

April 13, 2004

To whom it may concern

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Notice Concerning the Transfer of a Subsidiary

Inclusion of Nissho Electronics Corporation in the Scope of Consolidation as a Subsidiary Company

Nissho Iwai – Nichimen Holdings Corporation (“NNH”) announced that consolidated subsidiary Sojitz Corporation (“Sojitz”) today reached an agreement with ITX Corporation (“ITX”) to purchase ITX’s 10,104,400 shares of stock in Nissho Electronics Corporation (“NELCO”). Following the acquisition, Sojitz will become NELCO’s largest shareholder, with a shareholding of approximately 35%, while the Sojitz Group will maintain a shareholding of approximately 40% in NELCO. Accordingly, NELCO will be included in NNH’s scope of consolidation as a subsidiary company.

1. Rationale (Background and Objective)

In April 2000, our activities in the information industry business were spun off into an independent subsidiary, ITX Corporation by the former Nissho Iwai Group (“NI Group”). In the ensuing period, the NI Group has worked to develop business in this area in partnership with other companies. At the same time, since its inauguration as a holding company in April 2003 following the business integration between Nichimen Corporation and Nissho Iwai Corporation, NNH has continued to evaluate the need for reorganization and reconstruction of the Group’s IT business. Recognizing the establishment of Sojitz in April 2004 as a watershed for the Group, NNH approached ITX regarding the transfer and acquisition of NELCO shares as a first step in the field of IT, and which coincided with ITX Corporation’s business reorganization plans.

NNH will position NELCO as a core company within the Group’s IT-related activities. We will work to expand business by leveraging the broad customer base of the Sojitz Group and at the same time strive toward creating new businesses and opportunities by maximizing synergy benefits between Sojitz’s content and service business and NELCO’s infrastructure and solutions expertise.

2. Method of Transfer

Acquisition of shares.

3. Details of Share Acquisition

(1) Transferor's Profile

Company Name: ITX Corporation
Representative: Akinobu Yokoo, President and CEO
Head Office: 3-2-5, Kasumigaseki, Chiyoda-ku, Tokyo
Businesses: Investment and business incubation, equipment sales and service provision in the IT and life science fields.

(2) Number of Shares

Number of Shares Acquired:	10,104,400 shares (35.39%)
Number of Shares Held Prior to Acquisition:	0 shares (0.00%)
Number of Shares Held After Acquisition:	10,104,400 shares (35.39%)

Note: Sojitz Corporation of America and other Sojitz subsidiary companies maintain ownership of 1,383,200 shares (4.84%) of NELCO. Following the acquisition, the Sojitz Group will hold a total of 11,487,600 shares (40.24%) of NELCO.

(3) Acquisition Price

Approximately ¥13.0 billion

(4) Schedule

April 13, 2004	Execution of Share Transfer Agreement
April 16, 2004	Share Transfer Settlement (proposed)

4. Profile of Subsidiary to be Transferred

- (1) Company Name: Nissho Electronics Corporation
(2) Representative: Takao Tsuji, President and CEO
(3) Head Office: 7-3-1 Tsukiji, Chuo-ku, Tokyo
(4) Established: February 1969
(5) Businesses: Provision of solutions and services in the fields of information and communications, information processing, electronics, voice and image data technology
- (6) Fiscal Year-End: March 31
(7) Number of Employees: 1,005 (Consolidated)
455 (Non-Consolidated)
(As of September 30, 2003)
- (8) Paid-in Capital: ¥14,336 million
(9) Number of Issued Shares: 28,551,000 shares
- (10) Principal Shareholders and Shareholding Prior to Transfer: ITX Corporation 35.39%
Sumitomo Corporation 19.88%
Others 44.73%
- (11) Principal Shareholders and Shareholding After Transfer: Sojitz Corporation 35.39%
Sumitomo Corporation 19.88%
Others 44.73%
- (12) Financial Results for the last two Fiscal Years (Consolidated): (Millions of Yen)

	Year ended March 31, 2002	Year ended March 31, 2003
Net Sales	57,852	85,552
Gross Trading Profit	12,295	17,854
Operating Income (Loss)	2,005	(4,563)
Recurring Profit (Loss)	(974)	(5,026)
Net Loss	(2,470)	(2,305)
Total Assets	53,819	71,819
Shareholders' Equity	34,498	37,620

5. Outlook

NNH's consolidated results will be affected from the fiscal year ending March 31, 2005 with the inclusion of NELCO in the Group's scope of consolidation.

The original and official version of this notice is written in Japanese.

In case of any discrepancies between this notice and the original, the Japanese version shall govern.