

11-D-0410
September 5, 2011

JCR Affirmed AA- Rating on EMTN of ITOCHU & Its Subsidiaries Overseas

Japan Credit Rating Agency, Ltd. (JCR) announces the following credit rating.

Rationale

(1) This Euro Medium Term Note Programme was established by ITOCHU Corporation (hereinafter the "Parent Company") and its subsidiaries, ITOCHU Treasury Center Americas Inc., ITOCHU Treasury Centre Europe Plc and ITOCHU Treasury Centre Asia Pte. Ltd. (hereinafter "the Subsidiaries") jointly. In addition to the fact that the Parent Company owns a 100% shares of common stock of each of the Subsidiaries, the Parent Company sends principal executive officers or directors to the Subsidiaries. Therefore, the Subsidiaries are under complete control by the Parent Company and they are considered one entity substantially being united into the Parent Company. Furthermore, the bonds to be issued by the Subsidiaries are guaranteed by the Parent Company. Therefore, debt service capacity of the Subsidiaries for the bonds under the Programme is considered the same as that of the Parent Company.

(2) The Parent Company is a general trading firm, which has strengths in business segments related to consumer goods (food, textile, etc.) and natural resource/energy. Its earnings level is improving thanks to rise in commodity prices for metals and energy segments and other factors. In addition, shifting its earnings sources overseas has changed its earnings structure into one that can enjoy the benefits of strong overseas economies centering on emerging countries. As a result of these favorable conditions, the Parent Company recorded an increase in both adjusted profit (gross trading profit + SG&A expenses + net financial income + equity in earnings of associated companies) and net income in the fiscal year ended March 31, 2011. A further profit expansion can be expected in the fiscal year ending March 31, 2012, thanks to continued high market prices for metals and energy segments, increase in demand in other segments and stable market conditions. Meanwhile, there is a probability that its net interest-bearing debt at the end of the fiscal year ending March 31, 2012 will increase from a year earlier owing primarily to its relatively aggressive new capital investments. JCR considers, however, that it can maintain a good level of net DER, supported by accumulation of equity capital. Furthermore, the Parent Company retains a stable ratio of risk assets to equity capital, which can be a risk buffer, and there is no change in its management stance placing emphasis on risk management.

Rating

Issuers: ITOCHU Corporation (security code: 8001), ITOCHU Treasury Center Americas Inc., ITOCHU Treasury Centre Europe Plc and ITOCHU Treasury Centre Asia Pte. Ltd.

<Affirmation>

Program Name: Euro Medium Term Note Programme

Maximum: equivalent of US\$5 billion

Date of Program Established: July 28, 1993

Status: Unsecured and unsubordinated general obligations ranking pari passu with other unsecured and unsubordinated obligations.

Credit Enhancement: Notes issued by the Subsidiaries are guaranteed by the Parent Company, ITOCHU Corporation

Covenants: Negative Pledge (excluding ITOCHU Corporation) and Cross Default Clauses

Rating: AA-

<Reference>

Issuer: ITOCHU Corporation

senior debts: AA- Outlook: Stable

Outline of the method for the determination of the credit rating is posted as "Rating Methodology (Corporate)" on JCR's home page (<http://www.jcr.co.jp>). The rating methodology is subject to additions and changes. In such cases, however, these additions and changes are shown in chronological order. Please check the release date of this press release against that of the rating methodology (i.e. the date when such methodology became effective) and then refer to the rating methodology above.

A program rating is assigned to evaluate the creditworthiness of a program. The credit standing of an individual note issued under the program may be regarded as the same as that of the rated program. However, JCR does not consider the credit standing of the individual note as the same as that of the program, in the cases where the principal and interest payments of the individual note rely on the credit standing of a third party rather than the issuer of the program and notes (e.g. credit linked notes and exchangeable notes). JCR usually does not assign a rating to the individual note issued under the program, unless the issuer solicits a rating.

Japan Credit Rating Agency, Ltd.

Jiji Press Building, 5-15-8 Ginza,
Chuo-ku, Tokyo 104-0061, Japan

Tel. +81 3 3544 7013, Fax. +81 3 3544 7026

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