

Unification of Businesses in the Iron & Steel Product Sector with  
Marubeni Corporation

ITOCHU Corporation (ITOCHU) and Marubeni Corporation (Marubeni) have agreed to establish a new company in the iron & steel product sector. The two companies had agreed to combine their businesses in this sector in January 2001.

1. Profile of new company

Name of company	To be publicly collected at ITOCHU and Marubeni
Capital	To be decided
Equity ownership	Fifty-fifty by the two parent companies
Date of establishment	October 1, 2001 (plan)
Chairman and President	Akio Shigetomi, Chairman ;Managing Director, President of Energy, Metals & Minerals Company, ITOCHU Corporation Seinosuke Okazaki, President; Director, Chief Operating Officer of Iron & Steel Division, Marubeni Corporation
Location of head office	Tokyo
Consolidated assets	¥630 billion
Consolidated total trading transactions	¥1.7 trillion
Number of employees	approx. 760



2. Philosophy and vision of new company

1) Philosophy

- To create a dynamic company
- To create a reliable company
- To commit to the benefit of the society through the distribution of iron & steel products by making full use of value-adding and solution-providing services

2) Vision

- To take full advantage of the two parent companies' synergies in information, logistics, financing and human resources as a spin-off of the iron & steel product sectors
- To meet the wide needs of suppliers and vendors through value-added services for domestic and overseas transactions
- To establish a consolidated management system efficient in profitability and productivity by integrating and reinforcing functions
- To create a comfortable and rewarding workplace for employees which inspires creativity
- To establish a stable earning base and go public at an early stage

3. Establishment procedure and schedule for new company

1) Establish a new subsidiary jointly owned by ITOCHU and Marubeni

2) Schedule

June 2001	Agenda to be submitted to general stockholders' meetings at both parent companies
October 2001	Operations to be started at the new company

4. Maintaining its universality

1) To retain organizations at both parent companies which oversee the new company

2)

To promote communication and joint-planning with its parent companies, the following organization be established:

- committees that cut across the entire company at the headquarters of ITOCHU and Ma
- a liaison council among ITOCHU, Marubeni and the new company