Highlights of Consolidated Financial Results for the Fiscal Year Ended March 31, 2005

April 28, 2005 (Revised on May 18, 2005)

Sojitz Holdings Corporation

Highlights of FY2004 Results

Period earnings realized robust improvement

Recurring profit exceeded the initial target under the New Business Plan

Planned: 50.0 billion yen
Actual: 58.1 billion yen

Due to a reduction in SG&A expenses through rationalization and other measures, actual operating income achieved 104% of the planned figure. Recurring profit reached 116% of the FY2004 target due primarily to a profit increase from equity method accounting.

Reinforcement of financial position by enhancing shareholders' equity and reducing interest-bearing debt

An equity financing agreement of 370 billion yen was entered into in October 2004. Net DER has improved to 3.58 times due to a 350 billion yen debt-equity swap and the reduction of net interest-bearing debt to 1 trillion yen.

<Equity Financing>
Preferred stock: 360 billion yen
Underwriters: UFJ Bank, Mizuho Corporate Bank, Bank of Tokyo-Mitsubishi, UBS Group
Convertible Bonds: 10 billion yen
Underwriter: UBS Group（fully converted）

<Reduction of Interest-Bearing Debt>
A debt-equity swap for 350 billion yen in preferred stocks was undertaken on October 31, 2004 in connection with loans from the company's three main banks, and this amount was allocated to debt reduction.

Accomplishment of Asset Restoration Plan

The asset restoration plan was accomplished, as planned, by March 2005 with the initial objective of significantly enhancing asset quality successfully achieved.

Asset reduction 620 billion yen
Loss recognition 430 billion yen
Cash generation 150 billion yen

<Acceleration of Selection and Focus>
Based on scenarios established for each individual asset, we have implemented the sale of assets, collection of receivables, or their write-off. Regarding certain assets for which such measures could not be fully accomplished by March 2005, we have eliminated the risk of additional future losses by writing down the asset value, taking into account the maximum expected loss amount for accounting purposes.

<Disposal of Real Estate>
Real estate was disposed of individually or in bulk depending on the nature of the assets. In cases that the actual sale of properties for delivery could not be executed by March 2005, we have already reached basic agreements with buyers in the majority of cases to promptly accomplish these sales.

Forecasts for FY2005

Net sales: 4,900 billion yen
Recurring profit: 65 billion yen
Net income: 35 billion yen

(Assumptions)
Exchange rate: 105 yen to the U.S. dollar
Crude oil price: US$35-40 per barrel (Brent marker crude)

Consolidated Statements of Operations

Billions of yen

	FY2004 Results a	FY2003 Results b	Increase/ Decrease a-b	Reasons for Increase/Decrease		FY2004 Forecast c	Percentage Achieved a/c	FY2005 Forecast
Net sales	4,675.9	5,861.7	-1,185.8	Net sales Decrease in Energy & Mineral Resources segment due to fewer low-profit transactions	-725.3	5,000.0	94%	4,900.0
Gross trading profit	244.2	249.0	-4.8	Reduction in Machinery & Aerospace segment due to withdrawal from automobile operating business in Japan and overseas	-185.6	250.0	98%	251.0
(Gross trading profit ratio)	(5.22%)	(4.25%)	(0.97%)	Gross trading profit		(5.00%)		
Personnel expenses	-79.1	-84.8	5.7	Withdrawal from low-profit automobile operating companies in Japan and overseas	-4.0			
Non-personnel expenses	-82.0	-85.1	3.1	-->See supplementary data by-industry segment				
Depreciation expenses	-11.3	-13.7	2.4	SG&A expenses				
(Subtotal)	(-172.4)	(-183.6)	(11.2)	Adjustment due to business reorganization	-4.7			
Allowance for doubtful receivables	-1.8	-2.7	0.9	Rationalization from merger of overseas subsidiaries	2.1			
Consolidated goodwill amortization	-4.5	-2.8	-1.7	Others related to rationalization.	12.5			
(SG&A expences)	(-178.7)	(-189.1)	(10.4)			-187.0	96%	-176.0
Operating income	65.5	59.9	5.6			63.0	104%	75.0
(Operating income ratio)	(1.40%)	(1.02%)				(1.26%)		
Interest income	18.4	24.6	-6.2					
Interest expenses	-48.7	-55.7	7.0					
(Interest expenses—net)	(-30.3)	(-31.1)	(0.8)					
Dividend income	3.7	4.5	-0.8					
(Net financial revenue)	(-26.6)	(-26.6)	(0.0)					
Equity in earnings of unconsolidated subsidiaries and affiliates	10.7	5.9	4.8	Equity method gains and losses				
Other income	18.8	23.2	-4.4	Metal One (9.1), Alminium business in Australia (1.3)				
Other expenses	-10.3	-13.9	3.6	LNG Japan (0.7), etc.				
(Others—net)	(-7.4)	(-11.4)	(4.0)			-13.0	57%	-10.0
Recurring profit	58.1	48.5	9.6			50.0	116%	65.0
Gain on sale of property and equipment	2.6							
Gain on sale of investment securities	8.8			Gain due to disposal of listed securities, etc.				
Gain on change in equity method	1.0							
Reversal allowance for retirement benefits	2.9							
(Extraordinary income)	(15.3)	(22.2)	(-6.9)					
Loss on sale of property & equipment	-98.1			Ex-headquarters：Trapedia Odaiba (-19.5), Mita NN (-16.9)				
Revaluation loss on property & equipment	-24.7			Withdrawal from Japanese-seaside leisure development business (-15.4)				
Loss on sale of investment securities & investments other than securities	-12.9			Sale of securities in communication-related business (-5.5)				
Evaluation loss on investment securities & non-securities investments	-13.4			Write-down of non-listed overseas and Japanese securities				
Loss on the restructuring of Group companies	-62.3			Withdrawal from overseas forestry business (-10.7), and overseas condominium development business (-2.7), etc.				
Business restructuring loss	-224.1			Withdrawal from overseas fossil product business (-13.8), and medical equipment in Latin America (-7.9), etc.				
Loss on liquidation of future transactions	-18.0			Commodity transaction (-18.0)				
(Extraordinary loss)	(-453.5)	(-112.8)	(-340.7)					
(Extraordinary loss—net)	(-438.2)	(-90.6)	(-347.6)			-410.0	107%	-10.0
Income before income taxes	-380.1	-42.1	-338.0			-360.0	106%	55.0
Income taxes: Current	-11.3	-12.3	1.0					
Deferred	-18.3	23.1	-41.4	Reversal deferred tax assets due to review of tax planning in line with the New Business Plan				
Minority income (loss)	-2.8	-2.3	-0.5					
Net income (loss)	-412.5	-33.6	-378.9			-380.0	109%	35.0

Core earnings (*)	51.4	41.9	9.5

* Core earnings is the sum of Operating income (before Allowance for doubtful receivables), Interest expenses-net, Dividend income, and Equity in earnings of unconsolidated subsidiaries and affiliates

(**) Disclaimer concerning future performance
The above information about future performance is calculated based on judgements and assumptions made from information currently available to management at the time of writing. Accordingly, there is a possibility that actual results may greatly differ from estimates and statements of future performance due to a wide variety of factors including but not limited to economic conditions in the Company's principal overseas and domestic markets and changes in foreign currency exchange markets and commodity prices. In the event of significant changes, these will be announced through timely disclosure.

Consolidated Statements of Cash Flows

Billions of yen

	FY2004 Results	FY2003 Results
CF from operating activities	-19.7	87.2
CF from investing activities	241.1	73.0
(Total free CF)	(221.4)	(160.2)
CF from financing activities	-212.3	-68.6
Cash and cash equivalents	409.3	401.2

Despite positive operating income, overall cash flow from operating activities was negative due to cash decrease associated with slowing securitization, non-recurring expenses relating to asset restoration, and business withdrawal.

Consolidated Balance Sheets and Principal Management Indices

Billions of yen

	March 31, 2005 d	March 31, 2004 e	Increase/ Decrease d-e	Reasons for Increase/Decrease
Current assets	1,423.2	1,734.9	-311.7	
Cash and deposits	426.1	435.7	-9.6	
Trade notes and trade accounts receivables	618.1	709.0	-90.9	Reductions due to asset restoration and reduced subsidiaries Transfer to non-performing receivables due to asset classification
Securities	7.2	17.7	-10.5	
Inventories	194.7	239.5	-44.8	Reductions due to disposal and real estate for sale
Short-term loans receivables	41.0	188.0	-147.0	Transfer to non-performing receivables due to asset classification
Deferred tax assets—current	7.5	13.3	-5.8	
Other current assets	139.6	171.6	-32.0	
Allowance for doubtful receivables	-11.0	-39.9	28.9	Transfer to allowance for doubtful receivables (long term) in accordance with transfer to fixed assets including short-term loan receivables due to review of asset portfolio
Fixed assets	1,024.4	1,340.7	-316.3	
Tangible assets	246.6	493.2	-246.6	Effect of merger of the former Nissho Iwai and Nichimen (-40.2), Reductions due to asset restoration
Goodwill	80.0	41.4	38.6	Effect of the merger of the former Nissho Iwai and Nichimen (+40.4)
Other intangible assets	23.9	24.8	-0.9	
Investment securities	409.3	410.5	-1.2	
Long-term loan receivables	102.1	182.1	-80.0	Transfer to non-performing receivables due to asset reclassification
Non-performing receivables	286.9	152.6	134.3	Transfer from long-term loans and short-term loan receivables due to review of asset portfolio
Deferred tax assets-non-current	58.1	97.5	-39.4	Effect of merger of the former Nissho Iwai and Nichimen (-15.0), deduction in line with the New Business Plan (-15.9)
0thers	54.8	82.4	-27.6	
Allowance for doubtful receivables	-237.3	-143.8	-93.5	Increase from extraordinary loss due to selection and focus, and transfer from allowance for doubtful receivables (short term), etc.
Deferred assets	0.9	1.4	-0.5	
Total assets	2,448.5	3,077.0	-628.5	
Liabilities	1,754.7	2,212.3	-457.6	
Trade notes and trade accounts payables	472.5	479.3	-6.8	
Short-term debts	933.1	1,320.9	-387.8	Reductions from debt-equity swap, etc.
Commercial paper	139.2	141.2	-2.0	
Bonds with redemption in one year	43.1	38.9	4.2	
Other current liabilities	166.8	232.0	-65.2	
Non-current liabilities	380.2	536.5	-156.3	
Bonds, less current portion	16.1	61.2	-45.1	
Long-term borrowings	296.9	430.6	-133.7	Reductions from debt-equity swap, etc.
Allowance for retirement benefits	29.0	7.9	21.1	
Other non-current liabilities	38.2	36.8	1.4	
Total liabilities	2,134.9	2,748.8	-613.9	
Minority interests	33.4	12.0	21.4	
Preferred stock and Common stock	336.1	150.6	185.5	Capital increase: Capital (+180.0), Capital surplus (+180.0)
Capital surplus	487.7	346.6	141.1	Effect of merger of the former Nissho Iwai and Nichimen (-15.2), Transfer to accumulated deficit (-29.2)
Accumulated deficit	-492.0	-104.8	-387.2	Transfer from capital surplus (+29.2), net loss (-412.5)
(Subtotal)	(331.8)	(392.4)	(-60.6)	
Land revaluation difference	-4.9	-5.5	0.6	
Net unrealized gains on available-for-sale securities	32.6	16.7	15.9	
Foreign currency translation adjustments	-79.2	-87.4	8.2	
Treasury stock	-0.1	0.0	-0.1	
Total shareholders' equity	280.2	316.2	-36.0	
Total liabilities and shareholders' equity	2,448.5	3,077.0	-628.5	

Gross interest-bearing debt	1,428.4	1,992.8	-564.4	
Net interest-bearing debt	1,002.3	1,557.1	-554.8	
NET DER (Times)	3.58	4.92	-1.35	
Shareholders' equity ratio	11.4%	10.3%	1.2%	

Guarantee obligations	60.9	89.6	-28.7	

Gross Trading Profit (by Industry Segment)

April 28, 2005
Sojitz Holdings Corporation

Gross Trading Profit

(Billions of yen)

	FY2003 Results	FY2004 Results	FY2004 Increase/Decrease	Major Factors for Change (Comparison with FY2003 figures)	FY2005 Forecasts
Machinery & Aerospace	46.7	43.0	(3.7)	Overall decrease, mainly due to withdrawal from low-profit automobile operating companies in Japan and overseas (-4.0). However, increases were realized in ship operating income (+2.6) and in automobile businesses in Central and South America and Europe (+2.4)	40.0
Energy & Mineral Resources	31.1	33.9	2.8	Generally favorable due to new manufacturing, acquisition of new interests and new consolidated subsidiaries in upstream energy interest businesses and mineral resource-related businesses (+4.8), however decreased profits from commision fees in plant-related, nuclear fuel-related, as well as petroleum product-related businesses (-1.9)	41.5
Chemicals & Plastics	44.0	44.1	0.1	Increases in the methanol (+1.8) and metton (+0.3) businesses were offset by decreases due to Daiichi Kasei's removal from the scope of consolidation (-1.4) and delayed cost passthrough despite rapidly rising packaging materials prices (-0.5)	42.0
Construction & Urban Development	17.3	14.9	(2.4)	Decrease due to withdrawal from low-profit businesses (-1.8) and rigorous selection of the properties in the condominium business (-0.6)	13.0
Forest Products & Building Materials	11.7	11.3	(0.4)	Despite decreases related to declining domestic sales prices, especially in the post July 2004 period, which particularly impacted our domestic sales company Sun Building Materials Corporation (-0.4) and Nissho Iwai Housing Materials Corporation (-0.2); results showed an overall increase on a non-consolidated basis (+0.1)	13.0
Foods	13.4	13.5	0.1	Despite a decrease in low-profit grain import transactions and distributions (-0.4), there was an increase in marine product transactions (mainly of shrimp) and foodstuff sales (+0.5); therefore, the gross trading profit remains at the same level as the prior fiscal year	15.0
General Commodities & Consumer Business	14.2	14.4	0.2	Increases in the woodchip business (+0.4), Nakau (+0.3), infant-related products (+0.1), and export of tires to North America (+0.1) resulted in an overall increase though this was partially dampened by the impact of withdrawals from unprofitable businesses—Japan Vinegar Bottlers Co., Ltd.(-0.5) and digital cameras (-0.2)	4.0
Textiles	21.2	23.3	2.1	Increase due to the inclusion of Singapore Co., Ltd. (+1.4) in the scope of consolidation and overall contribution of Daiichibo Co., Ltd. (+1.4). Decreased non-consolidated profits (-0.6) and a decline in profits at Nichimen Infinity Inc.(-0.3) due to unseasonable weather, a sharp rise in raw material costs	27.5
Overseas Subsidiaries	27.8	27.2	(0.6)	Increased profits from the Americas, Asia, and China were muted by decreased profits related to the impact of withdrawal from low-profit businesses and the transfer of operations in Europe, resulting in an overall decrease	29.0
Eight Operating Divisions + Overseas Subsidiaries	227.4	225.6	(1.8)		225.0
Other	21.6	18.6	(3.0)	An increase from the inclusion of Nissho Electronics Corp. in the scope of consolidation (+11.4) was offset by decreases from the reorganization of steel-related business (-3.7), withdrawal from selected business (-2.4), intersegment eliminations, and other proactive measures	26.0
Total	249.0	244.2	(4.8)		251.0

Financial Results for the Fiscal Year Ended March 31, 2005

April 28, 2005

Sojitz Holdings Corporation

Attachment 1

New Business Plan (April 2004 - March 2007) Progress Status

Objectives

Enhance corporate value by quickly restoring market confidence

Build a more robust management foundation unaffected by external conditions and
Establish a position as an innovative functional trading company that delivers high-value-added functions and services

Fundamental Policies

Establish a Robust Financial Position

・Drastic review of the Group's asset portfolio (reducing operational risk and improving both the quality and liquidity of assets)
・Reinforce shareholders' equity through capital increase in an effort to offset capital reduction triggered by drastic review of the Group's asset portfolio, and reduce interest-bearing debt

Achievement of the New Business Plan (FY2004)

Plan to restore asset portfolio

Asset restoration accomplished, as planned, by March 2005, achieving the initial objective of significantly enhancing asset quality with asset reductions of 620 billion yen, a combined loss recognition of 430 billion yen, and 150 billion yen in total cash generation

Accelerate Selection and Focus

- Based on scenarios established for each individual asset, we have implemented the sale of assets, collection of receivables, or their write-off. Regarding certain assets for which such measures could not be fully accomplished by March 2005, we have eliminated the risk of additional future losses by writing down the asset value, taking into account the maximum expected loss amount for accounting purposes.

Disposal of Real Estate

- Real estate was disposed of individually or in bulk depending on the nature of the assets. In cases that the actual sale of properties for delivery could not be executed by March 2005, we have already reached basic agreements with buyers in the majority of cases to promptly accomplish these sales.

Enhance shareholders' equity and reduce interest-bearing debt

Implement equity financing of 370 billion yen in October 2004 to refortify shareholders' equity following the recording of approximately 400 billion yen loss, and reduction of interest-bearing debt

Completion of equity financing totalling 370 billion yen

- Issue of 360 billion yen preferred stock to UFJ Bank, Mizuho Corporate Bank, Bank of Tokyo-Mitsubishi, and UBS Group
- Issue of 10 billion yen convertible bonds with stock acquisition rights to UBS Group (fully converted to common stock)

Reduction of interest-bearing debt

・The 350 billion yen portion of preferred stock underwritten by UFJ Bank, Mizuho Corporate Bank, and Bank of Tokyo-Mitsubishi was put into effect through a debt equity swap to reduce debts payable

Implementing these measures, secured a sound balance sheet, enhanced creditworthiness, and significantly improved shareholders' equity ratio and DER

Measures of the New Business Plan (FY2005)

Restructure shareholders' equity

Eliminate accumulated deficit generated through the restoration of the asset portfolio
Enhance flexibility of future financial policies and effectiveness of management strategy

- A transfer within the shareholders' equity portion (withdrawal of capital reserve and capital reduction) is subject to approval at the shareholders' meeting scheduled for June 28, 2005 in order to enter into effect on August 1, 2005

Improve equity structure

Enhance measures for preferred stock already issued

Improve funds procurement structure

Improve stability of funds procurement in various ways such as long-term funding and issuance of straight bonds

Maintain and enhance asset quality

Reinforce and upgrade risk management through increasingly sophisticated integrated risk management and other measures to maintain and enhance asset quality which was recently improved by the asset portfolio restoration. Reinforce risk asset control in relation to shareholders' equity

Evolution to a Quality Earnings Structure

・Accelerate Selection and Focus
· Withdraw from select and low-profit businesses and focus management resources on businesses with strong competitive advantage
・Improve SCVA (risk/return indicator) to optimize the business portfolio
· Continuously enhance and strengthen the business portfolio and risk management

Recurring profit exceeding the planned figure

The achievement of 58.1 billion yen recurring profit exceeded the initially planned amount (50.0 billion yen) due to a sharp reduction of selling, general and administration expenses through rationalization and the increasing profit under the equity method

New investments and loans (actual)

Approximately 56 billion yen in new investments and loans is targeted for earnings sources with competitive advantage and favorable risk return conditions.

Principal investment activity

IT-related business (Nissho Electronics Corp.)
Investment in oil drilling rights (North Sea, U.K.)
Ladies apparel products (Singapore Co., Ltd. JAPAN)
Automobile retail business (China)
Investment in gas drilling rights (Gulf of Mexico, U.S.A.)
Investment in coal mining rights (Queensland, Australia)
Cotton textiles business (Shandong, China)
Automobile sales business (Ukraine)
FPSO investment (Australia)

SCVA Management

Advance SCVA Management by fully committing the organization to SCVA, working toward uniform Group criteria including related domestic and overseas companies, and enhancing system infrastructure.

Strengthen and enhance risk management

Established the internal "Risk Management Planning Office" in Sojitz Corporation for strengthening the planning and coordination of risk management measures, and ensured independence through the appointment of a director exclusively responsible for risk management.

Utilize sophisticated portfolio management by upgrading the internal rating system and enhancing proactive management monitoring systems.

Business portfolio strategy (Group strategy)

Continuous review of business portfolio and accelerated evolution to a quality earnings structure by way of further implementation of SCVA management, as well as reinforcing and increasing the sophistication of risk management
- Main focus on allocation of management resources to growth business areas in contrast to prioritizing the withdrawal from select and low-profit businesses in order to restore the asset portfolio.

Business portfolio strategy (growth strategy for 5 business divisions)

Based on the policies below, each business division will allocate management resources for growth business areas.Through these measures Sojitz will not only firmly secure its existing earnings, but also sow the seeds for future growth while fortifying its earnings strategy.

- Machinery & Aerospace
Strengthen traditional business areas that have solid earnings platforms, such as the aircraft related business and export of automobile CKD (complete knockdown) while reinforcing new profit generating areas such as expanding the parts business and providing after-market services in the automobile business.

- Energy & Mineral Resources
Establish a vertically integrated structure to thoroughly maximize synergies throughout the upstream and downstream activities of the energy and mineral resources field value chain, especially by promoting investment activities and the acquisition of interests in upstream areas as well as reinforcing traditional trading businesses.

- Chemicals & Plastics
Increase profit by utilizing our leading information networking, processing, and service functions under four principal strategies: merchandise strategy focusing on high-function/high-value-added products; regional strategy focusing on the Asian & BRIC's markets; market strategy for growth and niche markets; and an investment strategy for distribution and manufacturing facilities in order to strengthen our marketing capacity.

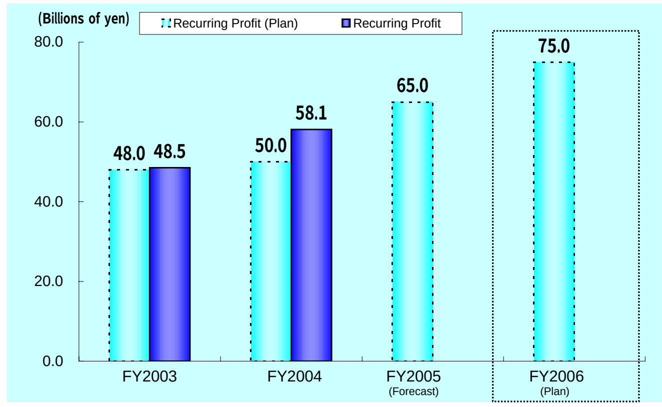
- Real Estate Development & Forest Products
Establish an efficient business model to secure stable profit from existing businesses. Furthermore, promote retail property development, i.e. for the Real Estate Development Business, and establish new profit sources by strengthening related downstream business, i.e. for the Forest Products Business.

- Consumer Lifestyle Business
Consolidate food, general commodities & consumer business, and textiles into one division for the purpose of reinforcing "downstream" business. Establish integrated SCM from conventional upstream business to downstream business.

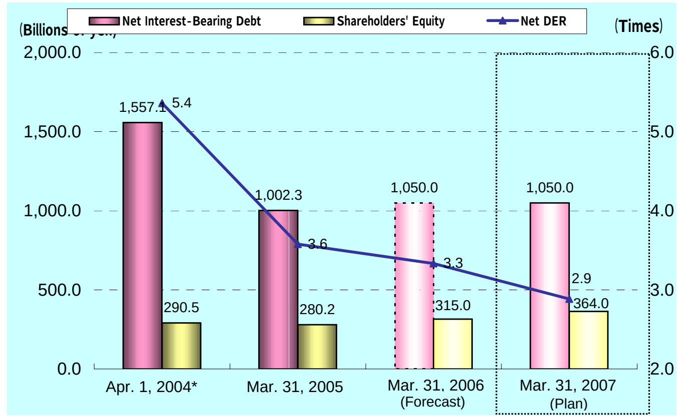
Financial Targets for March 2007

・Recurring profit: 75 billion yen
・Net DER: 3 times (approximately)
・Net interest-bearing debt: 1 trillion yen
・Ratings: BBB or above

Recurring Profit



Net DER



*Figures as of April 1, 2004 are reference data representing the merger of the former Nichimen Corporation and former Nissho Iwai Corporation.

Ratings

(as of September 30, 2004)

Moody's		
- Long-term senior unsecured debt	Ba2	(Ba3)
S&P		
- Long-term corporate credit	BB-	(CC)
- Senior unsecured bonds	BB+	(BB)
R&I		
- Senior long-term credit	B+	(B+)
JCR		
- Rating on senior debts	BB+	(#BB+)
- Rating on the bonds	BBB-	(#BBB-)

Financial Results for the Fiscal Year Ended March 31, 2005

Attachment 2

April 28, 2005

Sojitz Holdings Corporation

Successful Achievement of a Robust Asset Portfolio

Summary of Asset Restoration Plan

Asset restoration accomplished by March 2005 as planned with:
620 billion yen in asset reduction
430 billion yen in loss recognition
150 billion yen in cash generation

Acceleration of Selection and Focus

Based on scenarios established for each individual asset, we have implemented the sale of assets (individually or in bulk), collection of receivables, or their write-off. Regarding certain assets for which such measures could not be fully accomplished by March 2005, we have eliminated the risk of additional future losses by writing down the asset value, taking into account the maximum expected loss amount for accounting purposes.

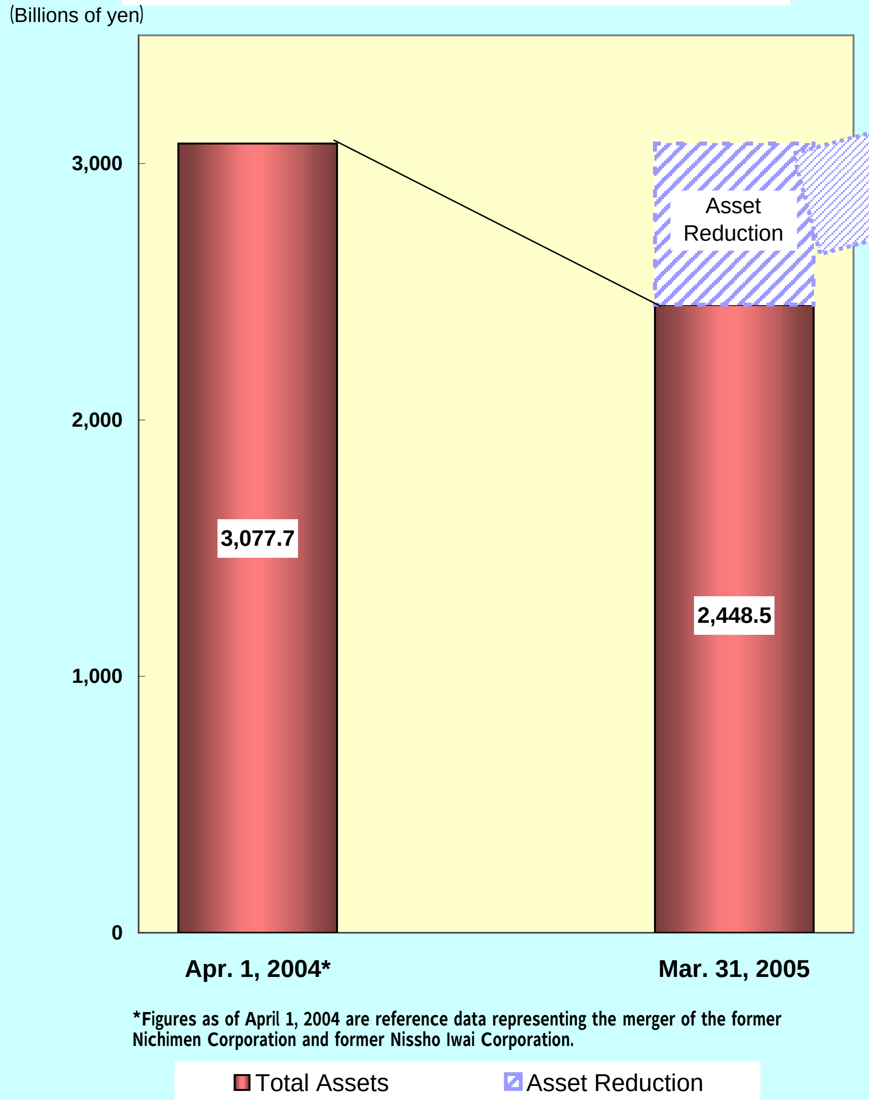
Disposal of Real Estate

Real estate was disposed of individually or in bulk depending on the nature of the assets. In cases that the actual sale of properties for delivery could not be executed by March 2005, we have already reached basic agreements with buyers in the majority of cases to promptly accomplish these sales.

Asset restoration successfully realized according to plans, eliminating the risk of additional future losses across all asset classes

Accomplishment of Asset Restoration

Change of Balance Sheet Before and After Asset Restoration



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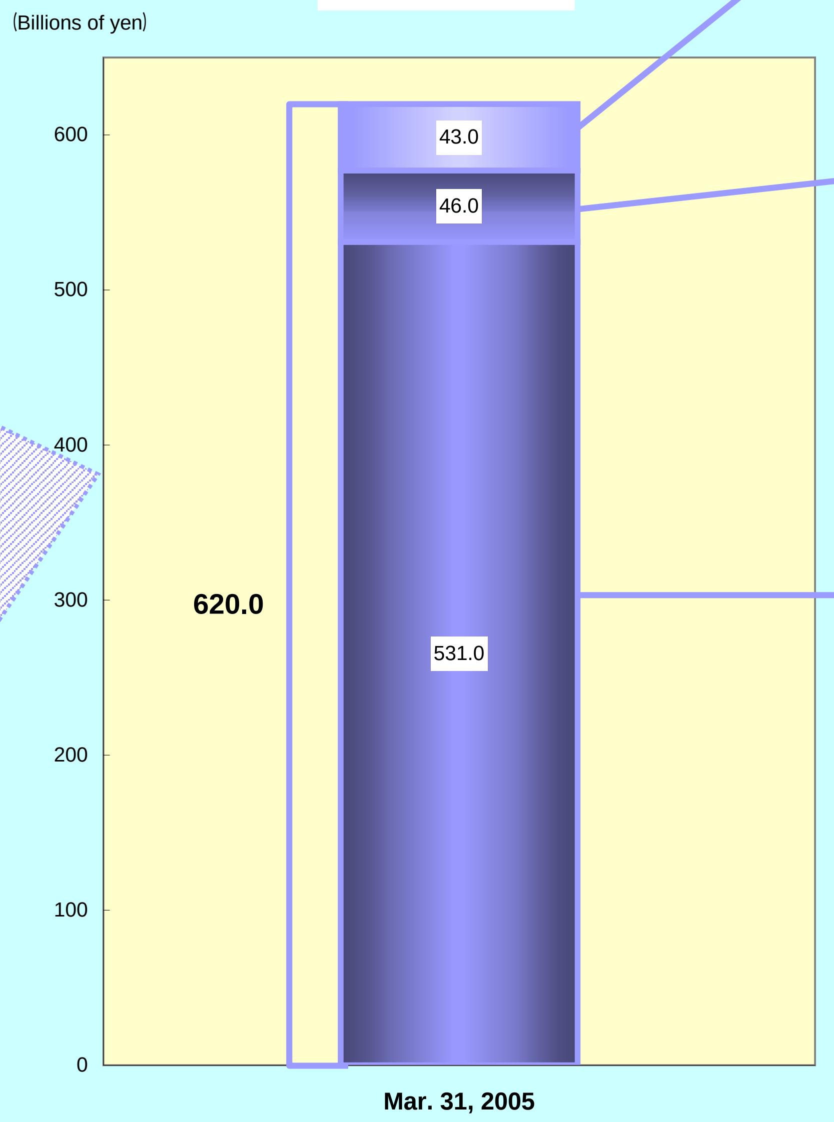
Details of Asset Restoration



Concrete Measures

Hurdles to full, active restoration

Forecasting the precise timing of the write-off is difficult due to the nature of direct, ongoing dialogue and negotiation with counterparts

Risk eliminated through the provision of sufficient accounting reserves

- Items with legal limitations due to pending lawsuits in Japan or overseas
- Receivables involving country risk

Deals nearing completion, typically slated for closing after March 2005

Basic agreement reached with buyers, with closing expected in the near future

No subsequent risk as the sufficient provision of accounting reserves covers the amount of any potential losses

- Receivables to low-profit overseas fossil product businesses
- Receivables relating to privare-sector medical equipment in South America

Sale or withdrawal completed

Fully eliminates the risk of future losses through the final disposal of assets

Acceleration of Selection and Focus
- Sale of shares in communication-related companies
- Withdrawal from low-profit automobile related business in Japan and overseas
- Withdrawal from unprofitable plastic products business in Japan
- Reorganization of aircraft operating lease business
- Withdrawal from aircraft financing business
- Withdrawal from Malaysia-based timber and logging business
- Withdrawal from overseas construction machinery subsidiary
- Withdrawal from commercial radio service business

Disposal of Real Estate
- Sale of Tradepia Odaiba Building (former Nissho Iwai Tokyo headquarters)
- Sale of Mita NN Building (former Nichimen Tokyo headquarters)
- Sale of Forum Akasaka Building
- Sale of land for residential use in Chiba Nozomino
- Sale of condominium in Tsurumi-ku, Osaka
- Sale of land for residential use in Senboku, Osaka
- Sale of company dormitory in Yukigaya, Tokyo
- Withdrawal from overseas condominium development business

Summary of Consolidated Financial Results

April 28, 2005

for the fiscal year ended March 31, 2005

Sojitz Holdings Corporation

(URL http ://www.sojitz-holdings.com)
Listed stock exchange : The first sections of Tokyo and Osaka
Headquarters : Tokyo
Securities Code : 2768
Company Representative Hidetoshi Nishimura, President & CEO
Contact Information : Takeshi Yoshimura, GM, Public Relations Dept. TEL (03) 5520－3404
Date of Director Meeting for FY2004 Finacial Results : April 28, 2005
Adopting of US GAAP : No

1. Consolidated Financial Results for the Fiscal Year ended March, 2005 (April 1, 2004 - March 31, 2005)

(1) Results of Operation (Rounded to millions of Japanese Yen)

	Net Sales (A)	%	Operating Income	%	Recurring Profit (B)	%	Net Income	%
For the Fiscal Year ended	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
March 31, 2005	4,675,903	△ 20.23	65,521	9.30	58,088	19.87	△ 412,475	-
March 31, 2004	5,861,737	-	59,948	-	48,461	-	△ 33,609	-

	EPS	Diluted EPS	ROE	ROA	(B)/(A)
For the Fiscal Year ended	Yen	Yen	%	%	%
March 31, 2005	△ 1,876.48	-	△ 138.3	2.1	1.2
march 31, 2004	△ 172.52	-	△ 18.3	1.5	0.8

Notes:
1. Equity in Earnings of Unconsolidated subsidiaries and affiliate during the period:
Current fiscal year : 10,741 Preceding fiscal year : 5,929
2. Average number of outstanding shares during the period:
Current fiscal year : 219,825,798 Preceding fiscal year : 194,817,297
3. Changes in accounting policies during the period: Yes
4. Percentage indicate changes in net sales, operating income, recurring profit and net income compared with preceding fiscal year.

(2) Financial Position (Consolidated)

	Total Assets (C)	Shareholders' Equity (D)	(D)/(C)	EPS
As of	Millions of Yen	Millions of Yen	%	Yen
March 31, 2005	2,448,478	280,241	11.4	△ 1,440.26
March 31, 2004	3,077,022	316,234	10.3	235.43

Notes:
1. Number of outstanding shares at the end of the period (Common Stock):
Current fiscal year : 240,066,694 Preceding fiscal year : 213,374,473
2. Number of outstanding shares at the end of the period (Preferred Stock):
Current fiscal year : 166,825,000 Preceding fiscal year : 133,000,000
3. Number of treasury shares at the end of the period:
Current fiscal year : 179,560 Preceding fiscal year : 87,718

(3) Consolidated Statements of Cash Flow

	Operating Activities	Investing Activities	Financing Activities	Cash & Cash Equivalents at the end of the Period
For the Fiscal Year ended	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen
March 31, 2005	△ 19,774	238,410	△ 212,264	406,566
March 31, 2004	87,160	73,030	△ 68,602	401,240

(4) Number of consolidated subsidiaries and companies accounted for by the equity method

Consolidated subsidiaries 329
Unconsolidated subsidiaries (accounted for by the equity method) 10
Affiliated companies (accounted for by the equity method) 178

(5) Increase/decrease of consolidated subsidiaries and affiliated companies accounted for by equity method
Subsidiaries (Newly included) 55 (Excluded) 55 Affiliated companies (Newly included) 24 (Excluded) 64

2. Consolidated Earnings Forecast for Fiscal Year ending March 2005 (April 1, 2005 - March 31, 2006)

	Net Sales (Forcast)	Recurring Profit (Forecast)	Net Income (Forecast)
	Millions of Yen	Millions of Yen	Millions of Yen
Half-year	2,300,000	29,000	15,000
Annual	4,900,000	65,000	35,000

Reference: EPS(Projection): JPY 145.79

Consolidated Statements of Income

for the fiscal year ended March 31, 2005

Millions of yen

	FY2004 Results	Percentage of Net sales (%)	FY2003 Results	Percentage of Net sales (%)	Difference Amount	Difference Percentage
Net sales	4,675,903	100.00	5,861,737	100.00	(1,185,834)	(20.23)
Cost of sales	(4,431,656)	(94.78)	(5,612,714)	(95.75)	1,181,058	(21.04)
Gross trading profit	244,247	5.22	249,022	4.25	(4,775)	(1.92)
Selling, general and administrative expenses	(178,725)	(3.82)	(189,074)	(3.23)	10,349	(5.47)
Operating income	65,521	1.40	59,948	1.02	5,573	9.30
Interest income	18,431	0.39	24,572	0.42	(6,141)	(24.99)
Dividend income	3,653	0.08	4,543	0.08	(890)	(19.59)
Equity in gains of unconsolidated subsidiaries and affiliates-net	10,741	0.23	5,929	0.10	4,812	81.16
Gain on sale of securities	2,382	0.05	6,231	0.11	(3,849)	(61.77)
Other income	16,439	0.35	16,992	0.29	(553)	(3.25)
Non-operating income	51,648	1.10	58,269	1.00	(6,621)	(11.36)
Interest expense	(45,833)	(0.98)	(53,590)	(0.91)	7,757	(14.47)
Interest expense on commercial papers	(2,920)	(0.06)	(2,085)	(0.04)	(835)	40.05
Other expense	(10,328)	(0.22)	(14,081)	(0.24)	3,753	(26.65)
Non-operating expense	(59,082)	(1.26)	(69,757)	(1.19)	10,675	(15.30)
Recurring profit	58,088	1.24	48,461	0.83	9,627	19.87
Extraordinary loss-net	(438,167)	(9.37)	(90,563)	(1.55)	(347,604)	383.83
Income before income taxes	(380,079)	(8.13)	(42,101)	(0.72)	(337,978)	802.78
Income taxes; Current	(11,331)	(0.24)	(12,282)	(0.21)	951	(7.74)
Deferred	(18,287)	(0.39)	23,058	0.40	(41,345)	-
Minority interests in consolidated subsidiaries	(2,778)	(0.06)	(2,282)	(0.04)	(496)	21.74
Net Income (Loss)	(412,475)	(8.82)	(33,609)	(0.57)	(378,866)	-

Extraordinary Income and Loss

for the fiscal year ended March 31, 2005

Millions of yen

	For the fiscal year ended March 31, 2005	For the fiscal year ended March 31, 2004	Increase/ Decrease
Extraordinary Income;			
Gain on sale of property & equipment	2,617	681	1,936
Gain on sale of investment securities	8,772	21,492	(12,720)
Gain on change in equity method	1,043	-	1,043
Reversal of allowance for retirement benefits	2,868	-	2,868
Total extraordinary income	15,301	22,173	(6,872)
Extraordinary Loss;			
Loss on sale of property & equipment	(98,113)	(4,999)	(93,114)
Revaluation loss on property & equipment	(24,650)	-	(24,650)
Loss on sale of investment securities & investments other than securities	(12,916)	(6,603)	(6,313)
Evaluation loss on investment securities & investments other than securities	(13,415)	(8,998)	(4,417)
Loss due to reorganization of subsidiaries and affiliates	(62,265)	(34,635)	(27,630)
Provision for overseas doubtful receivables	-	(28,338)	28,338
Business restructuring loss	(224,119)	(6,633)	(217,486)
Special early retirement benefits	-	(7,050)	7,050
Expenses loss on changes in retirement benefits plans	-	(15,271)	15,271
Effect from mergers within the consolidation group	-	(206)	206
Loss on liquidation of future transactions	(17,986)	-	(17,986)
Total extraordinary loss	(453,468)	(112,737)	(340,731)
Extraordinary income/loss, net	(438,167)	(90,563)	(347,604)

Reference: the following accounts are not included in the above extraordinary items.

Provision for doubtful receivables	(1,837)	(2,629)	792

(Included in Selling, general & administrative expenses)

Consolidated Balance Sheets

As of March 31, 2005

Assets

Millions of yen

	March 31, 2005	March 31, 2004	Increase/ Decrease
Current assets;			
Cash and deposits	426,082	435,671	(9,589)
Trade notes and trade accounts receivables	618,086	708,982	(90,896)
Securities	7,150	17,705	(10,555)
Inventories	194,694	239,499	(44,805)
Short-term loans receivables	41,000	188,002	(147,002)
Deferred tax assets-current	7,482	13,346	(5,864)
Other current assets	139,590	171,637	(32,047)
Allowance for doubtful receivables	(10,957)	(39,926)	28,969
Total current assets	1,423,129	1,734,918	(311,789)
Fixed assets;			
Tangible assets	246,652	493,163	(246,511)
Intangible assets;	103,850	66,228	37,622
Goodwill	79,989	41,375	38,614
Other intangible assets	23,860	24,852	(992)
Investments and other fixed assets;	673,924	781,335	(107,411)
Investments securities	409,307	410,531	(1,224)
Long-term loans	102,142	182,093	(79,951)
Non-performing receivables	286,934	-	286,934
Deferred tax assets-non-current	57,170	95,685	(38,515)
Deferred tax assets-revaluation	881	1,822	(941)
Others	54,820	234,988	(180,168)
Allowance for doubtful receivables	(237,332)	(143,786)	(93,546)
Total fixed assets	1,024,427	1,340,726	(316,299)
Deferred assets	921	1,377	(456)
Total assets	2,448,478	3,077,022	(628,544)

Consolidated Balance Sheets

As of March 31, 2005

Liabilities and shareholders'equity

Millions of yen	March 31, 2005	March 31, 2004	Increase/ Decrease
Liabilities			
Current liabilities			
Trade notes and trade accounts payables	472,513	479,264	(6,751)
Short-term debts	764,218	996,605	(232,387)
Commercial paper	139,200	141,200	(2,000)
Current Portion of Long-term debt	211,932	363,114	(151,182)
Income taxes payable	7,644	7,788	(144)
Deferred tax liabilities-current	422	257	165
Allowance for restructuring loss	4,234	3,108	1,126
Allowance for retirement benefits	-	500	(500)
Other current liabilities	154,515	220,479	(65,964)
Total current liabilities	1,754,681	2,212,318	(457,637)
Non-current liabilities;			
Bonds, less current portion	16,048	61,167	(45,119)
Long-term borrowings	296,927	430,640	(133,713)
Deferred tax liabilities -non-current	7,544	10,463	(2,919)
Allowance for retirement benefits	29,046	7,928	21,118
Other non-current liabilities	30,639	26,259	4,380
Total non-current liabilities	380,206	536,459	(156,253)
Total liabilities	2,134,887	2,748,778	(613,891)
Minority Interest in consolidated subsidiaries	33,349	12,009	21,340
Shareholders' equity			
Preferred stock and Common stock	336,122	150,606	185,516
Capital surplus	487,686	346,619	141,067
Accumulated deficit	(492,048)	(104,802)	(387,246)
Land revaluation difference	(4,869)	(5,469)	600
Net unrealized gains on available-for-sale securitie	32,629	16,692	15,937
Foreign currency translation adjustments	(79,193)	(87,379)	8,186
Treasury stock	(86)	(32)	(54)
Total shareholders' equity	280,241	316,234	(35,993)
Total liabilities and shareholders' equity	2,448,478	3,077,022	(628,544)

Consolidated Statements of Cash Flows

for the fiscal year ended March 31, 2005

Millions of yen

	For the fiscal year ended March 31, 2005	For the fiscal year ended March 31, 2004	Increase/ Decrease
Operating activities;			
Loss before income taxes and minority interests	(380,079)	(42,101)	(337,978)
Depreciation and amortization	24,784	33,557	(8,773)
Loss on revaluation of securities	13,415	8,998	4,417
Increase in allowance for doubtful receivables	64,121	23,570	40,551
Interest and dividend income	(22,084)	(29,116)	7,032
Interest expense	48,754	55,675	(6,921)
Equity in earnings of unconsolidated subsidiaries and affiliates	(10,741)	(5,929)	(4,812)
Gain on sale of securities	360	(21,945)	22,305
Losses on sale and disposal of property & equipment	95,495	4,317	91,178
Losses on revaluation of fixed assets	24,650	-	24,650
Decrease in trade receivables	7,171	101,743	(94,572)
Decrease in inventories	45,102	52,938	(7,836)
Decrease in trade payables	(15,770)	(49,161)	33,391
Other, net	85,043	(45,386)	130,429
Net cash provided by operating activities	(19,774)	87,160	(106,934)
Investing Activities			
Increase in time deposit, net	9,832	(15,090)	24,922
Decrease in marketable securities, net	15,411	6,687	8,724
Payments for property & equipment	(8,358)	(10,848)	2,490
Proceeds from sale of property & equipment	77,419	3,794	73,625
Payments for purchase of investment securities	(17,936)	(14,347)	(3,589)
Proceeds from sale of investment securities	80,361	76,955	3,406
Decrease in short - term loans receivable, net	58,176	30,625	27,551
Increase of long - term loans receivable	(8,180)	(35,559)	27,379
Collection of long-term loans receivable	26,810	24,410	2,400
Other, net	4,872	6,401	(1,529)
Net cash provided by investing activities	238,410	73,030	165,380
Financing activities			
Increase in short-term debt, net	85,255	(189,312)	274,567
Decrease in commercial paper, net	(2,000)	119,600	(121,600)
Proceeds from long-term debt	203,706	176,441	27,265
Repayments of long-term debt	(487,734)	(409,663)	(78,071)
Proceeds from issuance of bonds	9,998	47,225	(37,227)
Redemption of bonds	(40,088)	(85,794)	45,706
Proceeds from issuance of common stock/preferred stock	19,389	272,223	(252,834)
Other, net	(790)	677	(1,467)
Net cash used in financing activities	(212,264)	(68,602)	(143,662)
Effect of Exchange Rate Changes on Cash & Cash Equivalents	(882)	(5,630)	4,748
Net Decrease in Cash & Cash Equivalents	5,488	85,958	(80,470)
Cash & cash Equivalents at the Beginning of the Period	401,240	310,441	90,799
Effect of Change in Scope of Consolidation	(162)	4,840	(5,002)
Cash & Cash Equivalents at the End of the Period	406,566	401,240	5,326

Segment Information

for the fiscal year ended March 31, 2005

Industry Segments

The business segment information for the six-month period ended September 30, 2004 and preceding interim period are as follows:

For the fiscal year ended March 31, 2005

Millions of yen

	Machinery & Aerospace	Energy & Mineral Resources	Chemicals & Plastics	Construction & Urban Development	Forest Products & Building Materials	Foods
Net sales						
Outside customers	869,771	1,077,758	596,144	192,422	291,981	396,314
Inter-segment	16,845	34,200	29,809	3,651	16,184	12,053
Total	886,616	1,111,958	625,953	196,074	308,165	408,367
Operating expense	874,279	1,101,335	610,307	188,971	304,431	403,792
Operating income (loss)	12,336	10,622	15,646	7,103	3,733	4,575
Total assets	326,470	346,899	355,287	177,124	103,840	117,919

	General Commodities & Consumer Business	Textiles	Overseas Subsidiaries	Other	Total	Elimination	Consolidated
Net sales							
Outside customers	240,395	147,840	743,118	120,156	4,675,903	-	4,675,903
Inter-segment	3,252	2,870	290,456	16,031	425,353	(425,353)	-
Total	243,647	150,710	1,033,574	136,188	5,101,256	(425,353)	4,675,903
Operating expense	241,718	145,852	1,029,374	132,258	5,032,322	(421,941)	4,610,381
Operating imcome (loss)	1,928	4,857	4,199	3,930	68,934	(3,412)	65,521
Total assets	55,294	106,020	474,874	247,204	2,310,937	(137,541)	2,448,478

Notes:

1. Unallocated costs and expenses included in “Elimination and Unallocated” totaled 8,260 millions of yen and comprised mainly administrative group expenses applicable to Sojitz Corporation.

2. Company assets included in “Elimination and Unallocated” comprised mainly managed surplus (cash and deposits and bonds, and investment securities)

3. Comments relating to changes in the classification of and principal products of industry segments are provided as follows.

Following the merger between the former Nichimen Corporation and the former Nissho Iwai Corporation in April 2004, and in the period under review, business units were reclassified with the aim of better reflecting the operations of the Sojitz Group and to enhance efficiency. Information for the corresponding period of the previous fiscal year has been recalculated in accordance with the reclassification for comparative purposes.
Business segment reclassification is presented as follows.

Individual business segments for Construction & Urban Development, Forest Products & Building Materials, Foods, General Commodities & Consumer Business, and Textiles have been established. Data for each industry segment was previously included in Housing & Consumer Products.

The Machinery segment has been renamed the Machinery & Aerospace segment.

The Energy-Related Plant business, historically included in the Machinery & Metals segment has been integrated into the Energy & Mineral Resources segment.

The principal products of each industry segment are identified in this report under those sections titled “Status of the Corporate Group” and “Industry Segment Information.”

Segment Information

for the fiscal year ended March 31, 2005

Industry Segments (Continued)

(Ref.) For the fiscal year ended March 31, 2004

Millions of yen

	Machinery & Aerospace	Energy & Mineral Resources	Chemicals & Plastics	Construction & Urban Development	Forest Products & Building Materials	Foods
Net sales						
Outside customers	1,055,396	1,803,097	622,743	233,801	295,264	437,009
Inter-segment	9,814	58,236	26,434	579	8,153	12,638
Total	1,065,211	1,861,333	649,178	234,380	303,417	449,648
Operating expense	1,054,615	1,854,201	636,967	225,879	299,908	447,655
Operating income (loss)	10,596	7,132	12,210	8,500	3,508	1,992
Total assets	382,525	344,796	375,678	305,061	142,405	117,274

	General Commodities & Consumer Business	Textiles	Overseas Subsidiaries	Other	Total	Elimination	Consolidated
Net sales							
Outside customers	248,963	148,087	865,299	152,072	5,861,737	-	5,861,737
Inter-segment	552	3,003	287,781	18,440	425,634	(425,634)	-
Total	249,516	151,090	1,153,081	170,513	6,287,372	(425,634)	5,861,737
Operating expense	248,954	146,973	1,151,930	160,682	6,227,770	(425,981)	5,801,788
Operating income (loss)	561	4,116	1,151	9,830	59,601	(346)	59,948
Total assets	63,653	96,626	701,575	394,705	2,924,303	(152,718)	3,077,022

Notes:

1. Unallocated costs and expenses included in “Elimination and Unallocated” totaled 9,421 millions of yen and comprised mainly administrative group expenses applicable to Sojitz Corporation

2. Company assets included in “Elimination and Unallocated” comprised mainly managed surplus (cash and deposits and bonds, and investment securities).

Segment Information

for the fiscal year ended March 31, 2005

Geographic Segments

The geographic segment information for the six-month period ended September 30, 2004 and preceding interim period are as follows:

Fiscal year ended March 31, 2005

Millions of yen

	Japan	North America	Europe	Asia & Oseania	Other	Total	Elimination	Consolidated
Net sales								
Outside customers	3,542,471	350,122	142,877	598,290	42,142	4,675,903	-	4,675,903
Inter-area	249,905	112,244	37,929	210,403	345	610,828	(610,828)	-
Total	3,792,377	462,366	180,806	808,694	42,487	5,286,731	(610,828)	4,675,903
Operating expense	3,749,990	457,867	177,112	795,050	37,152	5,217,174	(606,792)	4,610,381
Operating income (loss)	42,386	4,499	3,693	13,643	5,334	69,557	(4,035)	65,521
Total assets	1,917,528	193,591	234,599	272,002	48,843	2,666,565	(218,087)	2,448,478

Notes:
1. Countries and regions are categolized by geographical classification.
2. The principal regions and countries included in each geographic segments are as follows:

North America:	United States and Canada
Europe:	UK and Germany
Asia & Oseania:	Singapore and China
Other:	South America and Africa

3. Unallocated costs and expenses included in “Elimination and Unallocated” totaled 8,260 millions of yen and comprised mainly administrative group expenses applicable to Sojitz Corporation.

4. Company assets included in “Elimination and Unallocated” comprised mainly managed surplus (cash and deposits and bonds, and investment securities).

(Ref.)For the fiscal year ended March 31, 2004

Millions of yen

	Japan	North America	Europe	Asia & Oseania	Other	Total	Elimination	Cosolidated
Net sales								
Outside customers	4,658,268	284,442	208,370	691,650	19,007	5,861,737	(-)	5,861,737
Inter-area	298,832	582,703	22,861	488,313	123	1,392,832	(1,392,832)	-
Total	4,957,100	867,145	231,231	1,179,963	19,130	7,254,569	(1,392,832)	5,861,737
Operating expense	4,901,976	867,149	229,214	1,172,426	17,322	7,188,096	(1,386,308)	5,801,788
Operating income (loss)	55,124	(4)	2,017	7,537	1,798	66,473	(6,525)	59,948
Total assets	2,225,734	268,573	326,665	329,178	68,997	3,219,147	(142,124)	3,077,022

Notes:
1. Countries and regions are categolized by geographical classification.
2. The principal regions and countries included in each geographic segments are as follows:

North America:	United States and Canada
Europe:	UK, Spain and Germany
Asia & Oseania:	Singapore, China and Thailand
Other:	South America and Africa

3. Unallocated costs and expenses included in “Elimination and Unallocated” totaled 9,421millions of yen and comprised mainly administrative group expenses applicable to Sojitz Corporation.

4. Company assets included in “Elimination and Unallocated” comprised mainly managed surplus (cash and deposits and bonds, and investment securities).

March 2005 Results Meeting

<Supplementary Document>   Examples of Our Business Activities

Sojitz Holdings Corporation

May 10, 2005

Commercial Aircraft Business

Commercial aircraft business possesses commanding market position
Sojitz Group dominates Japan’s commercial aircraft market

- Boeing -
A key business in which we have an overwhelming market share and track record
In addition to having introduced over 600 aircraft to airlines in Japan over half a century, our order accumulation is around ¥1.2 trillion
Our market share currently exceeds 85% in Japan

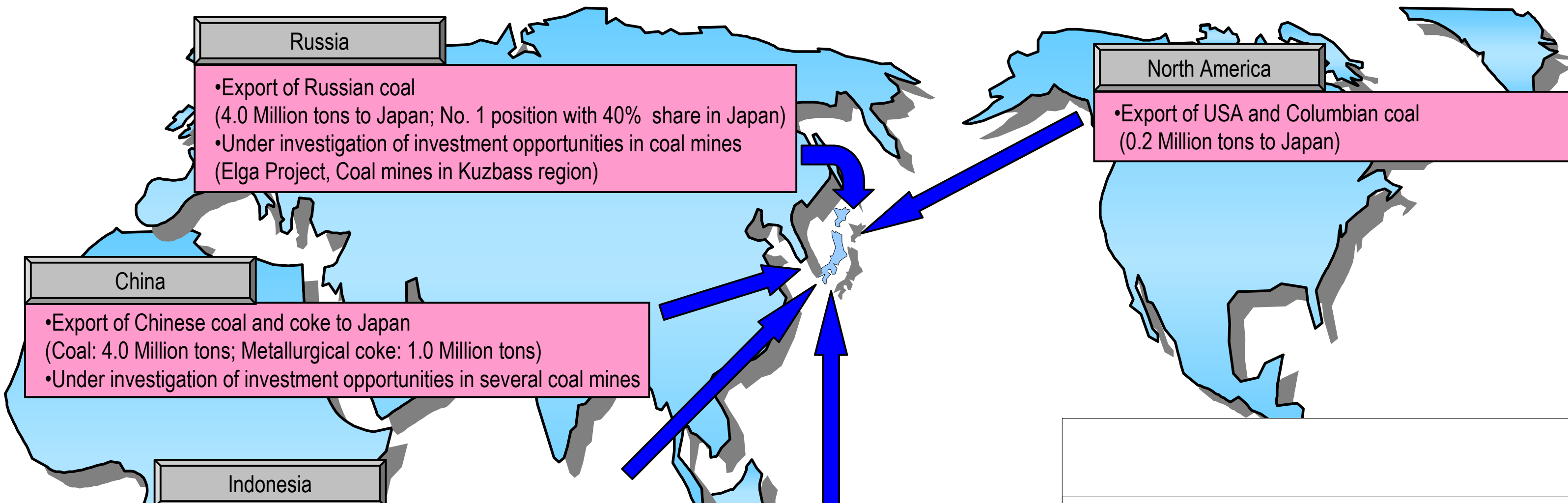
We successfully introduced the next-generation B787 Dreamliner jet to airlines in Japan
35% of the B787’s parts are manufactured by Japanese company groups

- Bombardier -
We hold 100% of the market share for commuter aircraft in Japan
We won contracts for 48 aircraft over the past eight years

We also acquired sales agency rights for all Bombardier business aircraft models in December 2004

Coal Business

Synergistic business arising from our strong marketing capability of Chinese and Russian coals and returns on our investments in Australian and Indonesian coal mines
(1) Approx.10% of 170 Million tons of total coal import volume to Japan (ranked in the 3rd position in Japan)
(2) Leading the industry in the imports of Russian coal (40% share) and Chinese steaming coal (25% share)
(3) Investment in highly profitable coal mines in Australia etc with independent partners. (40% of total profit at present - 70% in 2006)



Russia
•Export of Russian coal
(4.0 Million tons to Japan; No. 1 position with 40% share in Japan)
•Under investigation of investment opportunities in coal mines
(Elga Project, Coal mines in Kuzbass region)

North America
•Export of USA and Columbian coal
(0.2 Million tons to Japan)

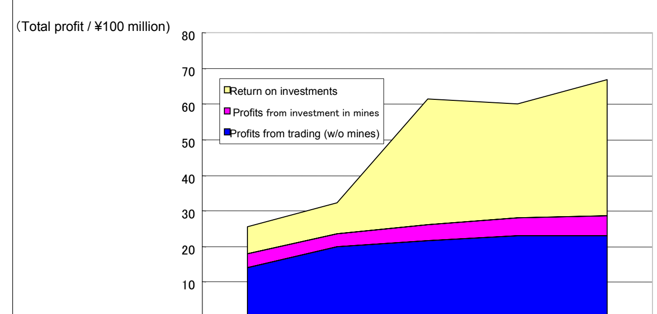
China
•Export of Chinese coal and coke to Japan
(Coal: 4.0 Million tons; Metallurgical coke: 1.0 Million tons)
•Under investigation of investment opportunities in several coal mines

Indonesia
•Export of Indonesian coal (3.5 Million tons to Japan)
•Indonesian coal mine investment (Berau coal mine: 10.0 Million tons)
•Under investigation of investment opportunities in new coal mines

Australia
•Export of Australian coal
(Approx. 6.3 Million tons to Japan; 0.3 Million tons to other regions)
•Investment in Australian coal mines (share purchase in Coal & Allied, equity investments in Jellinbah East coal mine, Coppabella coal mine, and 6 other coal mines)

Handling Volume by source (FY 2005 Forecast)

Australia	6.6 Million tons
China	5.0 Million tons
Indonesia	3.5 Million tons
North America	0.2 Million tons
Russia	4.0 Million tons
Total	19.3 Million tons



	FY 2003	FY 2004	FY 2005 (Est)	FY 2006 (Est)	FY 2007 (Est)
Return on investment	7.6	8.9	35.4	32.1	38.0
Profits from investment in mines	4.0	3.6	4.3	4.8	5.5
Profits from trading (w/o mines)	13.9	19.8	21.7	23.1	23.1

(*)Return on investment and loan: dividend income + minority interests (-) interest

Metton Resin Business

Expanding in U.S. and Europe as new material for applications such as large truck parts, construction and agricultural machinery
[Metton resin is an innovative new material free of glass fiber, allowing faster molding of large parts]

Business development

- In 1994, we started operations in the U.S. (Metton America, Inc. Texas, U.S.A.)
- Sales: $16.8 million (2004)
  $11.4 million (2003)

Metton's applications

- Parts for large trucks: hoods, air deflectors, bumpers, etc.
- Construction and agricultural machinery and a wide range of other uses

Product adopters

All U.S. truck makers, including Volvo, and Caterpillar, John Deere, etc.

Metton's features

- As a liquid resin, it is easily used to mold large and complex-shaped parts (low molding costs)
- It is free of glass fibers, but highly resists bumps (lightweight)

Retail Property Development Business

We are a leading developer in the retail property development business, optimally leveraging our trading company functions

Business Features

[Project management function]
Fully leveraging know-how accumulated from experience developing ventures such as those shown to the right, as well as in Saga, Sano, and Kazo; we handle all aspects ourselves, including land arrangements, store planning, tenant recruiting, and store operation

[Financing function]
We have developed a business model that employs sophisticated financing schemes and boasts very high investment efficiency

[Creditworthiness]
We are able to find quality tenants using our creditworthiness

[Future focus]
We are expanding profits further by enhancing our ability to attract customers

Gotemba Premium Outlets

Rinku Premium Outlets

Mallage Kashiwa (exterior)

Mallage Kashiwa (interior)

Apparel Business–Strengthening the Value Chain with New Investments

Our apparel business features integrated supply chain management (SCM) that extends from materials procurement to finished product, backed by our domestic and overseas network of production bases and quality control infrastructure
[Production and quality control system rapidly reflects consumers’ tastes in production process]

Raw fabric and cloth → **Sewing and processing** → **Production and quality control** → **Logistics** → **Wholesaling and retailing** → **Consumers**

Collaborating woven fabric factories (China and elsewhere)

Established Qingdao Jifa Longshan Dyeing & Weaving Co., Ltd. (China) (cotton fabric)

- Qingdao Zhongmian Knitting Co. Ltd. (T-shirts and other)
- Nanjing Sumian Garment Co., Ltd. (Shirts)
- Zibo Huamian Garment Co., Ltd. (Jeans)
- Ningbo Yongmian Fashion Garment Co., Ltd. (T-shirts)
- Takahata Co., Ltd. (Japan) (Pants)
- Shandong Honglimian Knit Products Co., Ltd. (Socks)
- Other collaborating woven fabric factories

Established Sojitz Apparel Corporation (adding planning and sample production capabilities)

Backing our strength in production

sojitz

Group management

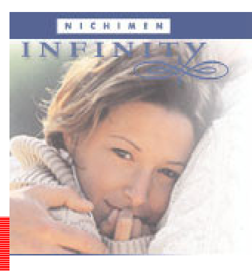
Singapore Co., Ltd. (Women’s apparel)

Expanding businesses in consumer markets

Nichimen Infinity Inc.

A leader in casual apparel, marketing McGREGOR brand products in Japan and 16 other countries

A top-echelon apparel company with high profitability



New investments

Merchandising based on field reports from markets

Afforestation and Woodchip Business Based on Concept of Environmental Conservation

Established afforestation capability -- conserve forest resources on global scale

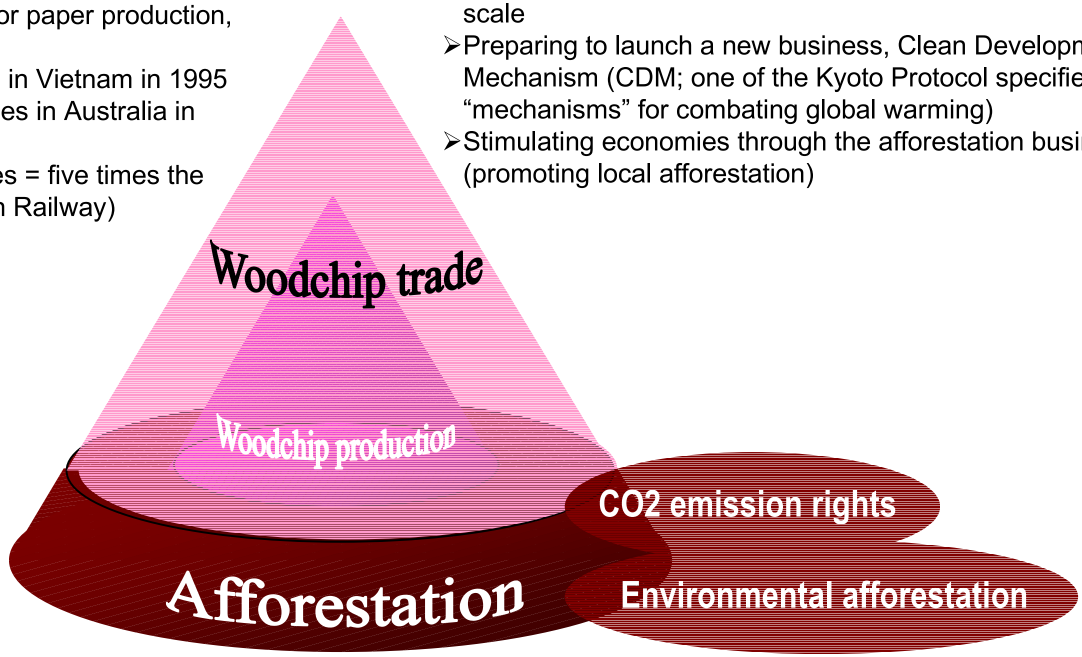
Began environmental related businesses 10 years ago

Adopted a policy of making forward-looking investments with a long time horizon to secure raw materials for paper production, while promoting local afforestation
- Launched our own afforestation business in Vietnam in 1995
- Launched our own afforestation businesses in Australia in 1997 and 1999

(planned afforestation area: 30,500 hectares = five times the area encircled by the Yamanote line, Japan Railway)

Social roles of our afforestation business

- Conserving forest resources on a sustainable basis and global scale
- Preparing to launch a new business, Clean Development Mechanism (CDM; one of the Kyoto Protocol specified "mechanisms" for combating global warming)
- Stimulating economies through the afforestation business (promoting local afforestation)



Established a value chain extending from the afforestation business through woodchip production and woodchip trade
- Established a woodchip production company with a Vietnamese partner in 1993 (have set up three operating companies in Vietnam)
- Strengthening supply chain management (SCM) through woodchip quality control and delivery control
- Building a woodchip business in Asia with low transportation costs

Woodchip production and woodchip trade