

**Meeting on Financial Results for the First Quarter of the Fiscal
Year Ending March 31, 2006
(The Three-Month Period Ended June 30, 2005)**

Sojitz Holdings Corporation

July 28, 2005



Group Management Vision

- ◆ **To establish a multi-faceted business, which has both top-tier competitiveness and strong earning power in specific industries and markets, by continuously pursuing profitability and growth in core business areas**
- ◆ **To nurture an innovative trading company, by actively responding to environmental changes and market globalization, and continuously developing new business fields through entrepreneurship**
- ◆ **To build a function-oriented trading company, by fully grasping and anticipating various client needs and providing sophisticated, tailor-made services as a client's business partner**
- ◆ **To become a flexible company, open to new ideas, where each employee can pursue challenges and explore opportunities to realize his or her own personal goals and ambitions**

Summary of Financial Results for the First Quarter of the Fiscal Year Ending March 31, 2006

(Profit/Loss Highlights)

Major Profit/Loss Items

(Billions of yen)	<u>FY2004 1Q Results</u>	<u>FY2005 1Q Results</u>	<u>Increase/ (Decrease)</u>	<u>FY2005 Initial Forecast</u>	<u>Percentage Achieved</u>	<u>FY2005 Revised Forecast</u>
Net Sales	1,214.0	1,130.7	(83.3)	4,900.0	23.1%	4,900.0
Gross Trading Profit <i>(Gross Trading Profit Ratio)</i>	58.8 4.84%	55.6 4.92%	(3.2) +0.07%	251.0 5.12%	22.2%	251.0 5.12%
Operating Income	15.3	15.7	+0.4	75.0	20.9%	78.0
Recurring Profit <i>(Recurring Profit Ratio)</i>	13.9 1.14%	20.8 1.84%	+6.9 +0.70%	65.0 1.32%	32.0%	74.0 1.51%
Net Income	9.8	18.4	+8.6	35.0	52.6%	38.0

Significant increase in recurring profit buoyed by strong performance by equity-method affiliates, improvement in the balance of interest expense and income, and other factors.

Steady increase in current period earnings contributing to upward revision in full-year forecasts.

Summary of Financial Position as of June 30, 2005

(Balance Sheet Highlights)

Major Balance Sheet Items

(Billions of yen)	<u>Results as of March 31, 2005</u>	<u>Results as of June 30, 2005</u>	<u>Increase/ (Decrease)</u>	<u>FY2005 Initial Forecast</u>	<u>FY2005 Revised Forecast</u>
Total Assets	2,448.5	2,389.3	(59.2)	2,535.0	2,538.0
Shareholders' Equity	280.2	311.0	+30.8	315.0	318.0
Net Interest-Bearing Debt	1,002.3	1,021.4	+19.1	1,050.0	1,050.0
Net DER	3.6 Times	3.3 Times	(0.3 Times)	3.3 Times	3.3 Times

Increase in shareholders' equity due to strong growth in current period earnings.
Achieved net DER of 3.3 times.

Gross Trading Profit (by Industry Segment)

(Billions of yen)

	FY04 1Q Results	FY05 1Q Results	Increase/ (Decrease)	Main Factors for Change
Machinery & Aerospace	9.9	9.9	0	Despite declines attributed to the withdrawal from low-profit businesses, overall results on par with the previous fiscal year due to strong performance in the automotive business in Central and South America, as well as the shipping and chartering businesses
Energy & Mineral Resources	8.2	10.0	1.8	Significant increase attributed to growth in transaction volumes; stable high market prices of mineral resource-related items such as petroleum, gas, coal, and ferroalloys; as well as the conversion to consolidated subsidiaries of mineral-resource related affiliates
Chemicals & Plastics	10.9	10.9	0	Segment results were firm. An overall strong performance in chemicals reflecting rising prices in petroleum and naphtha were offset by the decline in earnings owing to the rise in fertilizer material costs
Real Estate Development & Forest Products	7.5	4.7	(2.8)	Despite steady progress in the condominium business, earnings declined due to the absence of temporary transactions recorded in the corresponding period of the previous fiscal year in real estate development. Earnings in the forest products business also declined due to continued slump in market conditions
Consumer Lifestyle Business [Without Nakau]	12.0 [9.5]	9.6 [9.6]	(2.4) [0.1]	Year-on-year results declined due to the conversion of consolidated subsidiary Nakau Co., Ltd. to an equity-method affiliate. Excluding the impact from Nakau conversion, results were essentially unchanged compared with the corresponding period of the previous fiscal year owing to contributions from newly consolidated subsidiary Singapore Co., Ltd.
Overseas Subsidiaries	5.7	6.6	0.9	Increase in earnings reflecting strong chemicals and plastics performance in Asia, and robust results in printers, Nike, metal resources and other transactions in the United States
Others	4.6	3.9	(0.7)	Downturn in rental income due to the sale of the former headquarters buildings
Total [Without Nakau]	58.8 [56.3]	55.6 [55.6]	(3.2) [(0.7)]	

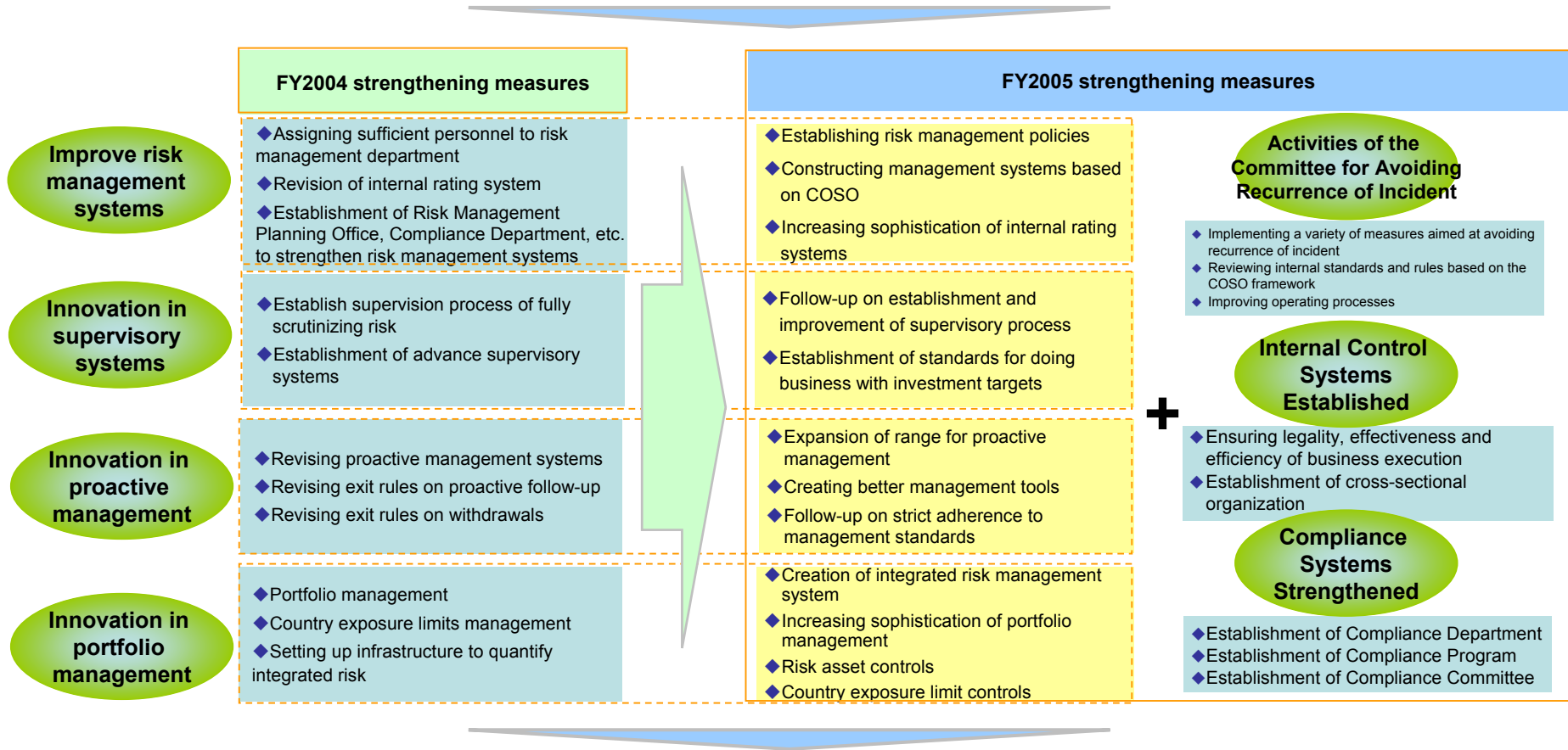
Recurring Profit (by Industry Segment)

(Billions of yen)	FY04 1Q Results	FY05 1Q Results	Increase/ (Decrease)	05 Initial Forecast	Percentage Achieved	Operating Condition	FY05 Revised Forecast
Machinery & Aerospace	2.1	2.9	0.8	9.5	31%	Results exceed initial forecast. Solid performance due to strong results in the automotive business in Central and South America, and shipping business reflecting the steady market condition of the chartering business	10.0
Energy & Mineral Resources	5.4	6.7	1.3	19.0	35%	Healthy performance by Metal One Corporation and businesses in petroleum, gas, coal, and ferroalloys. Results exceed initial forecast	20.5
Chemicals & Plastics	2.0	2.9	0.9	6.0	48%	Despite an anticipated drop in methanol prices in the second half, strong performance of chemicals and methanol have fueled substantial rates of growth. Results exceed initial forecast	6.5
Real Estate Development & Forest Products	2.0	1.3	(0.7)	9.0	14%	Results expected to meet forecasts. Performance in the condominium business is strong. Results in Forest Products to fall below initial forecast due to weak market conditions	9.0
Consumer Lifestyle Business	1.9	1.4	(0.5)	9.0	16%	Year-on-year decline in earnings due to the impact of a weak market. Heavy weight in the second half on transactions related to autumn and winter apparel, bedding products, marine products and others. Essentially in line with forecast	9.0
Overseas Subsidiaries	2.7	3.3	0.6	14.0	24%	Overall results to exceed initial forecast, buoyed by strong performance in Asia and steady results in the United States and Europe	14.5
Others	(2.2)	2.3	4.5	(1.5)	—	Increase attributed to investment and incubation business capital gains	4.5
Total	13.9	20.8	6.9	65.0	32%		74.0

Strengthen and Enhance Risk Management

Reevaluate risk management system to strengthen and enhance our comprehensive risk management

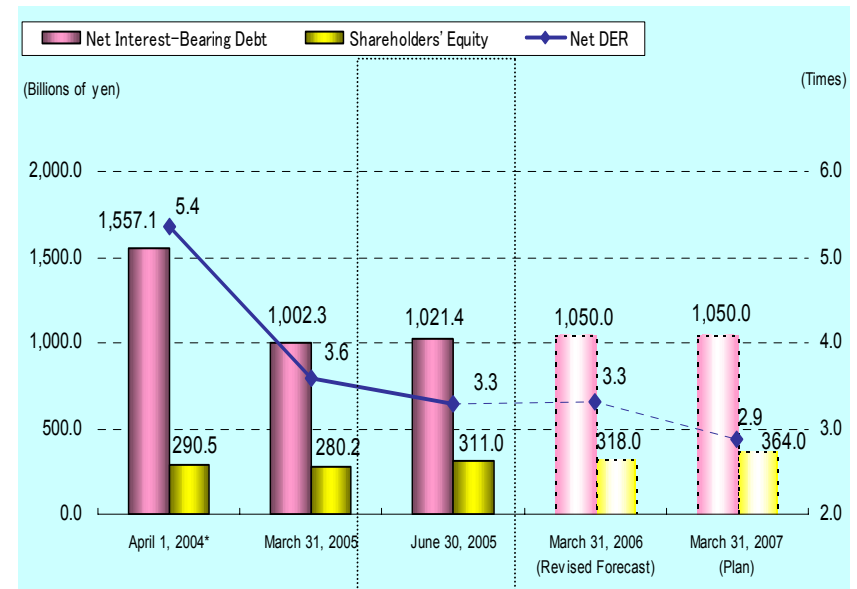
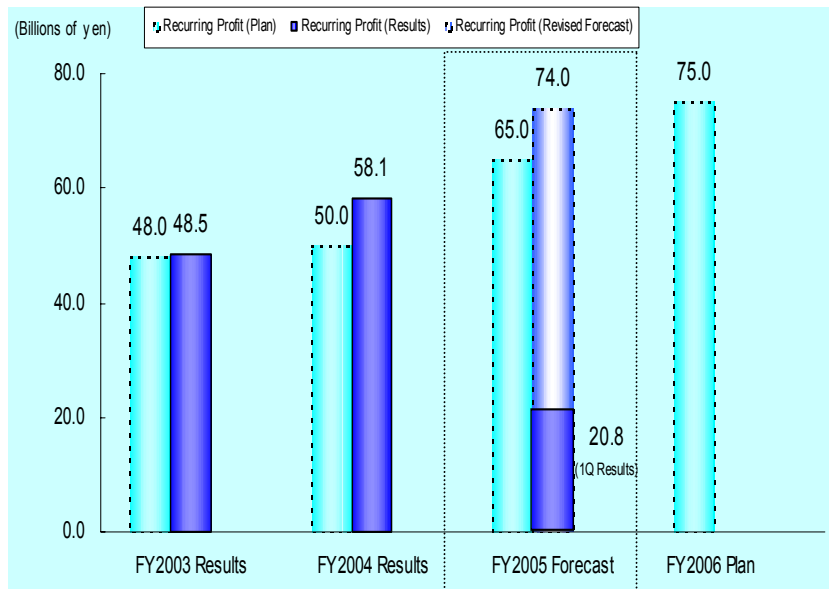
Maintain and improve upon the asset quality achieved through the restoration of assets



Establish internal control systems, comprehensive risk management systems, and framework to minimize loss

Financial Targets: Progress Report

Upward revision of recurring profit forecast for the fiscal year ending March 31, 2006.
Expectations to achieve fiscal year ending March 31, 2007 (final year) objectives



* Figure as of April 1, 2004 is provided in the form of reference data representing the merger of the former Nichimen Corporation and the former Nissho Iwai Corporation.

Toward achieving financial targets for the fiscal year ending March 31, 2007,
the final year of the New Business Plan

Recurring Profit: ¥75 billion

Net DER: Approx. 3 times
(Net interest-bearing debt: ¥1 trillion)

Disclaimer

This document includes statements of forward-looking descriptions regarding the intent, belief or current expectations of Sojitz Holdings Corporation (the “Company”) or its officers in terms of its operation and financial condition.

Accordingly, such statements contain risks and uncertainties since they are neither historical facts nor guarantees of future performance. Actual results may be varied and influenced by various factors. The Company does not undertake to revise such forward-looking descriptions to reflect those factors.