

Sojitz Cororation

Sojitz to Establish 'Sojitz (Shanghai) Trade & Commerce Co., Ltd.' to Undertake Trading Operations and Domestic Sales in China

(Japan, December 8, 2004)--Sojitz Corporation will establish 'Sojitz (Shanghai) Trade & Commerce Co., Ltd.' in which a 100 percent investment will be made by Sojitz (China) Co., Ltd. (Head office: Beijing; President & CEO: Keisuke Ishihara), a Sojitz holding company (investment company) in China. The Chinese government promotes trading and the opening of domestic market with their accession to the WTO, having issued the 'Measures for the Administration on Foreign Investment in Commercial Fields' in April 2004. Based on this regulation, establishment of wholly foreign-funded commercial enterprises with trade and domestic sales rights will be allowed from December 11, 2004. Consequently, an application for establishment of the new company will be filed.

Utilizing its trade and domestic sales rights in China, Sojitz (Shanghai) Trade & Commerce Co., Ltd. will not only undertake the export of Chinese-made goods and products in which Sojitz excels, but also will undertake the import of necessary resources, foodstuffs and products to the growing and expanding Chinese market. Further, the company will conduct regional-based businesses and contribute to the development of China through distribution and sales in China.

In the 'New Business Plan' (April 2004 - March 2007), the Sojitz Group positions the China region as an important market, and plans to aggressively conduct marketing activities there. The Group will continue to expand its business investment in the fields of energy resources such as coal, machinery, automobiles, chemicals, textiles, foods and forest products. The Sojitz Group aims at business expansion, from upstream to downstream areas in the Chinese market, through the introduction of the business unit structure in order to conduct marketing activities from planar aspects of the China region, including Hong Kong, and through the establishment of Sojitz (Shanghai) Trade & Commerce Co., Ltd. as a core company under the organizational structure.

[Outline of Sojitz (Shanghai) Trade & Commerce Co., Ltd.]

Representative: Keisuke Ishihara (plan)

Capital: \$1 million (Sojitz (China) Co., Ltd. - 100%)

Head office: Shanghai

Branch offices: Beijing, Dalian, Tianjin, Qingdao

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