

March 13, 2006

Sojitz Cororation
Sojitz Foods Corporation

Sojitz to Acquire Processed Marine Products Business

Further Strengthening of Downstream Business in the Food Sector

Sojitz group company Sojitz Foods Corporation (Head office: Akasaka, Minato-ku, Tokyo; President: Yoshikazu Funakoshi) will acquire a processed marine products business from Nippon Steel City Produce, Inc. (Head office: Nihonbashi, Chuo-ku, Tokyo; President: Akira Shoga). As of April 1, 2006, Sojitz Foods will take over all operations of NS Marine Products and Foods Inc. (Head office: Ginza, Chuo-ku, Tokyo; President: Isao Omiya), a wholly-owned subsidiary of Nippon Steel City Produce, Inc. that is engaged in the manufacture and sale of processed marine products, and will establish a new company.

Sojitz Foods and Marine Products Corporation (Head office: Akasaka, Minato-ku, Tokyo; Representative: Minoru Narawa) will be established as a wholly-owned subsidiary of Sojitz Foods Corporation. All employees of NS Marine Products and Foods and Otsuchi Plant will transfer to the new company. Sojitz Foods and Marine Products Corporation will utilize Sojitz Group's wide range of sales channels, such as convenience stores, vendors and mass retailers, and aims to achieve sales of 1,700 million yen in the first year.

Since its business launch in 1989 as Nippon Steel City Produce's marine products processing center, NS Marine Products and Foods has been undertaking the manufacture and sale of products such as flaked salmon and smoked salmon, both of which use salmon from Hokkaido and from Iwate, where the Otsuchi plant is located, and various sushi-dane (sushi toppings) and shime-saba (marinated mackerel) products that specifically use additive-free seasoned vinegar. A feature of the company's flaked salmon core products is their unique method of grilling to give flavor.

Nippon Steel City Produce Inc. has decided that handing over NS Marine Products and Foods to the Sojitz Group will enhance NS Marine Products and Foods' sales and procurement capabilities, and that further development can be expected. The subject business transfer to Sojitz Foods will be made consequently.

Under its basic policy of 'responding accurately to diverse consumer needs', Sojitz Foods works on aggressive product development and product proposals through stimulating consumer needs. Further, in addition to reinforcing their functions as a trading company and a wholesaler, the company positions the strengthening of manufacturer functions and corresponding product development capabilities as the highest priority. By adding NS Marine Products and Foods to the Sojitz Group, not only can synergetic effects be obtained in sales and material procurement, but a consistent supply chain can also be established; from material purchase and processing to sales in the field of marine products business.



[Examples of the processed marine products to be handled]

[Outline of Sojitz Foods and Marine Products Corporation]

Head office: 2-14-32 Akasaka, Minato-ku, Tokyo

Representative: Minoru Narawa

Capital: 10 million yen

Capital investor: Sojitz Foods Corporation 100%

###