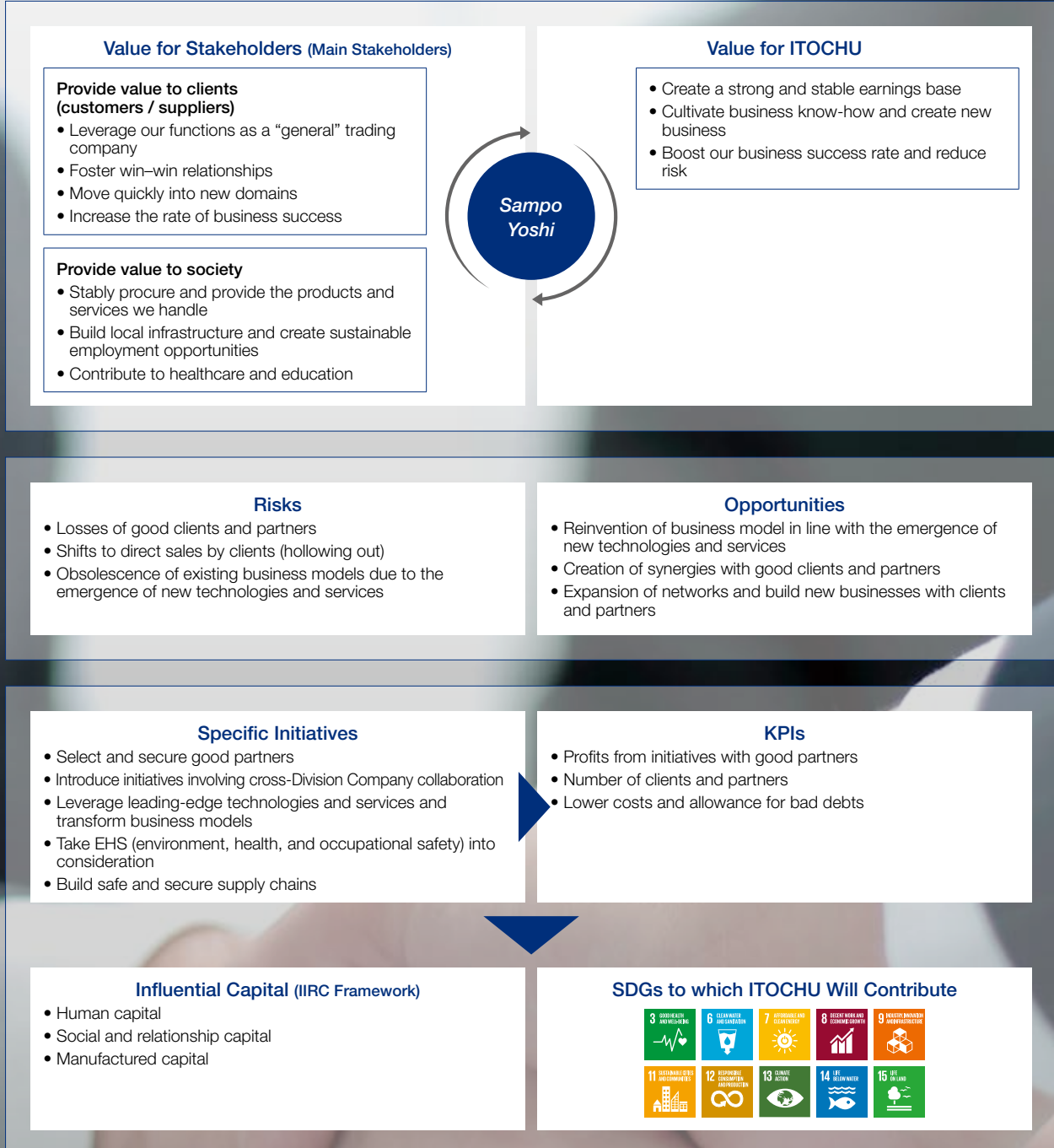


Client Assets and Partner Assets

Maintaining relationships with customers and suppliers is indispensable in obtaining and expanding trade opportunities. Over many years, ITOCHU has built up positive relationships with numerous leading companies. We can achieve sustainable growth in profitability precisely because of extensive client and partner assets.

Client Assets and Partner Assets



Collaborating with CITIC and CP Group

ITOCHU has strategic business alliances and capital participation agreements in place with CITIC, one of China's largest conglomerates, and CP Group, one of the largest and most prominent conglomerates in Asia. CP Group, which was the first foreign firm to enter China, has built an extensive framework of businesses in local markets throughout China. This partnership with CP Group and CITIC, which is effectively majority-owned by the Chinese government, was achieved precisely because we took the lead among major general trading companies in contributing to business development in China.

With our strengths in the non-resource sector, particularly the consumer-related businesses, we are taking a medium-to long-term view in our collaboration with CITIC, formulating major initiatives that will impact earnings structure of CITIC as it expands non-financial business. In FYE 2019, we have announced projects regarding education, real estate development, and the healthcare business. In addition, each Division Company is considering multiple projects, including the formation of a data center investment fund. Top management of the three companies is considering collaborative policies while at the senior executive and employee levels, we are conducting personnel exchanges and engaging in enthusiastic discussions and deliberations. These moves to promote mutual understanding are aimed

at accelerating our collaboration with CITIC and CP Group and creating full-fledged synergies.

Taking a forward-looking approach, three companies will work together to increase corporate value mutually and contribute to abundance for the people of China and other parts of Asia.



Developing Cross-Division Company Collaboration with Excellent Partners

ITOCHU is leveraging the Group's comprehensive strength to provide solutions through cross-Division Company collaboration, building win-win relationships with excellent clients and partners.

Establishment of a Joint Venture Plant with the Metsa Group to Produce Environmentally Friendly Cellulose Fiber

ITOCHU's Textile Company is working to increase the volume of environmentally friendly materials it handles. As part of these efforts, we have reached an agreement with the Metsa Group to set up a joint venture plant to produce an innovative cellulose fiber using a proprietary production method based on the success of METSA FIBRE OY's basic R&D. This agreement evolved as a result of the positive relationship the General Products & Realty Company has cultivated over the years with METSA FIBRE OY, one of the world's leading softwood pulp producers.

Cross-Division Company Initiative with euglena

In 2008, ITOCHU entered a capital participation agreement with euglena Co., Ltd. (euglena), which is undertaking R&D and the large-scale culturing of Euglena, a type of microalgae. The Food Company is promoting the sale of Euglena-containing products and working with FamilyMart to develop and sell such products. In addition, ITOCHU ENEX CO., LTD., is working with euglena, assisting with resource procurement toward the commercialization of aircraft biofuel and biodiesel fuel. Furthermore, the Metals & Minerals Company has concluded a memorandum with euglena to start an overseas demonstration project to culture Euglena using CO₂ and waste heat from coal- and natural gas-fired thermal power plants.

