will continue. The ITOCHU Group, including ITOCHU and i-LOGISTICS, has a strong business development capability as a comprehensive trading entity, handling diverse products in various markets. Kawasaki Kisen's marine transportation network possesses worldwide routes. ITOCHU's acquisition of i-LOGISTICS also combines the strengths of the ITOCHU Group and Kawasaki Kisen. We believe the continuing tight relationship between Kawasaki Kisen and i-LOGISTICS is important to reinforce the international multimodal forwarding services, which is a strategic area for the ITOCHU Group's logistic business field and Kawasaki Kisen.

For these reasons, ITOCHU and Kawasaki Kisen agreed that Kawasaki Kisen's continuing to hold its shares of i-LOGISTICS would be beneficial for both companies. Therefore, Kawasaki Kisen agreed to continue to hold the shares of the Target Company and not to participate in the Tender Offer.

Through the above process, ITOCHU proposed the Tender Offer of the shares of the Target Company and its intent to acquire all the issued shares of common stock of the Target Company including the shares of the Target Company held by Kawasaki Kisen (exclusive of shares of treasury stock held by the Target Company) ("Creating a Relationship of Full Controlling Interest") by the method described in "the so-called "Two Step Acquisition" below in (4).

After careful discussions and reviews repeated at ITOCHU and i-LOGISTICS, ITOCHU decided to

implement the Tender Offer. ITOCHU has discussed and negotiated several times with the Target Company, interviewing the Target Company's representative directors and other personnel who were in charge of related negotiations. Of the Target Company's personnel in charge of the negotiations, two directors, one of whom is a representative director, are from ITOCHU. However, because these two directors are neither concurrently nor scheduled to take the posts of ITOCHU's corporate officers, ITOCHU has no recognition that the fairness of the Target Company's decisions would be hindered when they are present at such discussions and negotiations.

The Target Company resolved at a meeting of its Board of Directors held today that it will not distribute year-end dividends for which the record date is March 31, 2009 ("year-end dividend for this year") on the condition that the Tender Offer is completed.

(3) Measures to Secure the Fairness of the Tender Offer Price and Avoid Conflicts of Interest

Although i-LOGISTICS is not yet a subsidiary of ITOCHU as of today (being an affiliate accounted for by the equity method), ITOCHU currently holds 47.2% of the aggregate number of issued shares of i-LOGISTICS. Relationships between ITOCHU and i-LOGISTICS in human resources and business operations have been ongoing and will continue. Taking these facts into account, ITOCHU and the Target Company have taken the following measures to secure the fairness of the Tender Offer Price and the price for shares to be handled subsequently (the "Tender Offer Price") and avoid conflicts of interest.

To secure the fairness of the Tender Offer Price for the shares of the Target Company, ITOCHU appointed Mizuho Corporate Advisory Co., Ltd. ("MHCA"), which is a third-party valuation institution, as financial adviser and to decide the Tender Offer Price for the shares of the Target Company, ITOCHU obtained a share valuation report stating the valuation of per share of the Target Company (the "Valuation Report") as of February 10, 2009. MHCA used the Discount Cash Flow method (the "DCF method"), the Comparable Company Comparison method and the Average Market Price method. The per share price for the shares of the Target Company calculated using each method is as follows.

(a) DCF method:	¥234	—	¥272
(b) Comparable Company Comparison method:	¥214	—	¥277
(c) Average Market Price method:	¥138	—	¥170

ITOCHU has not obtained a fairness opinion from MHCA.

ITOCHU acknowledged the details of each evaluation method and the resulting prices in the Valuation Report, comprehensively took into account points (i) to (v) below and discussed and negotiated with i-LOGISTICS. (i) i-LOGISTICS is familiar with ITOCHU's businesses as an affiliate accounted for by the equity method. (ii) Before making the decision on the Tender Offer, ITOCHU completed its due diligence on i-LOGISTICS and is familiar with i-LOGISTICS' business plans and operations. (iii) Because the stock price of i-LOGISTICS could differ from its inherent and true value due to the current global financial crisis, the DCF method was assessed to provide the most appropriate result. (iv) A Premium was observed in the past Tender Offer cases. (v) A certain level of Tender Price is required or necessary for the Board of Directors of i-Logistics to approve the Tender Offer and to

consummate the Tender Offer successfully. Consequently, at a meeting of the Board of Directors today, we decided that the Tender Offer Price would be ¥270.

The resulting Tender Offer Price of ¥270 was derived from adding the turnover-weighted average ¥167 (fractions were rounded to the nearest unit, the same applies below) of the closing prices for the shares of the Target Company on the Second Section of the Tokyo Stock Exchange for the past six months until February 12, 2009, and its premium of 61% (rounded to two decimal places, the same applies below); the turnover-weighted average ¥145 for the past three months and its 86% premium; the turnover-weighted average ¥142 for the past one month and its 90% premium; and the closing price of ¥138 on February 12, 2009, and its 95% premium.

Refer to the Target Company's timely disclosure of information, which will be publicly announced today, for the measures to ensure the fairness of prices for purchase and to avoid conflicts of interest.

ITOCHU set the Tender Offer Period as 32 business days, which is relatively long, to provide others with tendering opportunities for the shares of the Target Company. In addition, ITOCHU and the Target Company have no agreement to prevent other parties from emerging as a Tender Offeror of the shares of the Target Company.

(4) The so-called "Two Step Acquisition"

ITOCHU has not set the maximum number of share certificates and other securities to be purchased through the Tender Offer. If the aggregate number of shares tendered through the Tender Offer (the "tendered share certificates and other securities") exceeds the minimum number of share certificates and other securities to be purchased through the Tender Offer (7,492,723 shares), ITOCHU will purchase all the tendered share certificates and other securities. If the aggregate number of tendered share certificates and other securities through the Tender Offer is less than the limit of number to be purchased, the Tender Offer does not come into effect, in which case ITOCHU will not purchase the shares of the Target Company. ITOCHU plans to implement Creating a Relationship of Full Controlling Interest of i-LOGISTICS through the Tender Offer. If ITOCHU, after purchasing the shares of the Target Company after the Tender Offer comes into effect, fails to acquire all the shares of the Target Company other than the shares of the Target Company currently held by ITOCHU and Kawasaki Kisen, as well as the shares of treasury stock held by the Target Company, ITOCHU plans to take the following measures through the Target Company.

In that case, after the Tender Offer is completed, ITOCHU plans to request that the Target Company holds an extraordinary shareholders' meeting to discuss the following three proposals ("the Extraordinary Shareholders' Meeting"): 1) amend the Articles of Incorporation of the Target Company to make the Target Company a corporation issuing class shares (shurui kabushiki hakkou kaisha) as set forth in the Companies Act (2005 Law, No. 86, as amended) that can issue shares of a class other than shares of common stock; 2) amend the Articles of Incorporation of i-LOGISTICS to attach a call provision (zenbu-shutoku-joko) (a provision regarding the redeemable right of the Target Company for all the shares) (set forth in Article 108, Paragraph 1, Item 7, of the Companies Act) to all shares of common stock of the Target Company; and 3) issue different-class shares of the Target Company upon acquiring all the shares of the Target Company. If Proposal 1) is approved by the Extraordinary Shareholders' Meeting, i-LOGISTICS will become a corporation issuing class shares (shurui kabushiki hakkou kaisha) as set forth in the Companies Act. With regard to Proposal 2), which is based on Article

111, Paragraph 2, Item 1, of the Companies Act, in addition to the resolution by the Extraordinary Shareholders' Meeting, a resolution by a class shareholder's meeting attended by the shareholders holding the shares of common stock of the Target Company with a call provision (zenbu-shutoku-joko) (the "Class Shareholders' Meeting") is required. To address this requirement, ITOCHU intends to request that the Target Company holds the Class Shareholders' Meeting on the same date as the Extraordinary Shareholders' Meeting. If the Tender Offer is completed, ITOCHU will own more than two-thirds of the aggregate issued shares of i-LOGISTICS. ITOCHU plans to approve each of the above proposals at the Extraordinary Shareholders' Meeting and the Class Shareholders' Meeting.

In case the above proposals are approved at the Extraordinary Shareholders' Meeting and the Class Shareholders' Meeting and each necessary procedure is implemented, a call provision (zenbu-shutoku-joko) shall be attached to all shares of common stock issued by the Target Company, all of which are acquired by the Target Company, and the shareholders of the Target Company shall be allotted different-class shares issued by the Target Company as compensation for the share exchange. If some shareholders' resulting number of different-class shares newly issued by i-LOGISTICS is less than one unit (tangen-miman-kabushiki), such shareholders shall receive cash by selling the total number of such less-than-one-unit shares pursuant to the procedure stipulated in the Companies Act and the Companies Act enforcement regulations (2006 Law, Directives from the Ministry of Justice No. 12, as amended). Fractions of a total of such less-than-one-unit shares shall be truncated. The calculation of the amount of cash delivered to shareholders as a result of sale of fractions shall be based on the Tender Offer Price, in principle, unless special circumstances occur.

The class and the number of shares of the Target Company to be newly delivered to shareholders as compensation when ITOCHU acquires the shares of common stock with a call provision (zenbu-shutoku-joko) have yet to be determined. To Create a Relationship of Full Controlling Interest of the Target Company, ITOCHU plans to request that the Target Company determine that the number of shares of the Target Company to be delivered to shareholders other than ITOCHU and Kawasaki Kisen be less than one unit.

Depending on interpretations by the authority of related laws and regulations, there may be some changes in the methods of Creating a Relationship of Full Controlling Interest of the Target Company. Should any shareholder larger than Kawasaki Kisen other than ITOCHU exist after the Tender Offer, ITOCHU may request the Target Company to take a measure to make the Target Company a wholly owned subsidiary of ITOCHU. If any changes occur in the methods of Creating a Relationship of Full Controlling Interest of the Target Company, we plan to deliver cash to shareholders other than ITOCHU and Kawasaki Kisen pursuant to the applicable laws and regulations if ITOCHU implements the procedures to make the Target Company its wholly owned subsidiary. The computation of the amount of such cash in such cases will be based on the same standard, in principle, as applied to the Tender Offer Price. With regard to specific procedures in the above cases, we will discuss with the Target Company and release the results as soon as possible.

There are provisions in the Companies Act to protect minority shareholders' rights related to the above procedures, according to which, (a) with regard to revisions to be made relevant to the above Proposal 2) to the Articles of Incorporation of i-LOGISTICS, the shareholders of the Target Company shall be able to request that the Target Company purchase the shares they hold pursuant to Articles 116 and 117 of the Companies Act and other related laws and regulations, and (b) if Proposal 3) is approved by a resolution of the meeting of shareholders of i-LOGISTICS, for the same purpose (of protecting minority shareholders' rights), shareholders of the Target Company may file request for determination

of the fair price for the acquisition pursuant to Article 172 of the Companies Act and other related laws and regulations. Because the final decision on the per share purchase and acquisition prices for shares held by minority shareholders according to (a) or (b) shall be made by the court, the resulting purchase price or acquisition price may differ from the Tender Offer Price. Also, with regard to the necessary procedures for shareholders in making the aforementioned requests or petitions, we ask that each shareholder take responsibility and use his/her own judgment.

As to the agenda for the Extraordinary Shareholders' Meeting, in addition to Proposals 1) -3), ITOCHU intends to request the Target Company to elect directors and auditors of the Target Company. However, at this moment, the details are not determined on ITOCHU dispatching its corporate officers to the Target Company after Creating a Relationship of Full Controlling Interest of the Target Company. The agenda of the Ordinary General Shareholders' Meeting of the Target Company to be held in June 2009, are expected to be limited to only for reporting of the business results, financial statements and consolidated financial statements of the Target Company for the business year ending on March 31, 2009, as well as reporting of audit results thereof from the accounting auditors and the Board of Auditors.

All these matters are explained to clarify our schedule after completion of the Tender Offer and not with the intention of soliciting each shareholder of the Target Company to exercise an affirmative vote for the Tender Offer at the meeting of shareholders. Incidentally, if you desire to tender in the Tender Offer or make requests/petitions associated with the exercise of minority shareholders' rights or cash receipts in case the number of shares of common stock to be newly issued by the Target Company is less than one unit, a tax responsibility will arise relative to the purchase of the shares of the Target Company. Concerning such tax procedures, we ask that each shareholder consult his/her own tax specialist according to each person's needs.

(5) Matters Regarding Important Agreements between the Tender Offeror and the Target Company's Other Shareholders

As explained in (1), ITOCHU has an agreement with Kawasaki Kisen, the Target Company's third largest shareholder, that Kawasaki Kisen will continue to hold its shares of the Target Company and not participate in the Tender Offer.

(6) Likelihood of and Reasons for the Delisting of i-LOGISTICS

ITOCHU has not set the maximum limit of number to be purchased. In case the aggregate number of tendered share certificates and other securities exceeds the minimum limit of number to be purchased, ITOCHU shall purchase all the tendered share certificates and other securities. Depending on the result of the Tender Offer, there is a possibility that the shares of the Target Company might be delisted once certain procedures are taken in accordance with delisting standards in the Security Listing Regulations of the Tokyo Stock Exchange. Even though the result of the Tender Offer does not conflict with delisting standards, ITOCHU plans to Create a Relationship of Full Controlling Interest of the Target Company as explained in (4) above. In that case, the shares of the Target Company will likely be delisted. Once delisted, the shares of the Target Company cannot be traded on the Tokyo Stock Exchange.

2. Outline of the Tender Offer

(1) Outline of the Target Company

1. Trade Name	i-LOGISTICS CORP.	
2. Business Description	<p>(1) Comprehensive logistics businesses (warehousing, shipping and handling, international freight handling, overseas marine shipping/handling and international air freight handling businesses)</p> <p>(2) Construction (scaffolding, civil engineering and machine equipment installation businesses)</p> <p>(3) Real estate business</p> <p>(4) Retail business</p> <p>(5) Services incidental to the above</p>	
3. Date of Incorporation	July 18, 1961 (then Itochu Warehouse Co., Ltd.)	
4. Location of Head Office	3-3, Akasaka 3-chome, Minato-ku, Tokyo	
5. Title and Name of Representative	Jiro Takemori, President & CEO	
6. Capital	¥4,260 million (As of December 31, 2008)	
7. Major Shareholders and Respective Shareholding Ratios	<p>ITOCHU Corporation 47.2%</p> <p>Seletar Investments Pte Ltd. (Standing proxy: Standard Chartered Bank) 9.9%</p> <p>Kawasaki Kisen Kaisha, Ltd. 2.9%</p> <p>The Sumitomo Trust and Banking Company Limited 2.4%</p> <p>The Dai-ichi Mutual Life Insurance Company 1.4%</p> <p>(As of September 30, 2008)</p>	
8. Relationship between the Tender Offeror and the Target Company	Capital Relationship	As of September 30, 2008, ITOCHU directly held 19,010,115 shares for a Shareholding Ratio of 47.2% and indirectly held 612,000 shares for a Shareholding Ratio of 1.5%.
	Personnel Relationship	Two employees of ITOCHU are concurrently Auditors of the Target Company. Three employees of ITOCHU are on loan to the Target Company.
	Business Relationship	The Target Company receives orders of freight storage and transportation from ITOCHU and acts as import/export agents for ITOCHU. The two conduct office rental, insurance transactions and purchase of merchandise for commodity sale.

	Related party Relationship	The Target Company is an affiliate accounted for by the equity method of ITOCHU. Hence, the Target Company falls under the category of a related party to ITOCHU.
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(2) Tender Offer Period

1) Original Period when the details of the Tender Offer were submitted

From February 24, 2009 (Tuesday), through April 9, 2009 (Thursday) (32 business days)

2) Possibility of prolongation of the Tender Offer Period based on a request by the Target Company

None applicable

(3) Tender Offer Price

Shares of common stock ¥ 270 per share

(4) Basis of the Calculation of the Tender Offer Price

1. Basis of the Calculation

To calculate the per share Tender Offer Price, which is ¥270, ITOCHU appointed MHCA, which is a third-party valuation institution, as financial adviser and to decide the Tender Offer Price for the shares of the Target Company, ITOCHU obtained its Valuation Report as of February 10, 2009.

MHCA used the DCF method, the Comparable Company Comparison method and the Average Market Price method. The per share price for the shares of common stock of the Target Company calculated using each method is as follows.

(a) DCF method: ¥234 — ¥272

The DCF method is a method to calculate the value of the Target Company's business and share value by estimating and discounting future free cash flows that the Target Company will produce by a certain discount rate to give their present values assuming the Target Company's revenue and business/investment plans, etc., and considering future capital costs estimated using the discount rate. Using the DCF method, the per share price of the shares of the Target Company was calculated to be ¥234 — ¥272 .

(b) Comparable Company Comparison method: ¥214 — ¥277

The Comparable Company Comparison method is a method to calculate the Target Company's share value based on the values derived from the stock prices and financial indicators of listed companies operating in the same business as that of the Target Company. Using the Comparable Company Comparison method, the per share price of the shares of the Target Company was calculated to be ¥214 — ¥277.

(c) Average Market Price method: ¥138 — ¥170

With the Average Market Price method, based on the turnover-weighted average of closing prices based on February 6, 2009, the record date, of the shares of the Target Company on the Second Section of the Tokyo Stock Exchange for the past six, three months, one month and five business days until the record date after the most recent release of the important information by the Target Company, the per share price of the shares of the Target Company was calculated to be ¥138 — ¥170. The most recent release of the important information by the Target Company refers to the release of the financial statements for the third quarter of the business year ending

March 31, 2009, which was released on January 30, 2009.

ITOCHU acknowledged the details of each evaluation method and the resulting prices in the Valuation Report, comprehensively took into account points (i) to (v) below and discussed and negotiated with i-LOGISTICS. (i) ITOCHU is familiar with i-LOGISTICS's businesses as an affiliate accounted for by the equity method. (ii) Before making the decision on the Tender Offer, ITOCHU completed its due diligence on i-LOGISTICS and is familiar with i-LOGISTICS' business plans and operations. (iii) Because the stock price of i-LOGISTICS could differ from its inherent and true value due to the current global financial crisis, the DCF method was assessed to provide the most appropriate result. (iv) A Premium was observed in the past Tender Offer cases. (v) A certain level of Tender Price is required or necessary for the Board of Directors of i-Logistics to approve the Tender Offer and to consummate the Tender Offer successfully. Consequently, at a meeting of the Board of Directors held today, we decided that the Tender Offer Price would be ¥270.

The resulting Tender Offer Price of ¥270 was derived from adding the turnover-weighted average ¥167 of the closing prices for the shares of the Target Company on the Second Section of the Tokyo Stock Exchange for the past six months until February 12, 2009, and its premium of 61%; the turnover-weighted average ¥145 for the past three months and its 86% premium; the turnover-weighted average ¥142 for the past one month and its 90% premium; and the closing price of ¥138 on February 12, 2009, and its 95% premium.

2. Background of the Calculation

Since around August 2008, ITOCHU has repeatedly discussed and reviewed with the Target Company the plan to implement Creating a Relationship of Full Controlling Interest of the Target Company.

To secure the fairness of the Tender Offer Price for the shares of the Target Company, ITOCHU appointed MHCA, which is a third-party valuation institution, as financial adviser and obtained its Valuation Report as of February 10, 2009. MHCA used the DCF method, the Comparable Company Comparison method and the Average Market Price method. The per share price for the shares of the Target Company calculated using each method is as follows.

(a) DCF method:	¥234	—	¥272
(b) Comparable Company Comparison method:	¥214	—	¥277
(c) Average Market Price method:	¥138	—	¥170

ITOCHU acknowledged the details of each evaluation method and the resulting prices in the Valuation Report, comprehensively took into account points (i) to (v) below and discussed and negotiated with i-LOGISTICS. (i) ITOCHU is familiar with i-LOGISTICS's businesses as an affiliate accounted for by the equity method. (ii) Before making the decision on the Tender Offer, ITOCHU completed its due diligence on i-LOGISTICS and is familiar with i-LOGISTICS' business plans and operations. (iii) Because the stock price of i-LOGISTICS could differ from its inherent and true value due to the current global financial crisis, the DCF method was assessed to provide the most appropriate result. (iv) A Premium was observed in the past Tender Offer cases. (v) A certain level of Tender Price is required or necessary for the Board of Directors of i-Logistics

to approve the Tender Offer and to consummate the Tender Offer successfully. Consequently, at a meeting of the Board of Directors held today, ITOCHU decided that the Tender Offer Price would be ¥270.

Refer to the Target Company's timely disclosure of information, which will be publicly announced today, for the measures to ensure the fairness of prices for purchase and to avoid conflicts of interest.

3. Relationship with the Third-Party Valuation Institution

MHCA is a third-party valuation institution and not a related party to either company.

(5) Number of Share Certificates and Other Securities to Be Purchased

Number to be purchased	Minimum limit of number to be purchased	Maximum limit of number to be purchased
20,744,141 shares	7,492,723 shares	— (shares)

Notes:

1. If the aggregate number of tendered share certificates and other securities through the Tender Offer is less than the minimum limit of number to be purchased (7,492,723 shares), ITOCHU shall not implement the purchase of all the tendered share certificates and other securities. If the aggregate number of tendered share certificates and other securities exceeds the minimum limit of number to be purchased, ITOCHU shall purchase all the tendered share certificates and other securities.
2. ITOCHU does not plan to acquire the shares of treasury stock (463,334 shares as of December 31, 2008) held by i-LOGISTICS through the Tender Offer.
3. ITOCHU has not set the maximum limit of number to be purchased through the Tender Offer. The maximum number of share certificates and other securities that ITOCHU will acquire through the Tender Offer will be 20,744,141 shares (the "Maximum Number to be Purchased"). This number is derived by subtracting the number of shares of treasury stock (463,334 shares) held by i-LOGISTICS as of December 31, 2008, and the number of shares of the Target Company (19,010,115 shares) held by ITOCHU as of today from the aggregate number of shares of common stock (40,217,590 shares) issued by i-LOGISTICS as of December 31, 2008, which is set forth in the securities report for the third quarter of the 48th term filed by i-LOGISTICS (submitted on February 13, 2009). However, ITOCHU and Kawasaki Kisen have an agreement that Kawasaki Kisen will not participate in the Tender Offer. If the number of shares held by Kawasaki Kisen (1,200,000 shares) is deducted, the Maximum Number to be Purchased becomes 19,544,141.
4. Shares less than one unit (tangen-miman-kabushiki) are also eligible for the Tender Offer. In case shareholders exercise the right to request the purchase of shares less than one unit in accordance with the Companies Act, i-LOGISTICS may purchase its shares of treasury stock during the Tender Offer Period through legal procedures. In such a case, i-LOGISTICS shall purchase such shares at a market price stipulated by laws and regulations.

(6) Changes in the Ownership Percentage of Share Certificates and Other Securities as a Result of the Tender Offer

Number of voting rights represented by share certificates and other securities held by ITOCHU before the Tender Offer	19,010 units	(Ownership percentage of share certificates and other securities before the Tender Offer 47.82%)
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Number of voting rights represented by share certificates and other securities held by parties with a special relationship before the Tender Offer	[Undetermined]	(Ownership percentage of share certificates and other securities before the Tender Offer [Undetermined])
Number of voting rights represented by share certificates and other securities to be purchased	20,744 units	(Ownership percentage of share certificates and other securities after the Tender Offer 100.00%)
Number of voting rights held by all shareholders of i-LOGISTICS	39,715 units	

Notes:

1. The “Number of voting rights represented by share certificates and other securities to be purchased” is the number of voting rights represented by number to be purchased through the Tender Offer (20,744,141 shares).
2. The “Number of voting rights held by all shareholders of i-LOGISTICS” is the number of voting rights held by all shareholders as of September 30, 2008 (39,715 units), indicated in the securities report for the third quarter of the 48th term filed by i-LOGISTICS (submitted on February 13, 2009). Because the “Number of voting rights held by all shareholders of i-LOGISTICS” does not include the number of voting rights represented by 35,000 shares in the name of Japan Securities Depository Center inc. (“JASDEC”) and shares less than one unit are also eligible for the Tender Offer, in calculating the “Ownership percentage of share certificates and other securities before the Tender Offer” and the “Ownership percentage of share certificates and other securities after the Tender Offer,” the denominator used was 39,754 (units), which was the total of the number of voting rights held by all shareholders as of September 30, 2008 (39,715 units), indicated in the said securities report; the number of voting rights represented by 35,000 shares in the name of JASDEC (35 units); and the number of voting rights represented by 4,590 shares less than one unit (4 units).
3. Fractions of the “Ownership percentage of share certificates and other securities before the Tender Offer” and the “Ownership percentage of share certificates and other securities after the Tender Offer” are rounded to two decimal places.
4. Given that ITOCHU shall purchase all the tendered share certificates and other securities if the aggregate number of tendered share certificates and other securities exceeds the minimum limit of number to be purchased, the maximum ownership percentage of share certificates and other securities after the Tender Offer will be 100.00%. Although the number of voting rights represented by the Maximum Number to be Purchased (20,744,141 shares) is 20,744 units, given that ITOCHU and Kawasaki Kisen have an agreement that Kawasaki Kisen will not participate in the Tender Offer, the maximum voting rights after subtracting the 1,200,000 shares held by Kawasaki Kisen becomes 19,544.
5. With regard to loaning of the shares of the Target Company held by ITOCHU (the limit of the number of shares that can be borrowed: 1,000,000 shares), ITOCHU and Japan Securities

Finance Co., Ltd., concluded a share certificate loan contract as of October 26, 2005.

(7) Aggregate Tender Offer Price

¥ 5,600,918,070

Note: The Aggregate Tender Offer Price was derived by multiplying number to be purchased (20,744,141 shares) by the per share purchase price (¥270).

(8) Settlement Method

1. Name and location of Head Office of the financial instruments business operator, bank or other institution in charge of settlement for the Tender Offer:

Mizuho Investors Securities Co., Ltd.

13-16, Nihonbashi-Kayabacho 1-chome, Chuo-ku, Tokyo

2. Commencement date of the settlement

April 16, 2009 (Thursday)

3. Settlement method

After completion of the Tender Offer, we will quickly mail a notice of purchase through the Tender Offer to the address of the applying shareholder (or the standing proxy in the case of non-Japanese shareholders) applying shareholder without delay. The Tender Offer Price will be paid in cash. The proceeds from selling the purchased share certificates and other securities will be quickly remitted after the commencement of the settlement by the Tender Offer agent to the account designated by each applying shareholder without delay or paid at the Head Office or branch office in Japan of the Tender Offer agent.

4. Method to return share certificates and other securities

In the event that all the tendered shares are not purchased by the Tender Offeror under the conditions set forth in “1. Conditions set forth in Article 27-13, Paragraph 4, of the Financial Instruments and Exchange Law” or “2. Conditions of Withdrawal of the Tender Offer, the Details thereof and the Disclosure Method for the Withdrawal” in “(9) Other Conditions and Methods of the Tender Offer” below, the tendered share certificates and other securities will be immediately restored to the original state prior to tendering after the commencement date of the settlement (after four business days after the date of withdrawal).

(9) Other Conditions and Methods of the Tender Offer

1. Conditions set forth in each item of Article 27-13, Paragraph 4, of the Financial Instruments and Exchange Law (1948 law, No. 25, as amended; “the Law”) and the details thereof.

If the aggregate number of tendered share certificates and other securities through the Tender Offer is less than the minimum limit of number to be purchased (7,492,723 shares), ITOCHU shall not implement the purchase of all the tendered share certificates and other securities. If the aggregate number of tendered share certificates and other securities exceeds the minimum limit of number to be purchased, ITOCHU shall purchase all the tendered share certificates and other securities.

2. Conditions of Withdrawal of the Tender Offer, the Details thereof and the Disclosure Method for the Withdrawal

The Tender Offer may be withdrawn if any event occurs that is listed in Article 14, Paragraph

1, Items 1.A. through 1.I. and 1.L. through 1.R., Items 3.A. through 3.H. and Items 4 and 5, as well as Article 14, Paragraph 2, Items 3 through 6, of the Cabinet Order for the Financial Instruments and Exchange Law (order No. 321 of 1965, as amended; “the Cabinet Order”). In case the Tender Offeror intends to withdraw the Tender Offer, it will make a public notice electronically and publish such notice in the *Nihon Keizai Shimbun*, provided, however, that if it is deemed difficult to make such public notice on or prior to the last day of the Tender Offer Period, the Tender Offeror will make a public announcement in such manner as set forth in Article 20 of the Cabinet Office Regulations on the Disclosure of Tender Offers of Share Certificates etc., by Entities Other than Issuers (regulations No. 38 of 1990 issued by the Ministry of Finance, as amended; “the Cabinet Office Regulations”) and forthwith provide public notice.

3. Conditions of the Tender Offer Price Reduction, the Details thereof and the Disclosure Method for Price Reduction

Pursuant to Article 27-6, Paragraph 1, Item 1, of the Law, if the Target Company takes any action enumerated in Article 13, Paragraph 1, of the Cabinet Order during the Tender Offer Period, the Tender Offeror may reduce the Tender Offer Price, in accordance with the standard stipulated in Article 19, Paragraph 1, of the Cabinet Office Regulations. In case the Tender Offeror intends to reduce the Tender Offer Price, it will make a public notice electronically on the changes made and publish such notice in the *Nihon Keizai Shimbun*, provided, however, that if it is deemed difficult to make such public notice on or prior to the last day of the Tender Offer Period, the Tender Offeror will make a public announcement in such manner as set forth in Article 20 of the Cabinet Office Regulations and forthwith provide public notice. If the purchase price for the Tender Offer is reduced, the Tender Offeror will purchase at such reduced price all the shares tendered on or before the date of such public notice.

4. Matters Concerning Applying shareholders’ Rights of Cancellation of Agreement

The applying shareholders may, at any time during the Tender Offer Period, cancel any agreement related to the Tender Offer. A applying shareholder who wishes to cancel the agreement on the Tender Offer must deliver or mail a document requesting the cancellation (the “Document of Cancellation”), with the receipt of the application for the Tender Offer, to the Head Office or a branch office in Japan of the Tender Offer agent indicated below by 3:30 p.m. on the last day of the Tender Offer Period. If mailed, the Document of Cancellation must reach the following place by said deadline.

The agent authorized to receive the Document of Cancellation:

Mizuho Investors Securities Co., Ltd.

13-16, Nihonbashi-Kayabacho 1-chome, Chuo-ku, Tokyo

(or a branch office in Japan of Mizuho Investors Securities Co., Ltd.)

No claim for compensation for damages or penalty payment will be made to any applying shareholders by ITOCHU, even if the agreement is cancelled by the applying shareholder. ITOCHU shall take care of the cost for returning the tendered share certificates and other securities after cancellation.

5. Disclosure Method for Changes in the Conditions or Other Terms of the Tender Offer
During the Tender Offer Period, ITOCHU may change the conditions or other terms of the Tender Offer except for the prohibited cases set forth in Article 27-6, Paragraph 1, of the Act. In the event that the Tender Offeror decides to change the terms and conditions of the Tender Offer, it will make a public notice electronically, and notify the fact that such public notice has been made in the *Nihon Keizai Shimbun*; provided, however, that if it is deemed impractical to make such public notice by the last day of the Tender Offer Period, the Tender Offeror will make a public announcement pursuant to Article 20 of the Cabinet Office Regulations and forthwith make the public notice. If any change of the conditions, etc. of the Tender Offer is made, purchase will also be made in accordance with the conditions, etc., after such change(s) with regard to the tendered share certificates and other securities tendered before the date such public notice is made.

6. Disclosure Method When an Amendment Statement is Filed
When ITOCHU files an amendment statement to the Director of the Kanto Finance Bureau, ITOCHU shall immediately make a public announcement on the amendments relevant to the Tender Offer-related announced items in such manner as set forth in Article 20 of the Cabinet Office Regulations. The Tender Offeror will also forthwith amend the Tender Offer Explanatory Statement and provide the amended statement to the applying shareholders who have an old statement. If, however, the amendments are made only to the limited range, instead of making a whole new Tender Offer Explanatory Statement again, the Tender Offeror will prepare and deliver a document stating the amendments and the resulting details, as well as the reasons thereof to the applying shareholders.

7. Disclosure Method for the Results of the Tender Offer
The Tender Offeror will make a public announcement regarding the results of the Tender Offer in such manner as provided in Article 9-4 of the Cabinet Order and Article 30-2 of the Cabinet Office Regulations on the day following the last day of the Tender Offer Period.

(10) Date of Public Notice of the Commencement of the Tender Offer
February 24, 2009 (Tuesday)

(11) Tender Offer Agent
Mizuho Investors Securities Co., Ltd.
13-16, Nihonbashi-Kayabacho 1-chome, Chuo-ku, Tokyo

3. Policies Anticipated after the Tender Offer and Future Prospects

- (1) With respect to our policies, etc., after the Tender Offer, please refer to “1. Purpose of the Tender Offer.”
- (2) The impact of the Tender Offer on the business results of ITOCHU for the fiscal year ending March 31, 2009, will be immaterial.

4. Other Information

(1) Agreements between the Tender Offeror and the Target Company or Directors thereof
 ITOCHU was informed that the Board of Directors of the Target Company at a meeting held today approved the Tender Offer. For the details, please refer to the Target Company's timely disclosure of information, which will be publicly announced today.

Outside Directors of the Target Company Tsutomu Arakawa and Masahiko Takasaka are concurrently employees of ITOCHU. For measures to avoid conflicts of interest, please refer to 1.(3) above.

(2) Other necessary information for investors to decide whether to tender in the Tender Offer

1) Report for the third quarter of the 48th term filed by i-LOGISTICS

The Target Company submitted the securities report for the third quarter of the 48th term on February 13, 2009. Based on the included quarterly financial statements, the outline of i-LOGISTICS' consolidated profits and losses for the period was as follows.

(a) Profits and losses

Settlement year/month	Consolidated nine months for the 48th term (April 1, 2008, through December 31, 2008) (Millions of yen)
Operating revenue	42,786
Operating expenses	40,560
Selling, general and administrative expenses	1,580
Non-operating revenue	319
Non-operating expenses	79
Net profit	415

(b) Per share status

Settlement year/month	Consolidated nine months for the 48th term (April 1, 2008, through December 31, 2008) (Yen)
Consolidated net profit per share	10.44
Dividend per share	3.50

Settlement year/month	At the end of the consolidated nine months for the 48th term (December 31, 2008)
Consolidated net assets per share	367.45

2) Year-end dividend to be distributed by the Target Company

ITOCHU was informed that the Board of Directors of i-LOGISTICS, at its meeting held today, determined not to distribute year-end dividend for this year on the condition that the Tender Offer is completed. For the details, however, please refer to

the Target Company's timely disclosure of information, which will be publicly announced today.

Insider trading restrictions

Please be advised that those who have viewed the information contained in this document may possibly be considered as primary information recipients (tippees) regarding the so-called insider trading restrictions under Article 167, Paragraph 3, of the Law and Article 30 of the Cabinet Order thereof and prohibited from purchasing share certificates and other securities of i-LOGISTICS CORP. for 12 hours after the public announcement of this press release. Please be aware that ITOCHU assumes no responsibility for your being accused or charged of any criminal, civil or administrative responsibility due to the purchase of such share certificates and other securities.

Solicitation restrictions

This press release is intended to publicly announce the Tender Offer and was not prepared for the purpose of soliciting the sale of share certificates and other securities. In applying for the sale of share certificates and other securities, each shareholder is requested to make his/her own judgment to do so, after in any event reading the Tender Offer Explanatory Statement concerning the Tender Offer. This press release does not fall under or constitute any part of, application or solicitation for the sale of, or solicitation of application for purchase of, any securities. This press release (or any part thereof) or the fact of its distribution should not be the basis of any agreement concerning the Tender Offer; nor should this press letter (or any part thereof) or the fact of its distribution be relied upon in entering any agreement.

Language

Unless otherwise stated, any and all procedures concerning the Tender Offer will be conducted in Japanese language. In cases where part of the documents regarding the Tender Offer is prepared in English language and there is a difference between such documents prepared either in Japanese or in English, the documents in Japanese will prevail.

Future prospects

The information in this document may contain forward-looking statements such as “predict,” “anticipate,” “intend,” “plan,” “believe” and “expects” including those on the future business development of ITOCHU and other corporations. Such expressions are based on ITOCHU’s current projections on future businesses and may vary depending on the future business environment. With regard to the information in this document, ITOCHU assumes no obligations to actualize such statements regarding future prospects that have been employed to reflect actual operating results, various circumstances, changes to conditions and so on.

Additionally, included in this letter are “Forward-Looking Statements” as defined in Section 21E of the Securities Exchange Act of 1934 of the United States. The Forward-Looking Statements include discussions, plans, different perspectives, strategies, expectations, assumptions underlying such statements or other information relating to the future, of projections or predictions on business results and financial conditions. Known or unknown risks, uncertainty or other factors might make actual results totally different from what are included in or implied by, the Forward-Looking Statements. Neither the Tender Offeror nor its affiliated companies guarantees the results will reflect the projections, predictions or expectations included in or implied by, the Forward-Looking Statements. The Forward-Looking Statements contained in this letter are prepared based upon the information the Tender Offeror possesses as of the date hereof and unless otherwise obligated under laws and regulations, or regulations of stock exchanges,

neither the Tender Offeror nor its affiliated companies assumes any obligations to renew or amend the descriptions of the Forward-Looking Statements in order to reflect the future events and circumstances.

Other countries

In some countries or regions, the release, publication or distribution of this press release might be legally limited or restricted. In such countries and regions, care should be taken with respect to those limits and regulations, and such national and local regulations adhered to. For those countries and regions in which the execution of the Tender Offer is illegal, the release or distribution of this press release shall not be deemed as soliciting the application or sale of share certificates and other securities related to the Tender Offer but serves as information only.