

February 10, 2004

To whom it may concern

Nissho Iwai - Nichimen Holdings Corporation  
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**Notice Regarding New Group Name and Structure,  
Merger of Subsidiaries**

On April 1, 2003, Nichimen Corporation and Nissho Iwai Corporation established a joint holding company, Nissho Iwai – Nichimen Holdings Corporation, the first step toward business integration. With a picture of the ultimate integration structure very much in mind, during the last year we have reinforced a number of initiatives based on the keywords of “Speed & Action” with the aim of ensuring maximum efficacy from the second year of our Business Plan. Against this backdrop, the Holding Company today announced that its Board of Directors approved a merger agreement between its consolidated subsidiaries Nichimen Corporation and Nissho Iwai Corporation . The two companies will merge effective April 1, 2004.

In addition, the Board of Directors selected a new Group name and Group symbol as well as the inaugural Group operating structure with the aims of further fortifying solidarity and realizing a new type of trading company in both name and substance.

While the merger of the Group's core companies, Nichimen Corporation and Nissho Iwai Corporation will complete another major step toward ultimate business integration, the new structure, which includes the Holding Company, will allow for continued flexibility in the Group's restructuring efforts. We will continue to promote optimum business portfolio strategy based on our continued execution of “Selection and Focus,” we will establish an optimal organization through rationalization, reorganization and merger.

## **I. New Group Name -- Sojitz Group**

### **1. Rationale**

The name "Sojitz" is composed of two parts. The Japanese word "so" is used here to symbolize the strong partnership among us, our customers, and our society. The Japanese word "jitz" symbolizes our efforts to become a corporate group characterized by its dynamic energy and a source of great power. Together, "Sojitz" embodies the Group's commitment and dedication to secure sustained growth in concert with our customers and to realize a bright and prosperous future.

### **2. Group Symbol**

The Sojitz Group has identified a new corporate Group symbol in line with its management vision. The new Group symbol, which is comprised of two parts—our symbol mark, a visual image, and our logotype, the new Group name—, is presented in *Appendix 1*, attached. This Group symbol represents a visual expression of our underlying mission to stand at the forefront of global business development in partnership with our customers and to secure mutual growth with the global community.

The symbol mark is a dynamic image of two arrows soaring skyward, extending beyond the earth's horizon. The design is also a pictogram of the Japanese character for the "so" in our new name. In addition, we have identified "Sojitz blue" as the color for our symbol mark, which represents the trust we are working to garner from our customers and society and our global efforts to pursue business with speed and a spirit of innovation.

### **3. Change of Holding Company Name**

Nissho Iwai – Nichimen Holdings Corporation will change its name to Sojitz Holdings Corporation.

### **4. Effective Date of New Group Name**

The new Group name will take effect from the date of this release. We anticipate the change of the Holding Company name will take effect on July 1, 2004, following approval at the Company's Annual General Meeting of Shareholders to be held in June. Its affiliates will change their names on a gradual basis commencing from the date of this release.

## **II. Merger of Nichimen Corporation and Nissho Iwai Corporation**

### **1. Rationale**

Nichimen Corporation and Nissho Iwai Corporation will merge on April 1, 2004 with the aim of maximizing business efficiency. Through the merger, the new Sojitz Corporation will work to improve profitability by enhancing collective strengths and pursuing business synergies. At the same time, we will reinforce operating and financial strength by securing flexibility through increased business reorganization rationalization and by promoting management efficiency to become an innovative and functional trading company.

### **2. Merger Details**

(a) Merger Date

April 1, 2004

(b) Important Milestones

February 10, 2004 Approval of the merger agreement by the Board of Directors of Nissho Iwai – Nichimen Holdings Corporation, Nichimen Corporation and Nissho Iwai Corporation

February 10, 2004 Execution of the Merger Agreement

February 26, 2004 Scheduled ratification of the Merger Agreement at respective shareholders' meetings of Nichimen Corporation and Nissho Iwai Corporation

April 1, 2004 Scheduled date of the merger

Early April, 2004 Scheduled registration of the merger

(c) Merger Method

In accordance with statutory requirements, Nichimen Corporation will remain as the surviving entity. -

(d) Merger Ratio

Nichimen Corporation and Nissho Iwai Corporation are wholly owned subsidiaries of the Holding Company. Accordingly, a merger ratio shall not be determined. In addition, no new shares shall be issued and no money delivered as a result of the merger.

**3. Outline of the Merging Companies (Consolidated Basis)**  
**(As of September 30, 2003)**

1)	Company	Nichimen Corporation	Nissho Iwai Corporation
2)	Business Category	General trading company	General trading company
3)	Establishment	November 10, 1892	February 8, 1928
4)	Headquarters	2-2-2 Nakanoshima, Kita-ku, Osaka	2-5-8 Imabashi, Chuo-ku, Osaka
5)	Representative*	President & CEO Akio Dobashi	President & CEO Hidetoshi Nishimura
6)	Capital Stock	¥ 107,184 million	¥ 184,524 million
7)	Number of Shares of Common Stock Issued	874,551,179 shares	1,527,117,453 shares
8)	Shareholders' Equity	¥ 138,971 million	¥ 204,619 million
9)	Total Assets	¥ 1,201,845 million	¥ 2,150,382 million
10)	Accounting Year-End	March 31	March 31
11)	Number of Employees	7,120	10,997
12)	Major Business Connections	Extensive range of customers and suppliers both domestic and overseas, mainly for trade, export and import	Extensive range of customers and suppliers both domestic and overseas, mainly for trade, export and import
13)	Major Shareholders & Ownership	Nissho Iwai – Nichimen Holdings Corporation 100%	Nissho Iwai – Nichimen Holdings Corporation 100%
14)	Main Banks	UFJ Bank Limited The Bank of Tokyo-Mitsubishi, Ltd. Mizuho Corporate Bank, Ltd.	UFJ Bank Limited Mizuho Corporate Bank, Ltd. The Bank of Tokyo-Mitsubishi, Ltd.

15) Financial Results for the Last Three Fiscal Years

(Millions of yen)

	Nichimen Corporation			Nissho Iwai Corporation		
	FY2000	FY2001	FY2002	FY2000	FY2001	FY2002
Net Sales (total trading transactions)	2,419,340	2,055,240	1,888,126	6,474,402	5,464,524	4,619,072
Recurring Profit	17,402	26,788	13,214	39,063	33,233	13,553
Net Income/Loss	(21,142)	1,340	(48,532)	20,041	1,183	(73,850)
Shareholders' Equity	88,624	81,535	30,109	120,276	106,728	20,328
Total Assets	1,663,923	1,404,359	1,174,634	3,613,977	2,957,578	2,104,259
Shareholders' Equity per Share (yen)	212.20	195.05	70.20	137.55	122.06	23.26
Net Income/Loss per Share (yen)	(50.62)	3.21	(114.23)	22.92	1.35	(84.48)

《Reference》

(Thousands)

Number of Shares of Common Stock Issued	421,002	421,002	434,511	874,434	874,434	874,434
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\* Representative: As of February 10, 2004

#### **4. Outline of the New Company Post Merger**

**(a) Company Name**

Sojitz Corporation

**(b) Business Category**

General trading company

**(c) Headquarters**

4-1-23 Shiba, Minato-ku, Tokyo

**(d) Directors and Corporate Auditors (Candidates)**

Chairman and Representative Director	Masaki Hashikawa
President and Representative Director	Akio Dobashi
Executive Vice President and Representative Director	Kenichi Minami
Representative Director	Kenji Okazaki
Representative Director	Yutaka Kase
Director	Yasuyuki Fujishima
Director	Katsuyuki Sumida
Corporate Auditor	Masaru Nakatani
Corporate Auditor	Joji Wada
Corporate Auditor	Masaji Shinagawa
Corporate Auditor	Yoshiaki Ishida

**(e) Capital Stock**

¥107,184 million

**(f) Accounting Year-End**

March 31

**(g) Impact on Financial Results**

For the full fiscal year ending March 31, 2004, Nichimen Corporation and Nissho Iwai Corporation are subsidiary companies included in the scope of consolidation. Accordingly, there is no change to operating forecasts of financial results.

### **III. Group Structure**

#### **1. Group Management** (Please refer to *Appendix 2* attached.)

##### **The Holding Company**

- (a) Nissho Iwai – Nichimen Holdings Corporation, as a publicly listed company, maintains management responsibility and accountability to its shareholders and all other stakeholders. In addition, it is responsible for the overall planning, decision-making, management, and implementation of Group guidelines and policies relating to matters of primary importance. In order to further reinforce management transparency and corporate governance, it plans to appoint outside directors, who will also chair the Company's Nomination and Remuneration Committees.
- (b) The Holding Company Board of Directors is the principal decision-making body of the Group and is responsible for deliberating and determining matters of primary importance. The Board of Directors will, however, delegate a significant portion of their authority to the newly merged company with the aim of promoting management efficiency and speed and eliminating duplication in decision-making and operations.

##### **Newly Merged Company**

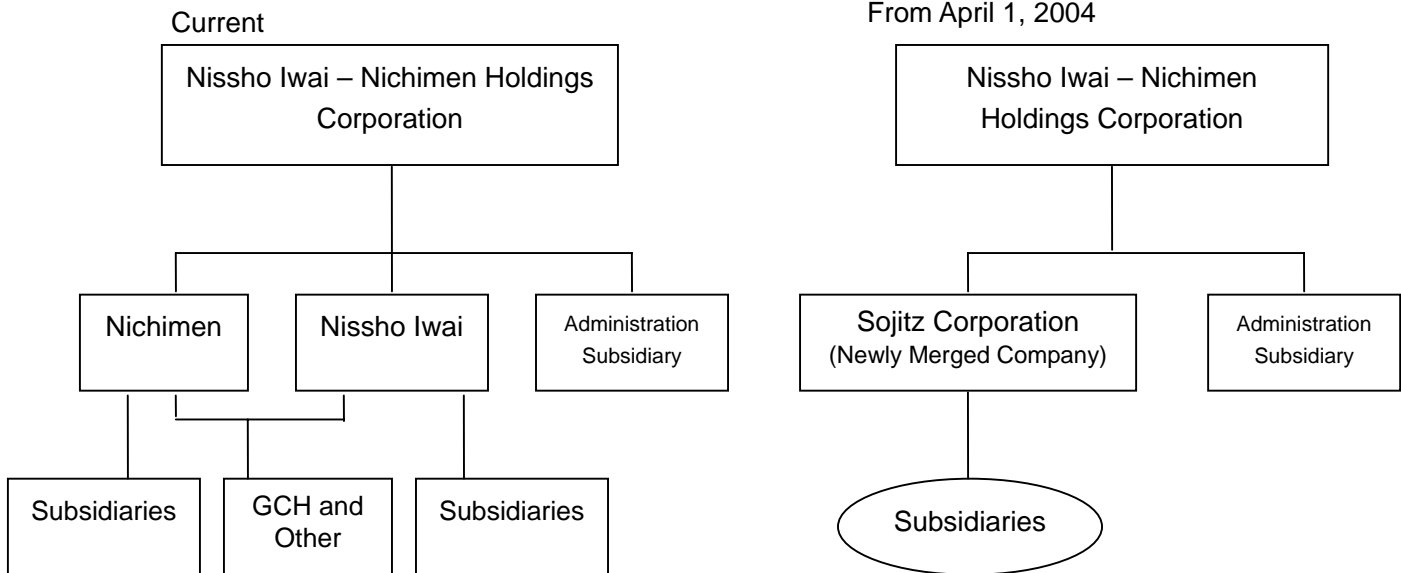
- (a) The newly merged company shall form the core operating company of the Group and also oversee the operations of affiliated companies.
- (b) Under the authority delegated to it by the Holding Company, the newly merged company shall deliberate and determine all matters not deliberated and determined by the Holding Company.

A number of initiatives shall be adopted to ensure the newly merged company fulfills its designated role. These initiatives include the establishment of a Board of Directors as the principal decision-making body and Management Meetings (tentative name), which shall be convened to deliberate and determine relevant matters.

Moreover, to support the management meetings identified above, a Business Investment and Finance Committee (tentative name) and a number of other committees shall be established to discuss and deliberate over each proposal.

## 2. Group Structure

Effective April 1, 2004, the Group structure shall be as follows:



### Notes:

- i) The above chart is a summary of the Group's proposed new structure. It is not presented as a detailed description.  
The change of the Holding Company's name to Sojitz Holdings Corporation is anticipated to take effect on July 1, 2004, following approval at the Company's Annual General Meeting of Shareholders to be held in June.
- ii) GCH is the abbreviated name for Global Chemical Holdings, Inc., a joint holding company of Nichimen (50%) and Nissho Iwai (50%) in the chemical business field.
- iii) The administration subsidiary is Nissho Iwai - Nichimen Shared Service Corporation, a shared service company established in July 2003 through the integration of five subsidiaries as part of the Group's efforts to reorganize and rationalize administration companies.

## 3. Head Office Organization and Executive Management System of the Newly Merged Company (Planned)

### (a) Organizational Structure

The newly merged company's head office organizational structure is planned to take effect from April 1, 2004. (Please refer to *Appendix 3* attached.)

[Operating Divisions] Eight operating divisions comprising:

Machinery & Aerospace; Energy & Mineral Resources; Chemicals & Plastics; Construction & Urban Development; Forest Products & Building Materials;

Foods; General Commodities & Consumer Business; and Textiles.  
As a sub-group, the company will establish a New Business Development Group.

[Corporate Departments] Eight corporate departments comprising:  
Secretariat; Corporate Planning; Human Resources & General Affairs; Finance;  
Corporate Accounting; Legal; Risk Management; and Business Administration.

(b) Executive Management System

A list of proposed directors and executive officers is presented in *Appendix 4* attached. (Appointments of other key personnel will be disclosed on an ongoing basis when determined.)

***The original and official version of this notice is written in Japanese.  
In case of any discrepancies between this notice and the original, the Japanese version shall govern.***



Global Arrows  
( Symbol mark )

***sojitz***

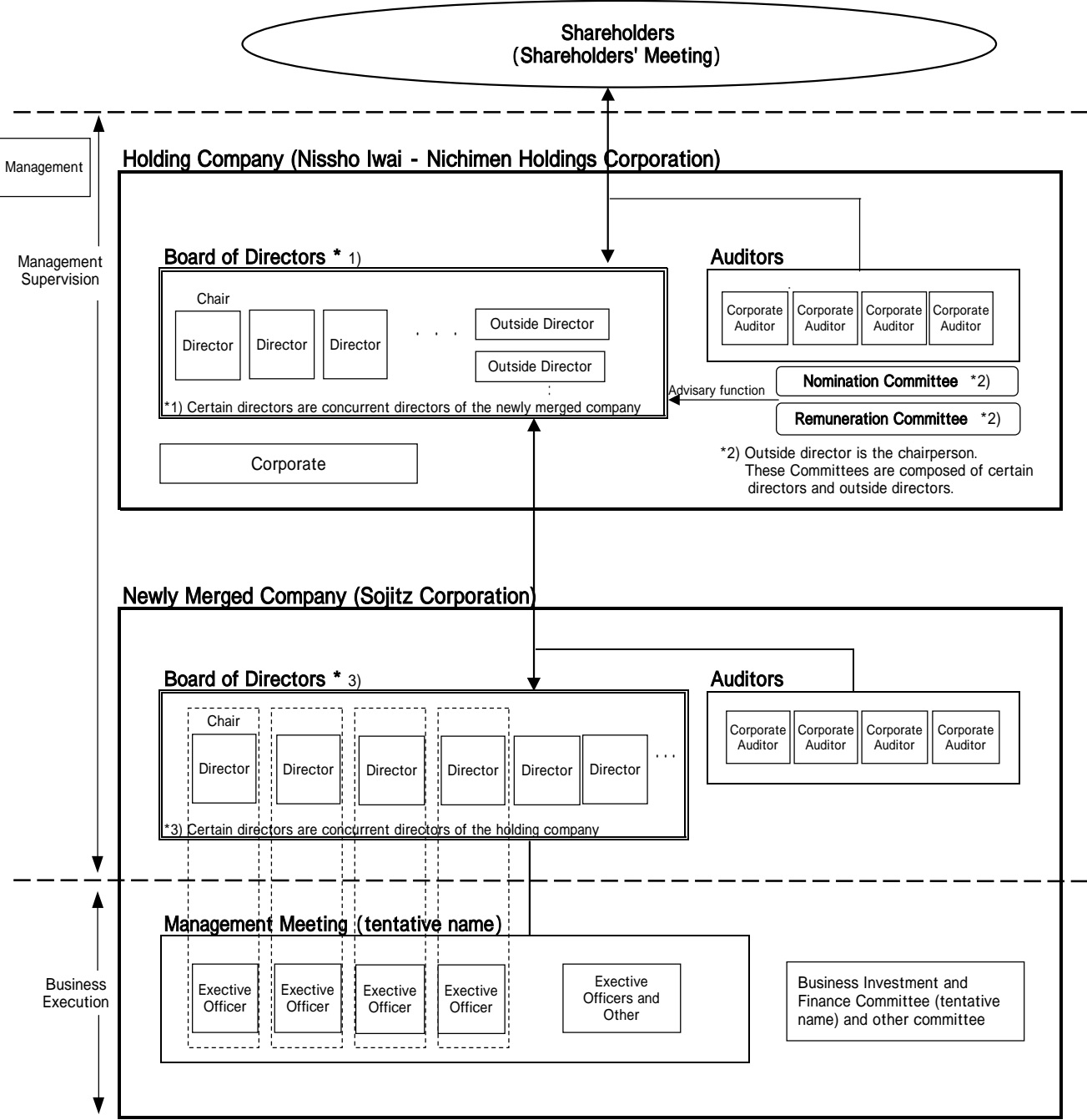
Sojitz Logotype



Sojitz Blue

双日ホールディングス株式会社  
Sojitz Holdings Corporation

双日株式会社  
Sojitz Corporation



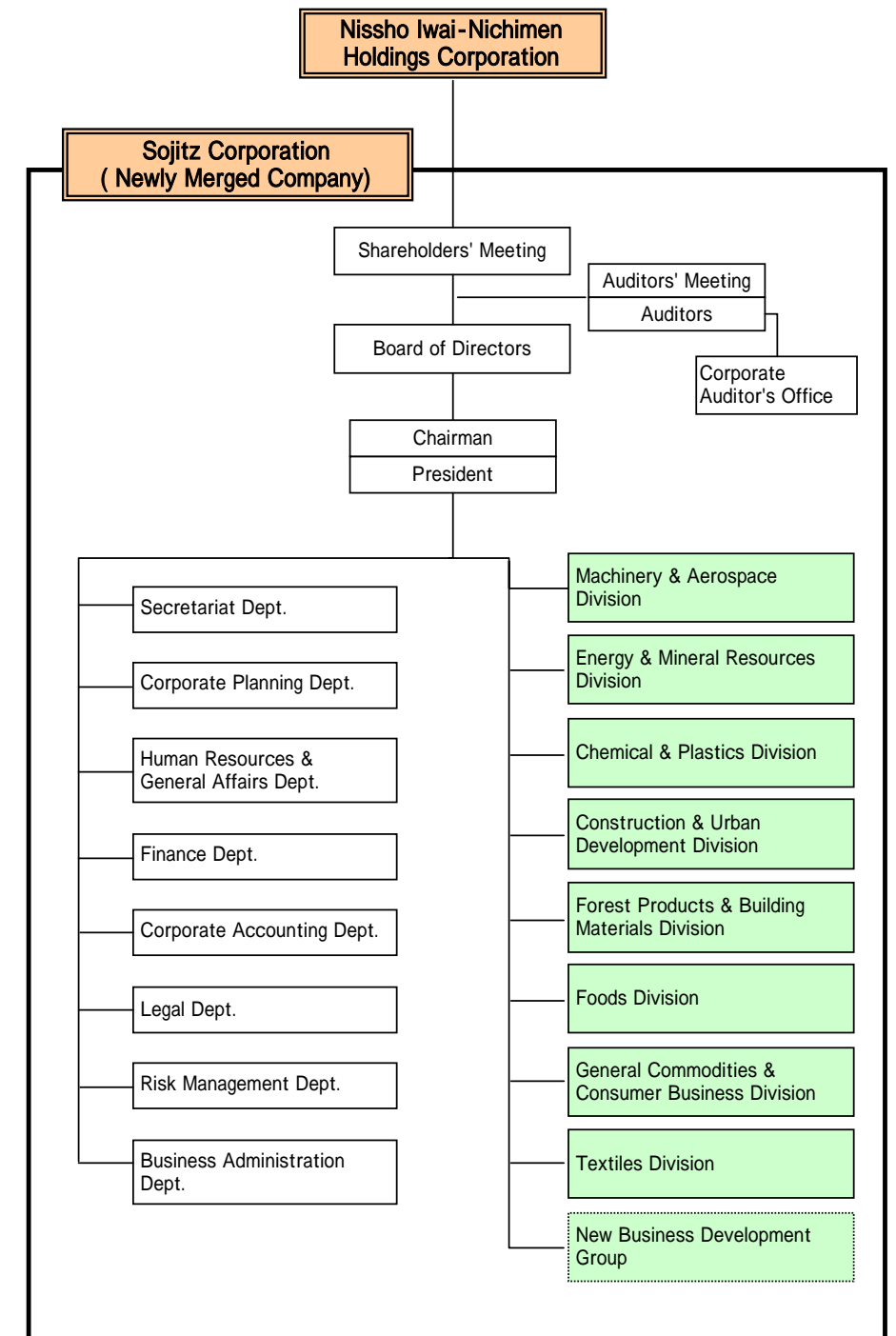
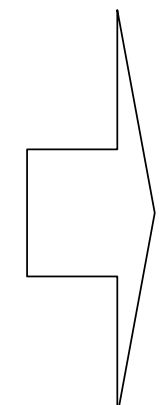
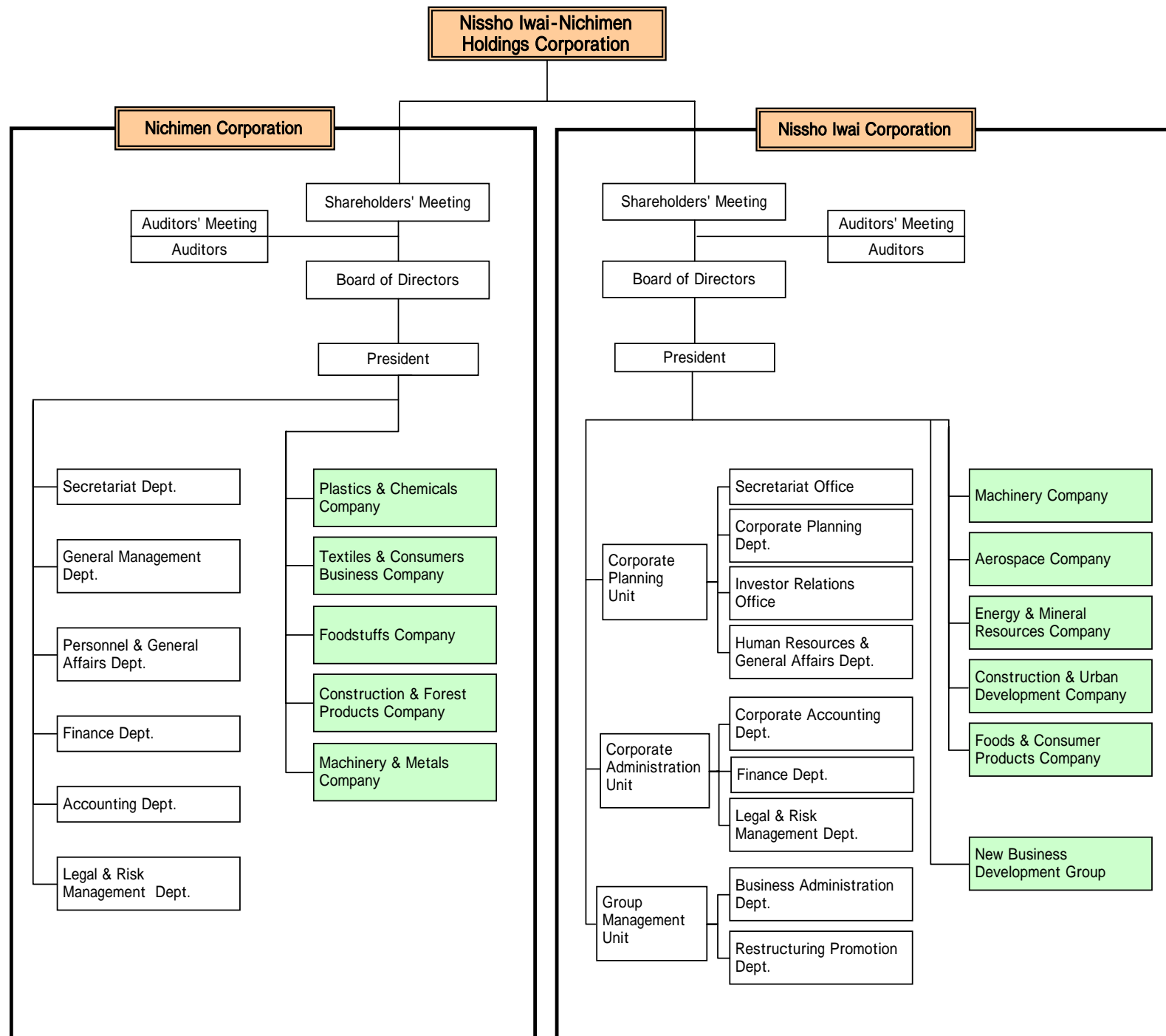
Note: The above organization chart is a visual representation of the proposed structure and may not conform to actual positions and the number of directors.

Head Office Organizational Structure of the Newly Merged Company ( Sojitz Corporation )  
(Tentative)

(Appendix 3)

As of January 1, 2004

As of April 1, 2004



Management and Business Execution Structure of Sojitz Corporation

(Candidate for Directors and Executive Officers, and the Charge)

## 1. Directors (\* Representative Director)

Masaki Hashikawa *	Chairman	
Akio Dobashi *	President	CEO
Kenichi Minami *	Executive Vice President	
Kenji Okazaki *	Senior Managing Executive Officer	CFO Finance Dept., Corporate Accounting Dept., Legal Dept. Risk Management Dept.;
Yutaka Kase *	Senior Managing Executive Officer	CIO Secretariat Dept., Corporate Planning Dept., Human Resources & General Affairs Dept., Business Administration Dept., Overseas Operations
Yasuyuki Fujishima	Senior Managing Executive Officer	New Business Development Group
Katsuyuki Sumida	Senior Managing Executive Officer	President, Chemicals & Plastics Division

## 2. Executive Officers

Kazuo Sekikawa	Senior Managing Executive Officer	President & CEO For the Americas
Hiroyuki Tanabe	Senior Managing Executive Officer	President, Energy & Mineral Resources Division
Katsuhiko Kobayashi	Senior Managing Executive Officer	Risk Management Dept.; and assigned for Special Mission (M&A)

Yasushi Hoshika	Senior Managing Executive Officer	President & CEO For Europe & Africa
Mitsuo Muto	Senior Managing Executive Officer	Legal Dept. Risk Management Dept.
Hiroshi Kanematsu	Managing Executive Officer	President & CEO For Asia
Keisuke Ishihara	Managing Executive Officer	President & CEO For China
Kazunori Teraoka	Managing Executive Officer	President, Machinery & Aerospace Division
Mamoru Sato	Managing Executive Officer	President, Forest Products & Building Materials Division
Toshimasa Dohi	Managing Executive Officer	President, Construction & Urban Development Division
Jun Matsumoto	Managing Executive Officer	President, Foods Division
Yoji Sato	Managing Executive Officer	Finance Dept. Corporate Accounting Dept.
Shinichi Taniguchi	Managing Executive Officer	Corporate Planning Dept. Human Resources & General Affairs Dept.
Joji Suzuki	Managing Executive Officer	Corporate Planning Dept. Human Resources & General Affairs Dept.
Yoshimi Ota	Managing Executive Officer	President, General Commodities & Consumer Business Division
Yukio Miyajima	Managing Executive Officer	Business Administration Dept. Overseas Operations
Eiji Okawa	Executive Officer	CFO, China (Hong Kong base)
Shuhei Inoue	Executive Officer	Senior Vice President, Energy & Mineral Resources Division
Taichi Yonemura	Executive Officer	President, Textiles Division

Masao Ichishi	Executive Officer	Senior Vice President, Construction & Urban Development Division
Michiharu Katsura	Executive Officer	Senior Vice President, Machinery & Aerospace Division
Takashi Tsukada	Executive Officer	CFO, For the Americas (New York)
Tetsuya Konoda	Executive Officer	General Manager, Finance Dept.
Junichi Hamatsuka	Executive Officer	General Manager, Corporate Accounting Dept.



# **Our New Group Structure and Group Name**

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**Nissho Iwai - Nichimen Holdings Corporation**

**February 10, 2004**

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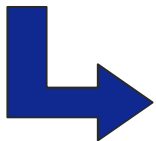
<b>. Group Management Vision</b>	<b>P. 1</b>
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# Group Management Vision

- ◆ 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.
- ◆ Establish an innovative trading company, to actively respond to environmental changes and market globalization, and continuously develop new business fields through entrepreneurship.
- ◆ Establish a functional trading company, to understand multiple customer needs and provide sophisticated, tailor-made services as each customer's business partner.
- ◆ Establish an open company, where each employee is given a chance to realize his or her own personal goals and ambitions.

# Business Integration—Progress to Date

- ◆ On April 1, 2003, Nichimen Corporation and Nissho Iwai Corporation established a joint holding company, Nissho Iwai – Nichimen Holdings Corporation.
- ◆ During the last year we have reinforced a number of initiatives based on the keywords of “Speed & Action” underpinned by the goals of an “Improvement in Profitability,” and the “Reinforcement of Financial Strength” identified in our Business Plan.
- ◆ In preparation for the second year of our Business Plan, we have been considering the most appropriate structure and name for the new Group with the aim of creating the ultimate management integration structure and maximizing integration efficiency.



**Resolution to merge the operations of Nichimen and Nissho Iwai culminating in a corporate rebirth as the “Sojitz Group.”**

# New Group Name

The Nissho Iwai – Nichimen Group will adopt a new name,

## “The Sojitz Group”

- ◆ Rationale : The name “Sojitz” is composed of two parts.
  - The Japanese word “so” is used to symbolize the strong partnership among us, our customers, and our society.
  - The Japanese word “jitz” symbolizes our efforts to become a corporate group characterized by its dynamic energy and a source of great power.
- ⇒ Together, “Sojitz” embodies the Group’s commitment and dedication to secure sustained growth in concert with our customers and to realize a bright and prosperous future.

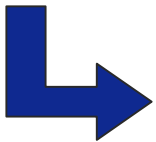
### New Group Name Effective Date

- The new Group name will take effect from today, February 10, 2004.
- The change of the holding company name from “Nissho Iwai - Nichimen Holdings Corporation” to “Sojitz Holdings Corporation” will take effect on July 1, 2004, following approval at its Annual General Meeting of Shareholders to be held in June.
- Its affiliates will change their names on a gradual basis commencing February 10, 2004.

# Merger Details

## Objectives of Business Integration

- ◆ The operations of Nichimen Corporation and Nissho Iwai Corporation will merge on April 1, 2004 with the aim of maximizing business efficiency.
- ◆ Under the umbrella of the holding company, the merger of the two core operating companies will produce a number of benefits.
  - To improve profitability by enhancing collective strengths and pursuing business synergies
  - To reinforce operating and financial strength by securing flexibility through increased business reorganization, rationalization and by promoting management efficiency



**Working toward the goals of our Business Plan to become an innovative and functional trading company.**

# Merger Details

## Timeline

### ◆ Merger Date

- April 1, 2004

### ◆ Important Milestones

- February 10, 2004 Approval of the merger agreement by the Board of Directors of Nissho Iwai – Nichimen Holdings Corporation, Nichimen Corporation and Nissho Iwai Corporation
- February 10, 2004 Execution of the Merger Agreement
- February 26, 2004 Scheduled ratification of the Merger Agreement at respective shareholders' meetings of Nichimen Corporation and Nissho Iwai Corporation
- April 1, 2004 Scheduled date of the merger
- Early April, 2004 Scheduled registration of the merger

### ◆ Merger Method

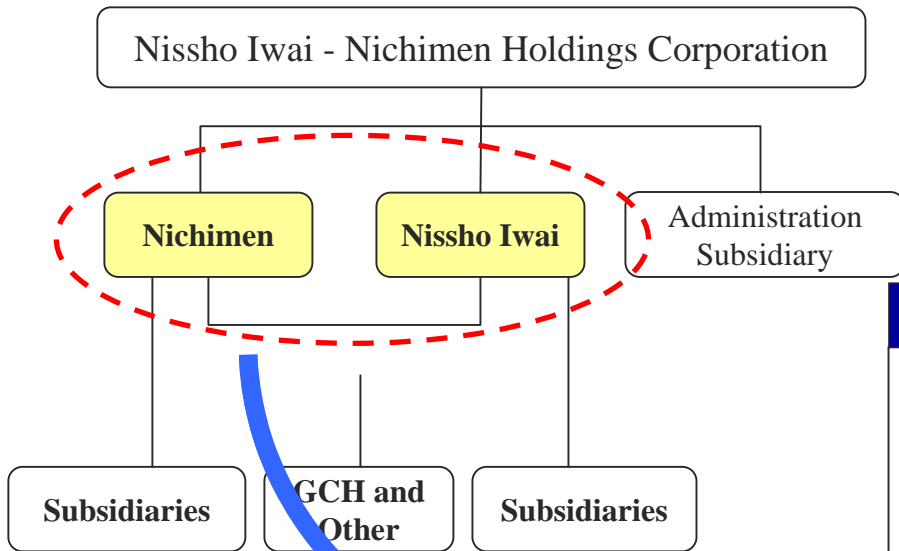
- In accordance with statutory requirements, Nichimen Corporation will remain as the surviving entity.

### ◆ Merger Ratio

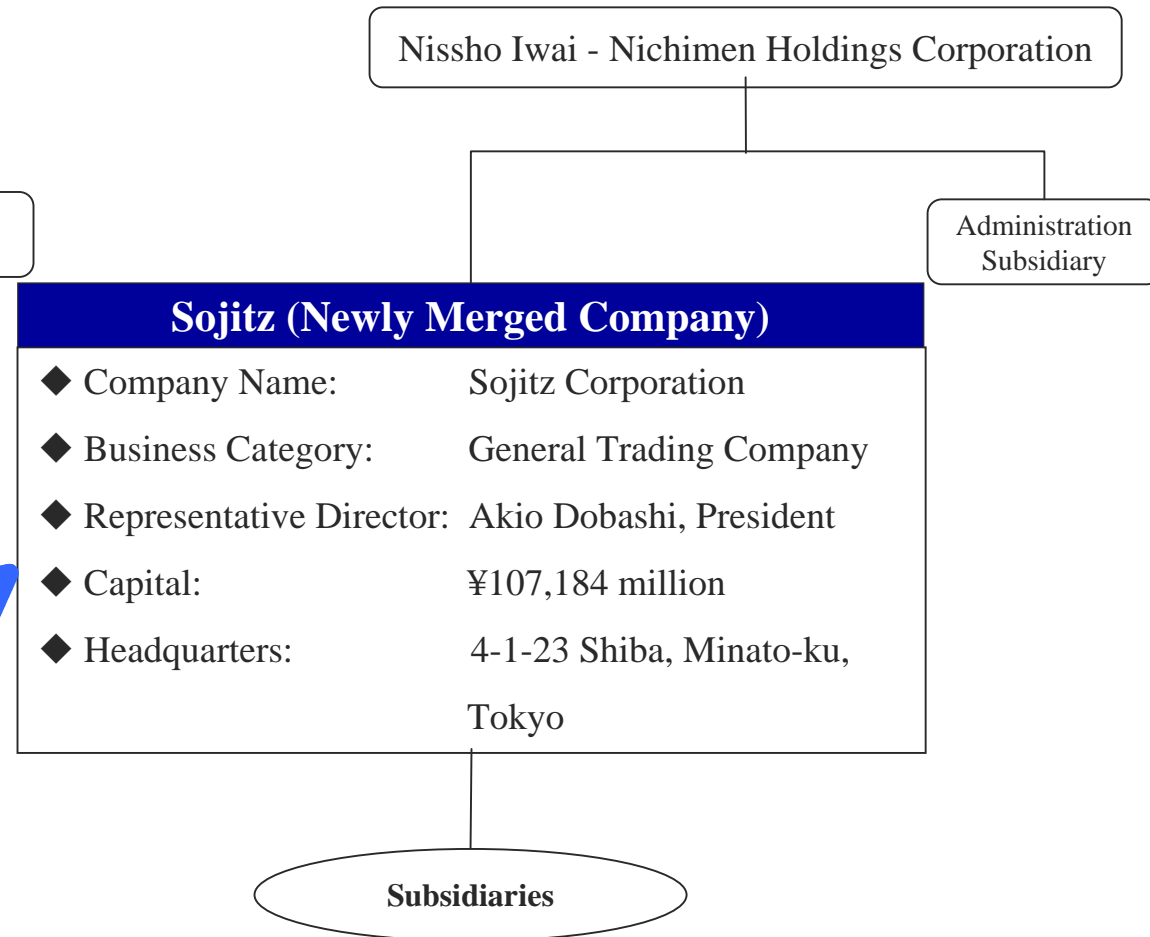
- Nichimen Corporation and Nissho Iwai Corporation are wholly owned subsidiaries of the holding company. Accordingly, a merger ratio shall not be determined. In addition, no new shares shall be issued and no money delivered as a result of the merger.

# Group Structure

## Current



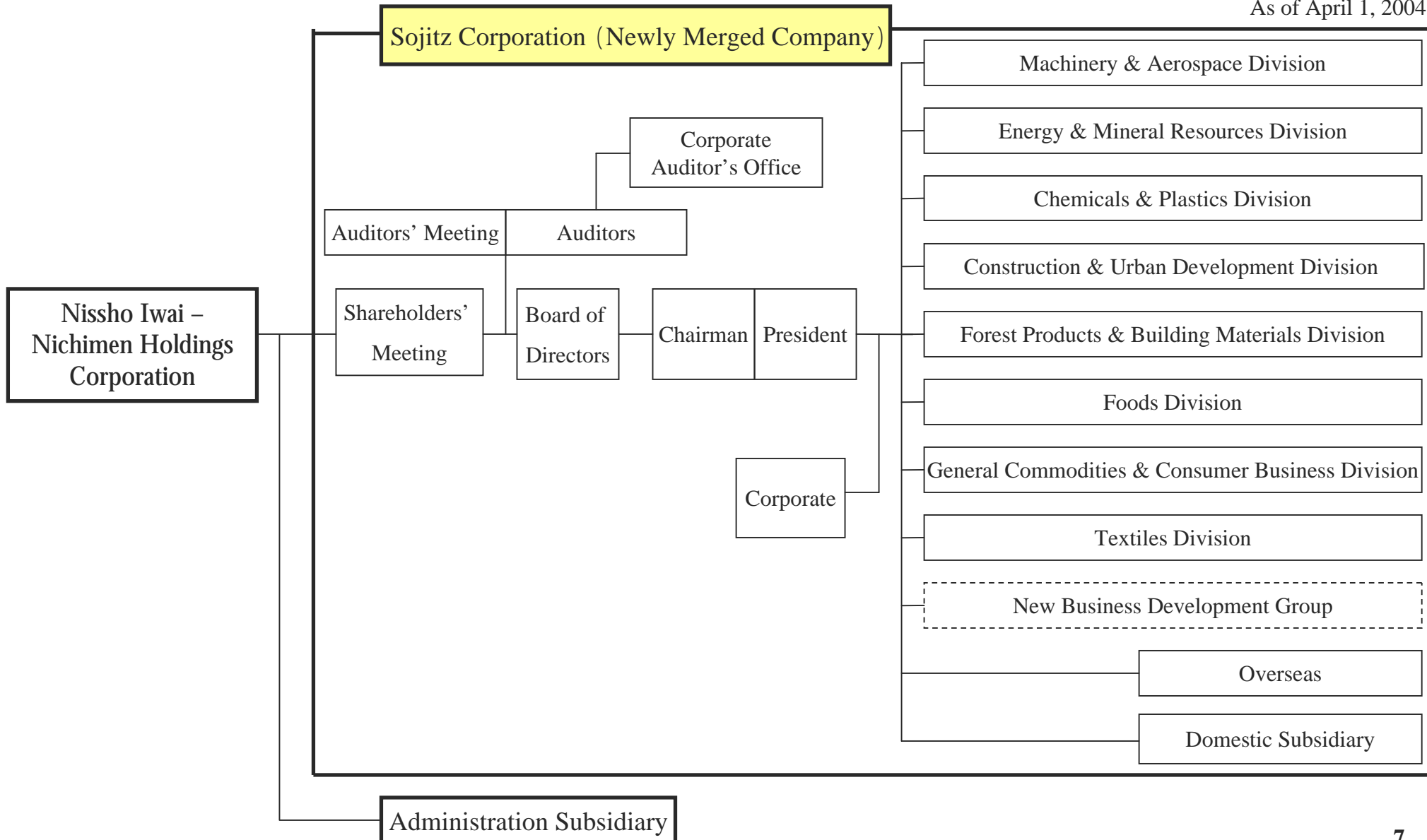
## From April 1, 2004



# Group Structure

## (Organizational Structure of Newly Merged Company)

As of April 1, 2004



# Group Structure

## (Group Management Policy)

### ◆ Function of Nissho Iwai - Nichimen Holdings Corporation

- Sojitz Holding Corporation, as a publicly listed company, will maintain management responsibility and accountability to its shareholders and all other stakeholders.  
In addition, it is responsible for the overall planning, decision-making, management, and implementation of Group guidelines and policies relating to matters of primary importance. In order to further reinforce management transparency and corporate governance, it plans to appoint outside directors, who will also chair the Company's Nomination and Remuneration Committees.
- The Holding Company Board of Directors is the principal decision-making body of the Group and is responsible for deliberating and determining matters of primary importance. The Board of Directors will, however, delegate a significant portion of their authority to the newly merged company with the aim of promoting management efficiency and speed and eliminating duplication in decision-making and operations.

### ◆ Function of the Newly Merged Company “Sojitz Corporation”

- The newly merged company shall form the core operating company of the Group and also oversee the operations of affiliated companies.
- Under the authority delegated to it by the Holding Company, the newly merged company shall deliberate and determine all matters not deliberated and determined by the Holding Company.
- A number of initiatives shall be adopted to ensure the newly merged company fulfills its designated role. These initiatives include the establishment of a Board of Directors as the principal decision-making body and Management Meetings (tentative name), which shall be convened to deliberate and determine relevant matters.
- Moreover, to support the management meetings identified above, a Business Investment and Finance Committee (tentative name) and a number of other committees shall be established to discuss and deliberate over each proposal.

# Group Structure (Corporate Governance)

Shareholders (Shareholders' Meeting)

Management

Holding Company (Nissho Iwai – Nichimen Holdings Corporation)

**Board of Directors \*1)**

\*1) Certain directors are concurrent directors of the newly merged company

Auditors (Auditors' Meeting)

Advisory Function

Nomination Committee \*2)

Remuneration Committee \*2)

Management  
Supervision

Corporate

\*2) Outside director is the chairperson.  
These Committees are composed of certain directors and outside directors.

Newly Merged Company (Sojitz Corporation)

**Board of Directors \*3)**

Auditors (Auditors' Meeting)

Business  
Execution

**Management Meeting (tentative name) \*4)**

\*4) Composed of Executive Officers

Business Investment and Finance  
Committee (tentative name) and other  
committee

\*3) Certain directors are concurrent directors of the holding company

# Group Symbol

The Sojitz Group has identified a new corporate Group symbol in line with its management vision.



## Rationale

This Group symbol represents a visual expression of our underlying mission to stand at the forefront of global business development in partnership with our customers and to secure mutual growth with the global community.

## Symbol Mark

- The symbol mark is a dynamic image of two arrows soaring skyward, extending beyond the earth's horizon.
- The design is also a pictogram of the Japanese character for the "so" in our new name.

## Color

- We have identified "Sojitz blue" as the color for our symbol mark
- It represents the trust we are working to garner from our customers and society and our global efforts to pursue business with speed and a spirit of innovation.



## **Information on Future Performance (Forward-Looking Statements)**

This document contains forward-looking statements on the Company's business plans, and initiatives based on information available to management at the time of disclosure. Accordingly, readers are advised that actual results may differ from forward-looking statements due to a wide variety of factors.