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To whom it may concern

Nippon Light Metal Company, Ltd.
Sojitz Corporation

**Sojitz and Nippon Light Metal Company to Undertake
Feasibility Study for Construction of Aluminum Hydroxide Plant
for Chemical Processing Applications in Vietnam**

**Asia's largest project to produce 550,000 tons of aluminum hydroxide per annum
for chemical processing applications**

Sojitz Corporation and Nippon Light Metal Company, Ltd., in collaboration with the Vietnam Chemicals Corporation (VINACHEM; Head office: Hanoi) and its wholly-owned subsidiary the South Basic Chemicals Company Limited (SBC; Head office: Ho Chi Minh), will undertake a feasibility study for the construction of a plant for the production of aluminum hydroxide for chemical processing applications, which plant will be the largest in Asia. Upon obtaining approval from the Office of the Prime Minister, Vietnam for facilitation of the project, efforts will be undertaken towards construction of the plant in Lam Dong province in southern Vietnam, which province is a producer of bauxite, the raw material of aluminum hydroxide.

Following exploration of the bauxite mine, the four companies plan to select the most suitable site for construction of the plant and to commence construction work by 2008. The estimated aluminum hydroxide production capacity of the new plant will be approximately 550,000 tons per year, and the estimated total cost of the project will be approximately 40 billion yen. Funds procurement is planned to be mainly via the Energy and Natural Resources Finance Department of the Japan Bank for International Cooperation.

Nippon Light Metal boasts the largest production capacity in Asia for aluminum hydroxide for materials such as water treatment chemicals, phosphate-free detergent builders, artificial marble, and flame retardants. As a result of its advanced technical capabilities, the company provides high-quality aluminum hydroxide. Nippon Light Metal, which currently conducts aluminum hydroxide and alumina production at the Shimizu Plant in Japan, plans to relocate its aluminum hydroxide production base to the new plant in Vietnam. SBC has

under its umbrella a mining company with bauxite mines, and produces aluminum hydroxide. Synergetic effects from both companies will be presented through this joint project.

Sojitz positions Vietnam as an area of focus, and is engaged in the manufacture and sale of fertilizers and in chemical tank yard operations in the chemical-related segment. For the subject project, the company will be responsible for arranging finance for the project and will provide engineering support, utilizing its past business achievements in Vietnam. Further, for the sale of the aluminum hydroxide to be produced at the plant, Sojitz will work on marketing on a global scale, not just in Southeast Asia.

Vietnam is drawing attention as a producer of bauxite, since the country has the world's third largest reserves, and also has ample labor resources. The Vietnamese government has expressed its support for the development and utilization of domestic bauxite. Sojitz and Nippon Light Metal will realize a continuous and stable supply of quality aluminum hydroxide, through the joint construction of the plant with Vinachem and SBC-, who have a record of aluminum hydroxide production.

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