

September.27, 2002

To whom it may concern

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Notice regarding transfer of a subsidiary's shares

*Nissho Iwai Corporation, Nichimen Corporation and Global Chemical Holdings, Inc. (GCH)*, which is a joint holding company of the both companies in the Chemicals field have agreed that Nissho Iwai transfer 100% shares of Nissho Iwai Kagakuhin Co., Ltd. to GCH. The details are as follows.

1.Purpose of the transfer

As we noticed on August 26, 2002, Nissho Iwai and Nichimen have already agreed to take a potential full-scale merger of chemicals business operations in order to pursue higher synergy effect and also aim at maximizing corporate value. And this time we transfer 100% shares of Nissho Iwai Kagakuhin to GCH based on this basic agreement.

2.Plan

(1) Method of business transfer

100% shares of Nissho Iwai Kagakuhin Co., Ltd. (which has taken over Chemicals Business of parent company on September 20, 2002) are transferred to GCH on September 27, 2002.

(2) The Business transferred to the subsidiary

1. Earnings result for FY2001 (ended March 31, 2002) (million-yen)

	(a)	(reference)	
		The whole parent company(b)	Ratio (a) / (b)
Sales	49,971	3,675,718	1.4%
Recurring profit	583	7,668	7.6%

\* Based on in-house management accounting

2. Assets and liabilities of transferred business (as of March 31, 2002) (million-yen)

Assets Item	(book value)	Liabilities Item	(book value)
Current assets	13,862	Current liabilities	9,749
Non-current assets	8,233	Non-current liabilities	0
		In-house loan	12,346
Total	22,095	Total	22,095

\* Based on in-house management accounting

3. Employees: 78 (as of July 1, 2002)

3. Outline of the transferred subsidiary

Name: Nissho Iwai Kagakuhin Co., Ltd.  
Management: Hiroshi Hamano, President & CEO  
Location: Daiba 2-3-1, Minato-ku, Tokyo  
Established: May 10, 1973  
Shareholders' Equity: JY3,044 million  
Shareholding: Nissho Iwai 100%

4. Number of transferred shares and our ownership ratio

Issuing company Nissho Iwai Kagakuhin Co., Ltd.  
Number of shares before transfer 240,638 shares (ownership ratio 100%)  
Number of transferred shares 240,638 shares (transfer price JY10 billion)  
Number of shares after transfer 0 shares (ownership ratio 0%)

5. Outline of the transferee

Name: Global Chemical Holdings, Inc.  
Management: Atsumi Shirai, Chairman  
Kosaku Nakatani, President  
Location: Shiba 4-1-23, Minato-ku, Tokyo  
Shareholding: Nissho Iwai 50%, Nichimen 50%  
Business: Holding company in the Chemicals field

## 6. Time-line

September 27, 2002      Transfer of 100% shares of Nissho Iwai Kagakuhin co. to GCH

## 7. Effect on Earnings forecast (Year ending March 31, 2003)

Gain on sale of securities of about JY3.6 billion on a consolidated basis and about JY7.1 billion on a non-consolidated basis will be recognized as extraordinary profit.

No change in the previous earnings forecast FY2002 ending March 31, 2003 (consolidated/non-consolidated) is anticipated at this moment.