

## Summary of Consolidated Financial Results

January 31, 2005

for the third quarter ended December 31, 2004 ( Unaudited )

### 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  
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#### 1. Items regarding Preparation for the Summary of the Quarterly Results

- (1) Use of simplified accounting procedure : None  
 (2) Change in accounting policies from the latest consolidated fiscal year : Yes  
 (3) Change in number of consolidated subsidiaries and affiliated companies accounted for by equity method : Yes

	Dec 31, 2004	Sep 30, 2004	Mar 31, 2004
Consolidated subsidiaries	330	322	329
Unconsolidated subsidiaries (accounted for by the equity method)	11	22	24
Unconsolidated affiliates (accounted for by the equity method)	189	196	204

(4) Figures for the third quarter of fiscal 2004 and 2003 have not been audited by independent auditors.

#### 2. Consolidated Financial Results for the 3rd Quarter of Fiscal Year ending March 2005 (April 1, 2004 December 31, 2004 )

(1) Consolidated Operating Results (Rounded to millions of Japanese Yen)

	Net Sales		Operating Income		Recurring Profit		Net Income	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
3rd Qtr. of FY 2004	3,408,563	-22.71	49,986	10.68	41,176	27.92	238,957	-
3rd Qtr. of FY 2003	4,410,015	-	45,161	-	32,188	-	11,763	-
(Ref)FY 2003	5,861,737	-	59,948	-	48,461	-	33,609	-

	EPS	Adjusted EPS
	Yen	Yen
3rd Qtr. of FY 2004	1,107.72	-
3rd Qtr. of FY 2003	61.81	-
(Ref)FY 2003	172.52	-

Note; Percentages shown for net sales, operating income and recurring profit are the rates of increase or decrease from the previous corresponding period. Quarterly financial statements were first prepared from the previous fiscal year. Accordingly, rates of increase and decrease for that period have not been disclosed.

#### (2) Financial Position (Consolidated)

	Total Assets	Shareholders' Equity	Shareholders' Equity Ratio	BPS
	Millions of Yen	Millions of Yen	%	Yen
3rd Qtr. of FY 2004	2,717,804	436,538	16.1	867.48
3rd Qtr. of FY 2003	3,293,011	340,142	10.3	359.14
(Ref)FY 2003	3,077,022	316,234	10.3	235.43

#### Descriptive Analysis of Consolidated Financial Results:

Net sales for the nine-month period ended December 31, 2004 amounted to 3,408.6 billion yen, a decrease of 1,001.4 billion yen compared with the corresponding period of the previous fiscal year. This was attributed to the reduction in low-profit transactions in energy-related business. On the earnings front, gross trading profit was 179.0 billion yen, a year-on-year decline of 5.7 billion yen. The Company recorded selling, general and administrative expenses of 129.0 billion yen, an improvement of 10.5 billion yen compared with the corresponding period of the previous fiscal year. As a result, operating income was 50.0 billion yen, an increase of 4.8 billion yen. Recurring profit, a key indicator in the Company's New Business Plan, amounted to 41.2 billion yen, an increase of 9.0 billion yen, attributed to an increase in equity in earnings of affiliated companies. In the nine-month period ended December 31, 2004, Sojitz Holdings made steady progress, achieving 82% of its full-year target.

The Company recorded extraordinary losses totaling 255.5 billion yen, net of extraordinary gains and losses, in accordance with its projection under the New Business Plan. As a result, net loss after income taxes was 238.9 billion yen.

In addition, Sojitz Holdings has successfully established a robust financial position in line with the New Business Plan, issuing preferred stock in the amount of 360.0 billion yen to a number of its principal bankers including UFJ Bank Limited as well as the UBS Group on October 31, 2004.

#### 3. Consolidated Earnings Forecast for the Fiscal Year Ending March 2005 (April 1, 2004 March 31, 2005):

	Net Sales (Forecast)	Recurring Profit (Forecast)	Net Income (Forecast)
	Millions of Yen	Millions of Yen	Millions of Yen
Annual	5,000,000	50,000	380,000
(Ref) EPS	1,763.50 Yen		

Sojitz Holdings has made no change to its consolidated and non-consolidated full-year earnings forecasts for the fiscal year ending March 31, 2005, which were disclosed on November 16, 2004.

\* This forecast is based on rational assumptions and beliefs in light of the information currently available to the management, and is subject to uncertainties that could cause actual results to differ materially from this information.

**Consolidated Statements of Income**  
for the third quarter ended December 31, 2004

Millions of yen

	Third quarter (Apr. 1, 2004 - Dec. 31, 2004)	Semi annual results (Apr. 1, 2004 - Sep. 30, 2004)	Quarterly results (Oct.1, 2004 - Dec. 31, 2004)	Third quarter (Apr. 1, 2003 - Dec. 31, 2003)	Difference	
					Amount	Percentage
<b>Net sales</b>	3,408,563	2,254,215	1,154,347	4,410,015	(1,001,452)	(22.71)
Cost of sales	(3,229,540)	(2,134,498)	(1,095,042)	(4,225,297)	995,757	(23.57)
<b>Gross trading profit</b>	179,023	119,717	59,305	184,718	(5,695)	(3.08)
Selling, general and administrative expenses	(129,036)	(86,783)	(42,252)	(139,556)	10,520	(7.54)
<b>Operating income</b>	49,986	32,934	17,052	45,161	4,825	10.68
Interest income	12,768	9,181	3,586	17,964	(5,196)	(28.92)
Dividend income	2,294	1,479	815	3,043	(749)	(24.61)
Equity in gains of unconsolidated subsidiaries and affiliates-net	9,541	6,083	3,458	3,781	5,760	152.34
Other income	10,898	6,935	3,962	14,930	(4,032)	(27.01)
Non-operating income	35,502	23,679	11,822	39,719	(4,217)	(10.62)
Interest expense	(34,721)	(23,890)	(10,830)	(40,976)	6,255	(15.27)
Interest expense on commercial papers	(2,021)	(1,261)	(759)	(1,393)	(628)	45.08
Other expense	(7,570)	(5,699)	(1,871)	(10,322)	2,752	(26.66)
Non-operating expense	(44,313)	(30,851)	(13,461)	(52,692)	8,379	(15.90)
<b>Recurring profit</b>	41,176	25,762	15,413	32,188	8,988	27.92
Extraordinary loss-net	(255,516)	(245,327)	(10,189)	(35,789)	(219,727)	613.95
<b>Income before income taxes</b>	(214,340)	(219,564)	5,224	(3,601)	(210,739)	-
Income taxes; Current	(7,111)	(5,553)	(1,557)	(8,495)	1,384	(16.29)
Deferred	(14,827)	(13,858)	(969)	1,901	(16,728)	-
Minority interests in consolidated subsidiaries	(2,678)	(2,094)	(583)	(1,569)	(1,109)	70.68
<b>Net Income (Loss)</b>	(238,957)	(241,071)	2,114	(11,763)	(227,194)	-

## Consolidated Balance Sheets

As of December 31, 2004

<b>Assets</b>	December 31, 2004	March 31, 2004	Millions of yen Increase/ Decrease
<b>Current assets;</b>			
Cash and deposits	326,081	435,671	(109,590)
Trade notes and trade accounts receivables	659,281	708,982	(49,701)
Securities	12,718	17,705	(4,987)
Inventories	217,546	239,499	(21,953)
Short-term loans receivables	56,833	188,002	(131,169)
Deferred tax assets-current	6,339	13,346	(7,007)
Other current assets	182,778	171,637	11,141
Allowance for doubtful receivables	(19,783)	(39,926)	20,143
<b>Total current assets</b>	<b>1,441,795</b>	<b>1,734,918</b>	<b>(293,123)</b>
<b>Fixed assets;</b>			
Tangible assets	452,001	493,163	(41,162)
Intangible assets;	115,619	66,228	49,391
Goodwill	81,728	41,375	40,353
Other intangible assets	33,891	24,852	9,039
Investments and other fixed assets;	706,570	781,335	(74,765)
Investments securities	397,324	410,531	(13,207)
Long-term loans	119,746	182,093	(62,347)
Non-performing receivables	327,585	152,614	174,971
Deferred tax assets-non-current	67,433	95,685	(28,252)
Deferred tax assets-revaluation	1,651	1,822	(171)
Others	77,859	82,373	(4,514)
Allowance for doubtful receivables	(285,031)	(143,786)	(141,245)
<b>Total fixed assets</b>	<b>1,274,191</b>	<b>1,340,726</b>	<b>(66,535)</b>
<b>Deferred assets</b>	<b>1,817</b>	<b>1,377</b>	<b>440</b>
<b>Total assets</b>	<b>2,717,804</b>	<b>3,077,022</b>	<b>(359,218)</b>

## Consolidated Balance Sheets

As of December 31, 2004

Liabilities and shareholders' equity	Millions of yen		
	December 31, 2004	March 31, 2004	Increase/ Decrease
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade notes and trade accounts payables	479,400	479,264	136
Short-term debts	739,957	996,605	(256,648)
Commercial paper	173,800	141,200	32,600
Current Portion of Long-term debt	217,115	363,114	(145,999)
Income taxes payable	6,262	7,788	(1,526)
Deferred tax liabilities-current	584	257	327
Allowance for reward payable	2,952	3,108	(156)
Allowance for restructuring loss	-	500	(500)
Other current liabilities	175,116	220,479	(45,363)
<b>Total current liabilities</b>	<b>1,795,188</b>	<b>2,212,318</b>	<b>(417,130)</b>
<b>Non-current liabilities;</b>			
Bonds, less current portion	57,509	61,167	(3,658)
Long-term borrowings	325,210	430,640	(105,430)
Deferred tax liabilities -non-current	6,311	10,463	(4,152)
Allowance for retirement benefits	32,390	7,928	24,462
Other non-current liabilities	30,317	26,259	4,058
<b>Total non-current liabilities</b>	<b>451,740</b>	<b>536,459</b>	<b>(84,719)</b>
<b>Total liabilities</b>	<b>2,246,928</b>	<b>2,748,778</b>	<b>(501,850)</b>
<b>Minority Interest in consolidated subsidiaries</b>	<b>34,337</b>	<b>12,009</b>	<b>22,328</b>
<b>Shareholders' equity</b>			
Preferred stock and Common stock	331,657	150,606	181,051
Additional paid-in capital	483,252	346,619	136,633
Accumulated deficit	(317,786)	(104,802)	(212,984)
Loss on land revaluation	(5,188)	(5,469)	281
Unrealized losses on available-for-sale securities	20,861	16,692	4,169
Foreign currency translation adjustments	(76,205)	(87,379)	11,174
Treasury stock	(53)	(32)	(21)
<b>Total shareholders' equity</b>	<b>436,538</b>	<b>316,234</b>	<b>120,304</b>
<b>Total liabilities and shareholders' equity</b>	<b>2,717,804</b>	<b>3,077,022</b>	<b>(359,218)</b>

**Segment Information**  
for the Third Quarter ended December 31, 2004

**Industry Segments**

Third quarter ended December 31, 2004

Millions of yen

	Machinery & Aerospace	Energy & Mineral Resources	Chemicals & Plastics	Construction & Urban Development	Forest Products & Building Materials	Foods
Net sales						
Outside customers	653,667	770,170	452,695	99,806	226,851	302,053
Inter-segment	11,306	34,339	22,780	2,033	13,254	9,568
Total	664,974	804,509	475,475	101,840	240,105	311,621
Operating expense	656,482	797,360	462,204	98,029	236,993	307,769
Operating income (loss)	8,491	7,149	13,271	3,810	3,111	3,852
Total assets	317,677	381,537	376,219	229,650	121,690	126,691

	General Commodities & Consumer Business	Textiles	Overseas Subsidiaries	Other	Total	Elimination & Unallocated	Consolidated
Net sales							
Outside customers	186,619	110,577	517,607	88,514	3,408,563	-	3,408,563
Inter-segment	3,330	2,151	207,849	8,848	315,462	( 315,462 )	-
Total	189,949	112,728	725,457	97,363	3,724,026	( 315,462 )	3,408,563
Operating expense	188,702	108,754	723,020	94,399	3,673,716	( 315,140 )	3,358,576
Operating income (loss)	1,247	3,974	2,436	2,963	50,309	( 322 )	49,986
Total assets	68,207	112,109	489,129	432,598	2,655,513	( 62,291 )	2,717,804

Notes:

1. Unallocated costs and expenses included in "Elimination & Unallocated" in operating expense totaled 3,211 million yen and are mainly applicable to Sojitz Corporation administrative group expenses.

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

3. Comments relating to changes in industry segment classification and each industry segment's principal products for Sojitz Corporation are provided as follows.

Following the merger between the former Nissho Iwai Corporation and the former Nichimen 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.

Industry segment reclassification is presented as follows.

Individual industry 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.

## Segment Information

for the Third Quarter ended December 31, 2004

### Industry Segments (Continued)

(Ref.) Third quarter ended December 31, 2003

Millions of yen

	Machinery & Aerospace	Energy & Mineral Resources	Chemicals & Plastics	Construction & Urban Development	Forest Products & Building Materials	Foods
Net sales						
Outside customers	815,154	1,362,788	470,183	147,279	215,105	326,303
Inter-segment	9,037	48,762	9,072	468	5,752	9,924
Total	824,192	1,411,551	479,255	147,747	220,857	336,227
Operating expense	816,184	1,406,195	468,597	143,793	218,463	334,324
Operating income (loss)	8,007	5,355	10,658	3,954	2,393	1,902
Total assets	382,525	344,796	375,678	305,061	142,405	117,274

	General Commodities & Consumer Business	Textiles	Overseas Subsidiaries	Other	Total	Elimination & Unallocated	Consolidated
Net sales							
Outside customers	192,735	113,028	639,600	127,837	4,410,015	-	4,410,015
Inter-segment	498	2,350	246,096	14,353	346,316	( 346,316 )	-
Total	193,233	115,379	885,696	142,190	4,756,332	( 346,316 )	4,410,015
Operating expense	192,380	111,911	885,230	132,264	4,709,344	( 344,490 )	4,364,854
Operating income (loss)	853	3,468	466	9,926	46,987	( 1,826 )	45,161
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" in operating expenses totaled 6,861 millions yen and are mainly applicable to Sojitz Corporation administrative group expenses.
2. Company assets included in "Elimination and Unallocated" comprised mainly managed surplus (cash and deposits and bonds) and investment securities.