



January 11, 2018

Acquisition of Membership Interests of Alta Forest Products LLC

ITOCHU Corporation (ITOCHU) (Head Office: Minato-ku, Tokyo; President and Chief Executive Officer: Masahiro Okafuji) and ITOCHU International Inc. (III) (Head Office: New York, NY; President and Chief Executive Officer: Tomofumi Yoshida) have reached an agreement with E.R. Probyn Ltd. (Probyn), a Canadian Corporation and Welco Lumber Company (Welco), a US Corporation to acquire all of the issued and outstanding membership interests of Alta Forest Products LLC (Alta) from Probyn and Welco.

Alta is the largest wood fence board manufacturer in North America, producing 360 million board feet annually in its four (4) manufacturing plants located in the Pacific Northwest of the United States. Alta has established a leading position in the market for Western Red Cedar fence boards, a premium product, through outstanding production efficiency driven by its specialized manufacturing process.

ITOCHU Group has long been a leader in the North American fence distribution industry through III's ownership of MASTER-HALCO Inc. (MASTER-HALCO) (Head Office: Dallas, TX; President and Chief Executive Officer: Kotaro Yamamoto), which operates five (5) chain link fence manufacturing plants and 53 distribution centers in North America. Through this acquisition, ITOCHU aims to strengthen its fencing business in North America further, capitalizing on the expected synergies between Alta's leading wood fencing supply position and MASTER-HALCO's leading sales and distribution network.