

Results for First Half FY2004

(Period Ended September 30, 2004)

– Interim Results & Forecasts –

Sojitz Holdings Corporation

November 25, 2004

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Information on Future Performance (Forward-Looking Statements)

This document contains forward-looking statements on the Company's business plans and initiatives based on information available to management at the time of disclosure. Accordingly, readers are advised that actual results may differ from forward-looking statements due to a wide variety of factors.

Results for Interim Period Ended September 30, 2004

(Billions of yen)	1st Half FY2004 Results	1st Half FY2003 Results	Comparison with Previous Period	FY2004 Forecasts (Announced on September 8, 2004)	Percentage Achieved
Net sales	2,254.2	3,022.0	- 767.8	5,000.0	45%
Gross trading profit	119.7	122.3	- 2.6	250.0	48%
SG&A expenses	- 86.8	- 95.7	+ 8.9	- 187.0	46%
Operating income	32.9	26.6	+ 6.3	63.0	52%
Non-operating income/expenses—net	- 7.1	- 7.5	+ 0.4	- 13.0	
Recurring profit	25.8	19.1	+ 6.7	50.0	52%
Extraordinary profit/loss—net	- 245.3	- 33.1	- 212.2	- 410.0	
Net income/loss before tax	- 219.5	-14.0	- 205.5	- 360.0	
Net income/loss	- 241.1	- 17.5	- 223.6	- 380.0	

Gross Trading Profit (by Operating Segment)

(Billions of yen)	1st Half FY2004	1st Half FY2003	Increase/ Decrease	Main Factors for Change
Machinery & Aerospace	20.9	22.4	-1.5	Decrease (-1.5) due to sale of automobile company in Europe (Kia Motors), reduced profits (-0.5) from aircraft-related business, increased income (+0.7) from shipping operation, increased profits (+1.0) from automobile companies in Central and South America and Europe (MMC Automotriz, S.A., Subaru Motors)
Energy & Mineral Resources	16.4	16.4	0	Reduced profits (-1.0) from plant-related and nuclear fuel-related businesses, increased profits (+1.3) from coal, iron ore, ferroalloys, and other mineral resources- related businesses
Chemicals & Plastics	22.4	21.7	+0.7	Increased profits (+1.0) at methanol production and sales subsidiary (KMI) due to stable high prices in methanol market, increased profits (+0.3) in fertilizer business, decrease (-1.1) from removal of resin-molded products manufacturing subsidiary (Daiichi Kasei) from the scope of consolidation
Construction & Urban Development	5.1	7.2	-2.1	Decreased profits (-2.1) due to decline in condominium sales
Forest Products & Building Materials	5.8	5.3	+0.5	Improvement (+0.2) from firm conditions in timber and timber products market in first quarter, increased profits (+0.2) at construction materials trading company (Sun Building Materials)
Foods	6.8	6.6	+0.2	Increased profits from higher trading volume in marine products and grains
General Commodities & Consumer Business	7.4	7.0	+0.4	Increased profits (+0.2) from increase in tire export transactions at general merchandise corporation (Sojitz GMC), increased profits (+0.1) from full-scale operations at woodchip plant in Vietnam
Textiles	10.6	9.8	+0.8	Increase (+1.1) from the inclusion of textile product manufacturing and sales company (Daiichibo) in scope of consolidation as consolidated subsidiary
Overseas Subsidiaries	12.8	13.7	-0.9	Decreased profits from yen appreciation and withdrawal from low-profit transactions
Other	11.5	12.2	-0.7	Increase (+5.5) from inclusion of IT-related operating company (Nissho Electronics) in scope of consolidation as consolidated subsidiary, decrease from transfer of steel product business, removal of steel sheet processing and sales company (Suzuyasu) from scope of consolidation
Total	119.7	122.3	-2.6	

SG&A Expenses

SG&A Expenses: - 86.8 billion yen (8.9 billion yen improvement on previous period)

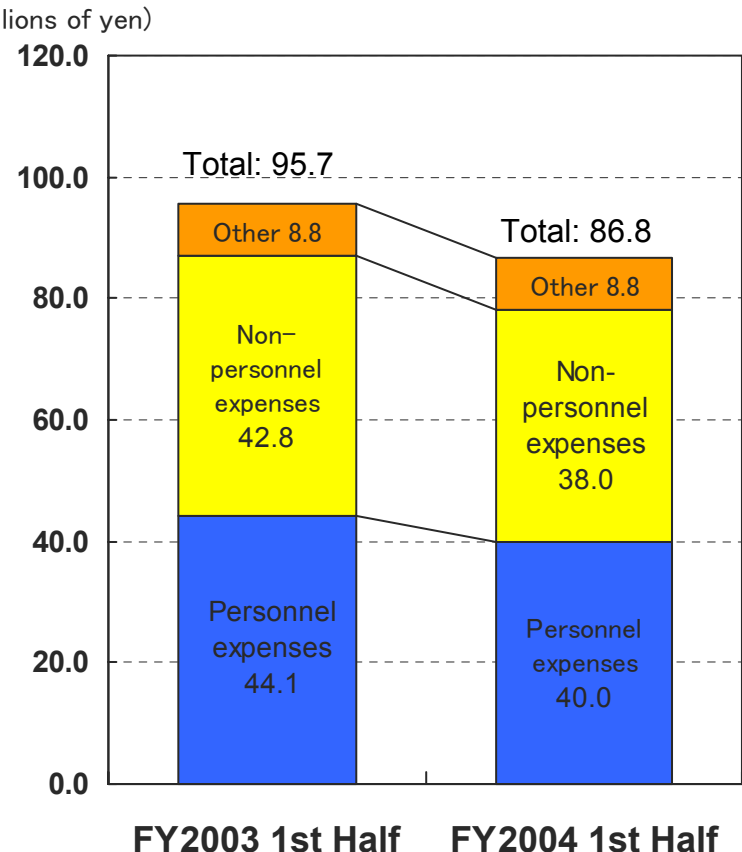
- Principal breakdown of improvements in SG&A expenses (Billions of yen)
 - Reduction in personnel expenses 4.1 billion yen
 - Reduction in non-personnel expenses 4.8 billion yen

[Decreasing factors]

- Principal causes due to exclusion from consolidation of:
 - Vernisbalc (Kia Motors) (1.0 billion yen)
 - Suzuyasu (0.8 billion yen)
 - Daiichi Kasei Co., Ltd (0.7 billion yen) and business restructuring (Steel Products) (1.6 billion yen)
- Rationalization of Overseas Subsidiaries (2.5 billion yen)
- Decrease in retirement benefits (2.4 billion yen)

[Increasing factors]

- Principal causes due to new consolidation:
 - In line with consolidation of Nissho-Electronics (4.9 billion yen)



Non-Operating Income/Expenses

Non-operating income/expenses — net : - 7.1 billion yen (0.4 billion yen improvement on previous period)

- Principal Factors**

	(Billions of yen)			(Main factors for change)
	1st Half FY2004	1st Half FY2003	Increase/ Decrease	
Net interest expense	- 16.0	- 15.9	- 0.1	Decrease in interest income due to asset restructuring, etc. (-3.7 billion yen) Improvements in interest expenses through reductions in interest-bearing debt (+3.6 billion yen)
Dividend received	1.5	2.1	- 0.6	
Total net financial expenses	- 14.5	- 13.8	- 0.7	
Equity in gains/losses of unconsolidated subsidiaries and affiliates	6.1	1.9	+ 4.2	Increases due to business restructuring (Metal One: +2.5 Catherine Hill: +0.3), etc.
Other non-operating income/expenses — net	1.3	4.4	- 3.1	Decrease in income related to financial instruments Improvement in non-operating foreign exchange profit/loss, and other
Total non-operating income/expenses — net	- 7.1	- 7.5	+ 0.4	

Extraordinary Profit/Loss

Extraordinary Losses — net : -245.3 billion yen (Recording extraordinary loss approximately 250 billion yen in line with creating a robust asset portfolio)

Principal breakdown		(Billions of yen)	
-	Extraordinary profit		(Main factors)
	Gain on sale of property & equipment	0.7	
	Gain on sale of investment securities	3.3	Gain on sale of assets, primarily listed shares
	Gain on change holding ratio of subsidiaries	1.0	IT industry-related, etc.
	Total extraordinary profit	5.0	
-	Extraordinary loss		
	Loss on sale of property & equipment	- 0.8	Loss on sales or disposals from office relocations
	Loss on sale of investment securities	- 8.9	Loss on sale of shares in communications-related businesses, etc. (- 5.5)
	Evaluation loss on investment securities & investments other than securities	- 13.1	Withdrawal from underperforming overseas communications businesses (- 1.9) Loss on the evaluation of unlisted shares
	Loss due to reorganization of subsidiaries and affiliates	- 46.2	Withdrawal from overseas construction machinery subsidiary, etc (- 4.6)
	Restructuring loss, other	- 181.3	Withdrawal from overseas fossil products company (- 13.8) and medical instruments businesses in Central and South America, etc. (- 7.4)
	Total extraordinary loss	- 250.3	

Forecasts for FY2004, Ending March 31, 2005

(Billions of yen)	FY2004 Forecasts	FY2003 Results	Increase/Decrease
Net sales	5,000.0	5,861.7	- 861.7
Gross trading profit	250.0	249.0	+ 1.0
SG&A expenses	- 187.0	- 189.1	+ 2.1
Operating income	63.0	59.9	+ 3.1
Non-operating income/expenses—net	- 13.0	- 11.4	- 1.6
Recurring profit	50.0	48.5	+ 1.5
Extraordinary profit/loss—net	- 410.0	- 90.6	- 319.4
Net income/loss before tax	- 360.0	- 42.1	- 317.9
Net income/loss	- 380.0	- 33.6	- 346 .4

Forecast of Gross Trading Profit (by Operating Segment)

(Billions of yen)	1st Half FY2004 Results	FY2004 Forecasts	Percentage Achieved	Underlying Factors	FY2003 Results
Machinery & Aerospace	20.9	41.0	51%	Firm performance at overseas automobile operating company, expect performance to follow targets in 2nd half	48.2
Energy & Mineral Resources	16.4	34.0	48%	Strong performance due in part to inclusion of an iron ore and ferroalloys operating company in scope of consolidation as consolidated subsidiary. Expect improvement in plant transactions in 2nd half	31.0
Chemicals & Plastics	22.4	42.5	53%	Backed by high market prices, firm performance at methanol production and sales company, expect deceleration in 2nd half on concerns for higher material prices	44.0
Construction & Urban Development	5.1	16.0	32%	Concentration of property handover in 2nd half. Sales are robust despite weak progress in 1st half, progressing in line with targets overall	17.4
Forest Products & Building Materials	5.8	12.5	46%	Market prices have mostly bottomed after falling in 2nd quarter, expect recovery in 2nd half	11.8
Foods	6.8	14.0	49%	Progressing in line with targets, earnings tend to concentrate in 2nd half for marine and meat products, etc.	13.4
General Commodities & Consumer Business	7.4	15.0	49%	Woodchip plant in Vietnam operating on schedule, expect steady performance in 2nd half	14.2
Textiles	10.6	25.0	42%	Firm performance in apparel, but lowering demand for mainstay winter products due to hot weather and typhoons	21.3
Overseas Subsidiaries	12.8	27.0	47%	Earnings tend to concentrate in 2nd half, progress is on target	27.8
Other	11.5	23.0	50%	Progress on target	19.9
Total	119.7	250.0	48%		249.0

Balance Sheet Results & Plan

(Billions of yen)	As of March 31, 2004	Results as of September 30, 2004	FY2004 Plan (March 31, 2005)
Cash and time deposits	435.7	325.5	300.0
Operating assets	1,093.5	1,017.8	895.0
Investments & loans	797.4	593.4	635.0
Fixed assets	750.4	767.3	610.0
Total assets	3,077.0	2,704.0	2,440.0
Operating liabilities	768.0	751.6	740.0
Interest-bearing debt	1,992.8	1,890.7	1,410.0
Total liabilities	2,760.8	2,642.3	2,150.0
Shareholders' equity	316.2	61.7	290.0
Total liabilities & shareholders' equity	3,077.0	2,704.0	2,440.0
Net interest - bearing debt	1,557.1	1,565.2	1,110.0
Net DER (Times)	4.9	25.4	3.8

(Reference)
After Oct.29 capital
increase (incl. DES)

1,540.0

420.0

1,215.0

2.9