

Nissho Iwai-Nichimen Holdings Corporation
Sojitz Corporation

**Sojitz to Establish an Automobile Scrap Processing Factory
in collaboration with AOKI SHOUTEN**

Contributes to recycling of resources and advanced recycling-based society

(Japan, April 7, 2004)--Sojitz Corporation, established as a result of a merger between Nichimen Corporation and Nissho Iwai Corporation, will establish 'CRS SAITAMA Co., Ltd.' jointly with AOKI SHOUTEN Co., Ltd. (Head office: Niiza-shi, Saitama; President: Ine Aoki) to perform automobile scrap processing, and support the smooth distribution of recycled resources from scrapped automobiles.

CRS SAITAMA, which is scheduled to go into operation in May, will be capitalized at 340 million yen, 51% of which will come from AOKI SHOUTEN and 49% from Sojitz. The facility will perform ELV (End of Life Vehicle) through processing, bearing in mind the Automobile Recycling Law that will come into force in January 2005, and will boast Japan's top level annual processing capacity of 24,000 vehicles.

Although the current mainstream for ELV processing is shredder processing, there are growing concerns over the lack of scrap yards and over regulation of influx. In addition, some cases are being observed where the method's susceptibility to the iron scrap market price result in inappropriate processing. Further, there is the fact that inappropriate shredder dust processing has come to be recognized as a social problem, as shredder dust contains toxic substances.

The Automobile Recycling Law will require the adoption of electronic manifests so that all process flows involved in the ELV process can be tracked. CRS SAITAMA will adopt a processing method with which components containing copper are removed and then treated by press processing, and will effectively use subsequent resources for electric furnaces. CRS SAITAMA anticipates that ELV processing will be contracted to those who perform operations with appropriate processes, and aims to win extensive support by ensuring transparency by means of through processing.

Iron scrap is discharged from all the sources that support every industry, including the automobile industry. CRS SAITAMA will recover these important resources, and deliver them to distribution routes following processing operations, in the hope that the company will help to effectively recycle these limited resources.



Image of the CRS SATAMA factory

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