



July 20, 2004

To whom it may concern

Sojitz Holdings Corporation

**Comments on Rating and Investment Information, Inc.'s (R&I) Decision to
Downgrade Consolidated Subsidiary, Sojitz Corporation's, Long-Term Debt and Commercial
Paper Ratings**

Rating and Investment Information, Inc. (R&I) today downgraded consolidated subsidiary, Sojitz Corporation's (the Company), long-term debt rating to " B+ " and its commercial paper rating to " b " and confirmed the Company would remain on rating monitor with a view to further downgrade.

According to its news release, R&I has determined that following preliminary discussions between UFJ Holdings, parent company of Sojitz Corporation's main bank, UFJ Bank Limited, and the Mitsubishi-Tokyo Financial Group regarding management integration, the strong possibility exists that the Sojitz Group's Business Plan would inevitably be revised, notwithstanding continued financial support from UFJ Bank. Accordingly, rating downgrades have been deemed appropriate.

As previously disclosed, Sojitz Holdings remains committed to its policy of continuing autonomous management efforts and is in continuous discussions with UFJ Bank and its principal creditor banks regarding progress of its Business Plan. In order to increase the pace of progress, the Sojitz Group continues to consider a variety of measures.

The Sojitz Group remains in position to make steady progress on its Business Plan with the cooperation of its customers, shareholders, and financial institutions.