

24<sup>th</sup> July 2003

To Whom It May Concern

Nissho Iwai-Nichimen Holdings Corporation  
President & Co-CEO: Hidetoshi Nishimura  
Securities Code: 2768 TSE 1st Section / OSE 1st Section  
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### **Notice Regarding Integration of Logistics Subsidiaries**

As part of the Nissho Iwai-Nichimen Group's organizational restructuring and rationalization drive, the Logistics subsidiaries of Nissho Iwai Corporation and Nichimen Corporation respectively will be merged into a single corporate entity '*Nissho Iwai-Nichimen Logistics Corporation*', with business operations scheduled to commence from 1<sup>st</sup> August 2003. The two companies to be merged are *Nissho Iwai Logistics Corporation* (Daiba, Minato-ku, Tokyo) and *Nichimen Logistics Co., Ltd.* (Shiba, Minato-ku, Tokyo).

The above-mentioned merger is expected to result in improved administrative efficiency as well as a leaner organization due to the streamlining of duplicate functions and reduction of redundant personnel. The combined business volume will also lead to augmented 'bargaining power', an overwhelmingly important advantage in the Logistics industry, which in turn will contribute to increased customer satisfaction.

Through the introduction of advanced Logistics functions, *Nissho Iwai-Nichimen Logistics Corporation* will not only be able to continue offering existing services, but also improve profitability by offering Contract Logistics services (3PL services based on extensive use of Information Technology). In addition, the new entity will operate in various industries, including Machinery, Automobiles, Steel, Non-ferrous Metals, Coal, Chemicals, Plastics, Textiles, Foods and Consumer Products, etc., serving both domestic markets as well as overseas markets centering on the Asian region (such as China, Vietnam, Thailand, Indonesia, etc.). This will enable it to capitalize on the strengths of a General Trading company's comprehensive Logistics functions as well as merger synergies and thus differentiate itself from specialized Logistics firms.

It is estimated that the total sales will be around JY 7.6 billion in FY 2004 and JY 8.6 billion in FY 2005.

**Company** : Nissho Iwai-Nichimen Logistics Corporation

**Directors & Auditors**  
President : Sekio Hara  
Vice-President : Masanori Daikuhara  
Senior Managing Director : Shojiro Ogino  
Managing Director : Tsuneo Senzoku  
Auditor : Masanori Mizobuchi  
Auditor : Kentaro Watanabe

**Headquarters** : 2-3-1 Daiba, Minato-ku, Tokyo

**Business Network** :  
Branch Office : Osaka  
Field offices : - Tachiaigawa (Shinagawa-ku, Tokyo)  
- Mita

Overseas liaison offices : Beijing, Shanghai, Hong Kong, Ho Chi Minh

**Capital** : JY 143.9 million

**Accounting Period** : April to March

**Major Shareholders** : Nissho Iwai Corporation (58%)  
Nichimen Corporation (42%)

**Number of Employees** : 127