



# **Our New Group Structure and Group Name**

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**Nissho Iwai - Nichimen Holdings Corporation**

**February 10, 2004**

# Contents

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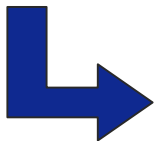
<b>Group Management Vision</b>	<b>P. 1</b>
<b>Business Integration—Progress to Date</b>	<b>P. 2</b>
<b>New Group Name</b>	<b>P. 3</b>
<b>Merger Details</b>	<b>P. 4 - 5</b>
<b>Group Structure</b>	<b>P. 6 - 9</b>
<b>Group Symbol</b>	<b>P. 10</b>

# Group Management Vision

- ◆ Establish a multi-faceted business, which has both top-tier competitiveness and strong earning power in specific industries and markets, by continuously pursuing profitability and growth in core business areas.
- ◆ Establish an innovative trading company, to actively respond to environmental changes and market globalization, and continuously develop new business fields through entrepreneurship.
- ◆ Establish a functional trading company, to understand multiple customer needs and provide sophisticated, tailor-made services as each customer's business partner.
- ◆ Establish an open company, where each employee is given a chance to realize his or her own personal goals and ambitions.

# Business Integration—Progress to Date

- ◆ On April 1, 2003, Nichimen Corporation and Nissho Iwai Corporation established a joint holding company, Nissho Iwai – Nichimen Holdings Corporation.
- ◆ During the last year we have reinforced a number of initiatives based on the keywords of “Speed & Action” underpinned by the goals of an “Improvement in Profitability,” and the “Reinforcement of Financial Strength” identified in our Business Plan.
- ◆ In preparation for the second year of our Business Plan, we have been considering the most appropriate structure and name for the new Group with the aim of creating the ultimate management integration structure and maximizing integration efficiency.



**Resolution to merge the operations of Nichimen and Nissho Iwai culminating in a corporate rebirth as the “Sojitz Group.”**

# New Group Name

The Nissho Iwai – Nichimen Group will adopt a new name,  
**“The Sojitz Group”**

- ◆ Rationale : The name “Sojitz” is composed of two parts.
  - The Japanese word “so” is used to symbolize the strong partnership among us, our customers, and our society.
  - The Japanese word “jitz” symbolizes our efforts to become a corporate group characterized by its dynamic energy and a source of great power.
- ⇒ Together, “Sojitz” embodies the Group’s commitment and dedication to secure sustained growth in concert with our customers and to realize a bright and prosperous future.

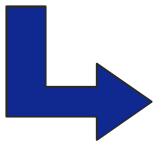
## New Group Name Effective Date

- The new Group name will take effect from today, February 10, 2004.
- The change of the holding company name from “Nissho Iwai - Nichimen Holdings Corporation” to “Sojitz Holdings Corporation” will take effect on July 1, 2004, following approval at its Annual General Meeting of Shareholders to be held in June.
- Its affiliates will change their names on a gradual basis commencing February 10, 2004.

# Merger Details

## Objectives of Business Integration

- ◆ The operations of Nichimen Corporation and Nissho Iwai Corporation will merge on April 1, 2004 with the aim of maximizing business efficiency.
- ◆ Under the umbrella of the holding company, the merger of the two core operating companies will produce a number of benefits.
  - To improve profitability by enhancing collective strengths and pursuing business synergies
  - To reinforce operating and financial strength by securing flexibility through increased business reorganization, rationalization and by promoting management efficiency



**Working toward the goals of our Business Plan to become an innovative and functional trading company.**

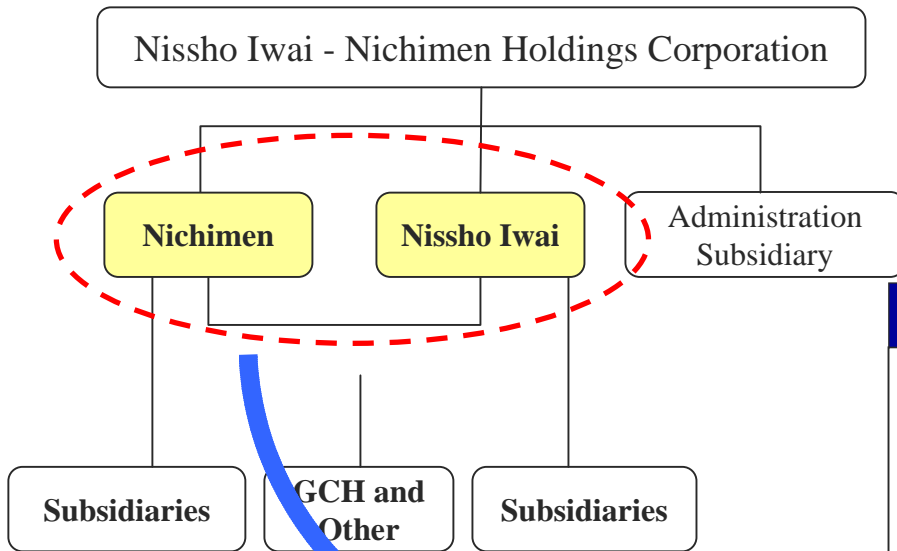
# Merger Details

## Timeline

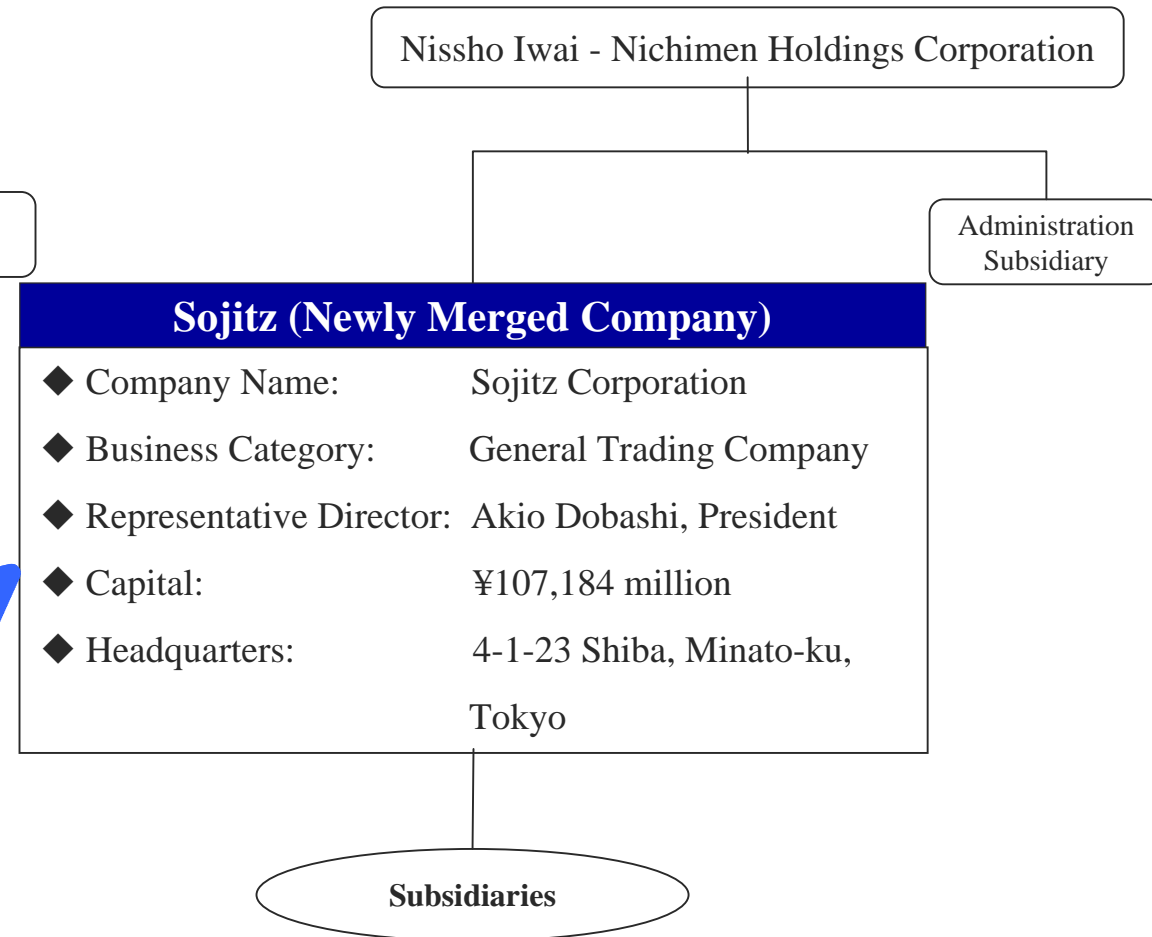
- ◆ Merger Date
  - April 1, 2004
  
- ◆ Important Milestones
  - February 10, 2004 Approval of the merger agreement by the Board of Directors of Nissho Iwai – Nichimen Holdings Corporation, Nichimen Corporation and Nissho Iwai Corporation
  - February 10, 2004 Execution of the Merger Agreement
  - February 26, 2004 Scheduled ratification of the Merger Agreement at respective shareholders' meetings of Nichimen Corporation and Nissho Iwai Corporation
  - April 1, 2004 Scheduled date of the merger
  - Early April, 2004 Scheduled registration of the merger
  
- ◆ Merger Method
  - In accordance with statutory requirements, Nichimen Corporation will remain as the surviving entity.
  
- ◆ Merger Ratio
  - Nichimen Corporation and Nissho Iwai Corporation are wholly owned subsidiaries of the holding company. Accordingly, a merger ratio shall not be determined. In addition, no new shares shall be issued and no money delivered as a result of the merger.

# Group Structure (1)

## Current



## From April 1, 2004

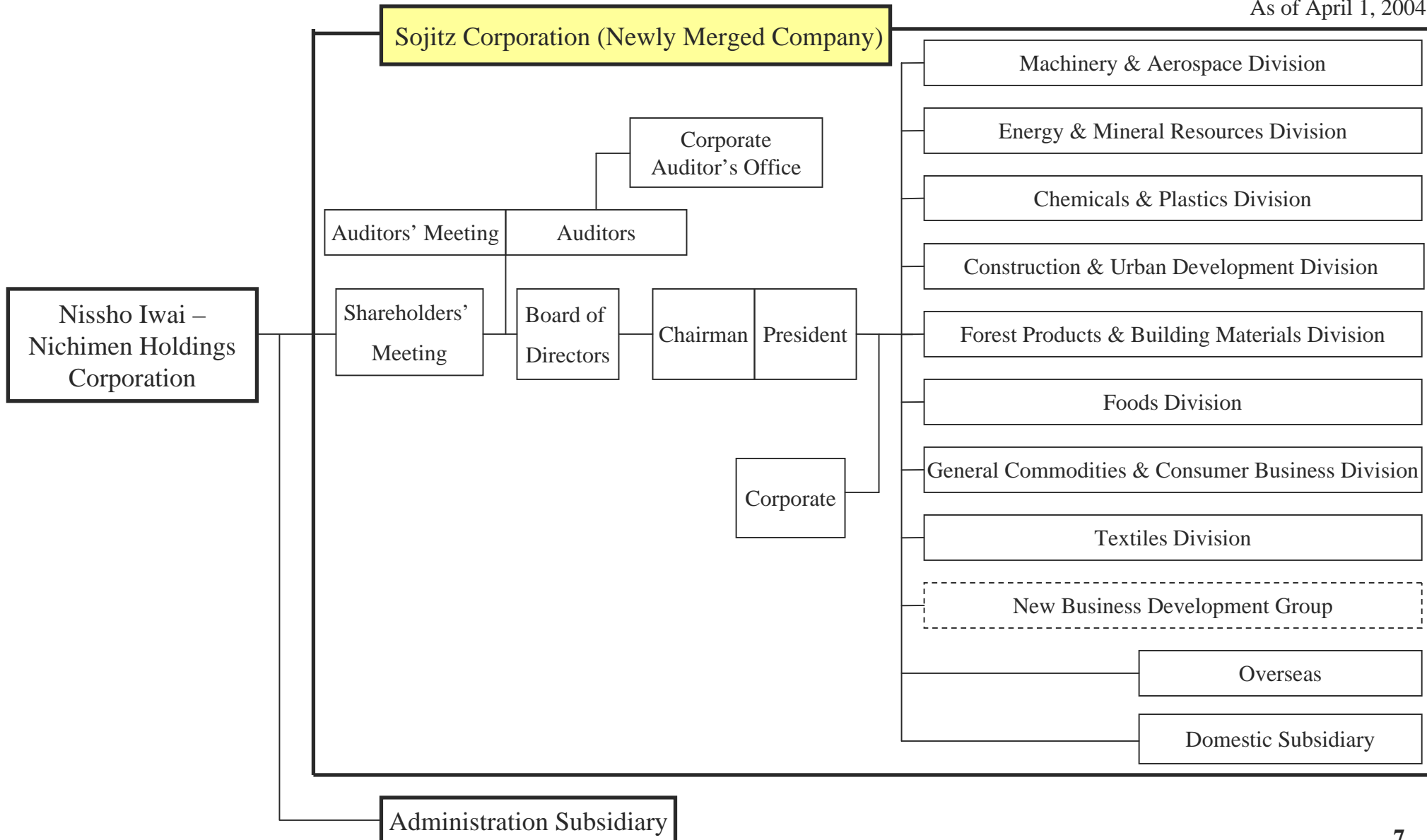




# Group Structure (2)

## (Organizational Structure of Newly Merged Company)

As of April 1, 2004



# Group Structure (3)

## (Group Management Policy)

### ◆ Function of Nissho Iwai - Nichimen Holdings Corporation

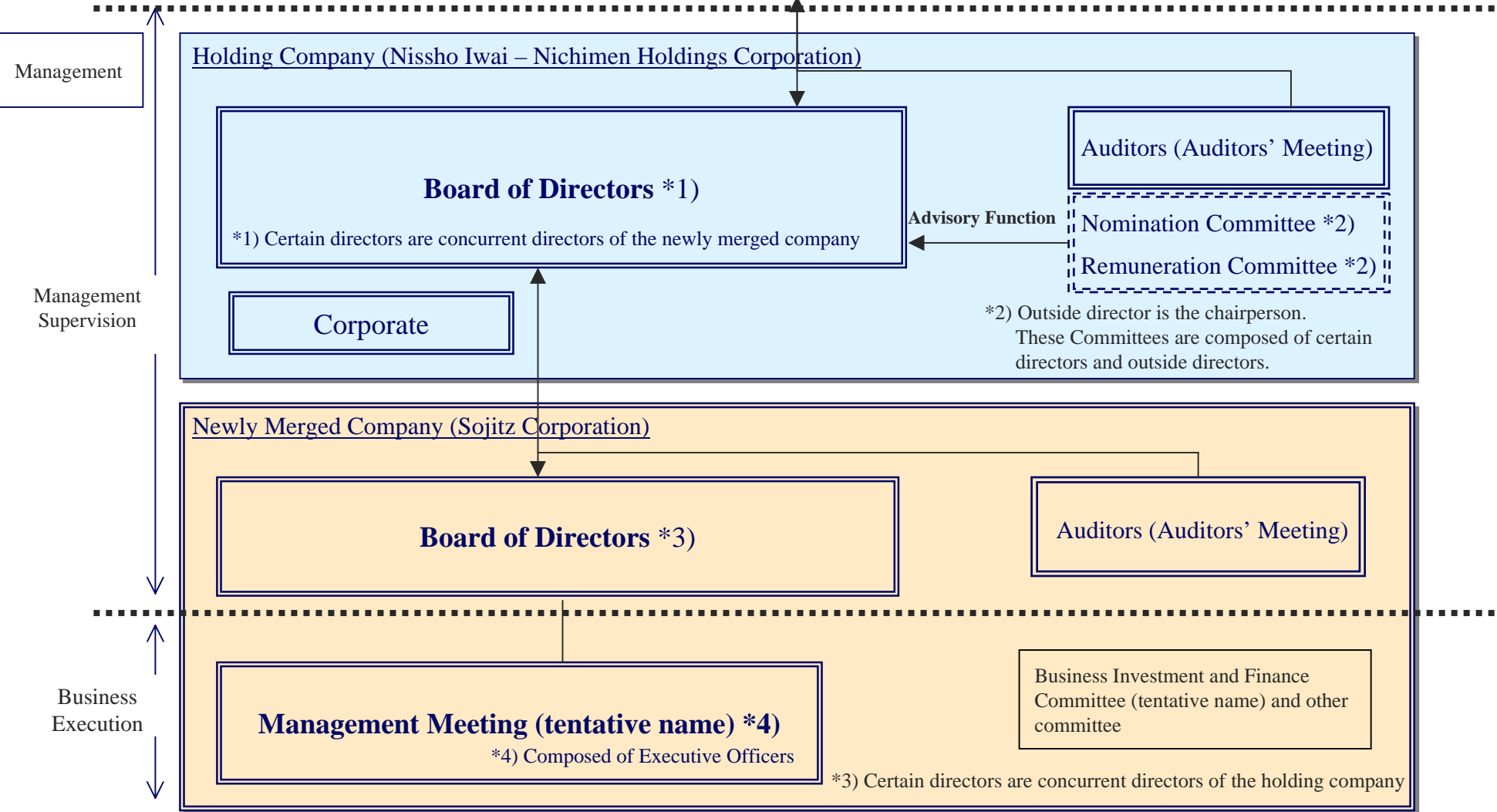
- Sojitz Holding Corporation, as a publicly listed company, will maintain management responsibility and accountability to its shareholders and all other stakeholders.  
In addition, it is responsible for the overall planning, decision-making, management, and implementation of Group guidelines and policies relating to matters of primary importance. In order to further reinforce management transparency and corporate governance, it plans to appoint outside directors, who will also chair the Company's Nomination and Remuneration Committees.
- The Holding Company Board of Directors is the principal decision-making body of the Group and is responsible for deliberating and determining matters of primary importance. The Board of Directors will, however, delegate a significant portion of their authority to the newly merged company with the aim of promoting management efficiency and speed and eliminating duplication in decision-making and operations.

### ◆ Function of the Newly Merged Company “Sojitz Corporation”

- The newly merged company shall form the core operating company of the Group and also oversee the operations of affiliated companies.
- Under the authority delegated to it by the Holding Company, the newly merged company shall deliberate and determine all matters not deliberated and determined by the Holding Company.
- A number of initiatives shall be adopted to ensure the newly merged company fulfills its designated role. These initiatives include the establishment of a Board of Directors as the principal decision-making body and Management Meetings (tentative name), which shall be convened to deliberate and determine relevant matters.
- Moreover, to support the management meetings identified above, a Business Investment and Finance Committee (tentative name) and a number of other committees shall be established to discuss and deliberate over each proposal.

# Group Structure (4) (Corporate Governance)

Shareholders (Shareholders' Meeting)



# Group Symbol

The Sojitz Group has identified a new corporate Group symbol in line with its management vision.



## Rationale

This Group symbol represents a visual expression of our underlying mission to stand at the forefront of global business development in partnership with our customers and to secure mutual growth with the global community.

## Symbol Mark

- The symbol mark is a dynamic image of two arrows soaring skyward, extending beyond the earth's horizon.
- The design is also a pictogram of the Japanese character for the "so" in our new name.

## Color

- We have identified "Sojitz blue" as the color for our symbol mark
- It represents the trust we are working to garner from our customers and society and our global efforts to pursue business with speed and a spirit of innovation.

## **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.