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To whom it may concern

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Notice Concerning Dilution Loss from Changes in Equity Interest

Sojitz Corporation (“Sojitz” or “the Company”) today announced details of the conversion to common stock of convertible bonds with stock acquisition rights issued by Arysta LifeScience Corporation (“Arysta LifeScience”), an equity-method affiliate. As a result, Sojitz incurred a dilution in equity-interest losses in the third quarter of fiscal 2005 in line with the decline in equity interest in Arysta LifeScience.

1. Conversion to common stock of convertible bonds with stock acquisition rights.

Number of new shares issued: 6,578,251 shares of common stock

2. Change in equity interest as a result of the issue of new shares

	Number of shares prior to conversion	Number of shares after conversion
Number of shares issued and outstanding (Arysta LifeScience Corporation)	25,000,000 shares	31,578,251 shares
Number of Arysta LifeScience shares held by Sojitz	8,800,000 shares	8,800,000 shares
Rate of Sojitz' ownership in Arysta LifeScience as a percentage of total shares issued and outstanding	35.2%	27.9%

3. Impact on the Company's operating results

Following the conversion of convertible bonds with stock acquisition rights issued by equity-method affiliate Arysta LifeScience, Sojitz reported consolidated dilution loss from changes in equity interest totaling ¥2.9 billion. Notwithstanding the aforementioned, the Company has not amended its consolidated earnings forecasts for the fiscal year ending March 31, 2006.